

# SCHEME INFORMATION DOCUMENT (SID)



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

## TATA RETIREMENT SAVINGS FUND

(An open ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier))

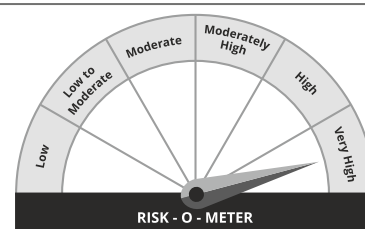
**These products are suitable for investors who are seeking\*:**

**PROGRESSIVE PLAN:** • Long Term Capital Appreciation. • An equity oriented (between 85%-100%) savings scheme which provides tool for retirement planning to individual investors.

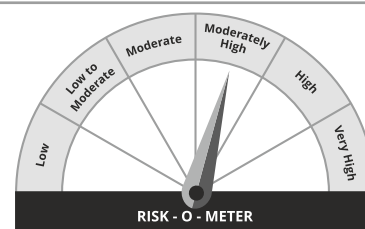
**MODERATE PLAN:** • Long Term Capital Appreciation & Current Income. • A predominantly equity oriented (between 65%-85%) savings scheme which provides tool for retirement planning to individual investors.

**CONSERVATIVE PLAN:** • Long Term Capital Appreciation & Current Income. • A debt oriented (between 70%-100%) savings scheme which provides tool for retirement planning to individual investors.

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



Investors understand that their principal will be at Very High Risk



Investors understand that their principal will be at Moderately High Risk

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

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of TATA Mutual Fund, Tax and Legal issues and general information on [www.tatamutualfund.com](http://www.tatamutualfund.com).

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

The Scheme Information Document should be read in conjunction with the SAI and not in isolation.

**This Scheme Information Document is dated 13 April, 2021**

<b>Scheme Opened on</b>	<b>07.10.2011</b>
<b>Scheme Closed on</b>	<b>21.10.2011</b>
<b>Scheme Re-opened on</b>	<b>09.11.2011</b>

Mutual Fund
<b>Tata Mutual Fund</b> 1903, B-Wing, Parinee Crescenzo, G-Block, BKC, Bandra (East), Mumbai - 400 051

AMC
<b>Tata Asset Management Ltd.</b> 1903, B-Wing, Parinee Crescenzo, G-Block, BKC, Bandra (East), Mumbai - 400 051 CIN: U65990-MH-1994-PLC-077090

Trustee
<b>Tata Trustee Company Ltd.</b> 1903, B-Wing, Parinee Crescenzo, G-Block, BKC, Bandra (East), Mumbai - 400 051 CIN: U65991-MH-1995-PLC-087722

**TATA RETIREMENT SAVINGS FUND**

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## TATA RETIREMENT SAVINGS FUND

### HIGHLIGHTS / SUMMARY OF THE SCHEME

Name of the Scheme	Tata Retirement Savings Fund (TRSF)
Type of Scheme	<p>An open ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier).</p> <p>The Fund is comprising of three Plans:</p> <ol style="list-style-type: none"> <li>I. Progressive Plan (an open ended equity scheme) - (TRSFP).</li> <li>II. Moderate Plan (an open ended equity scheme) – (TRSFM).</li> <li>III. Conservative Plan (an open ended debt scheme) – (TRSFC).</li> </ol>
Scheme Category	Solution Oriented Schemes-Retirement Fund
Compulsory Lock in period	<p>The scheme is having a lock-in of 5 years or till retirement age (whichever is earlier).</p> <p><b>Kindly note that lock in period is applicable when investor moves out of the Tata Retirement Savings Fund.</b></p>
Investment Objective	<p>The objective of the Fund is to provide a financial planning tool for long term financial security for investors based on their retirement planning goals.</p> <p>However, there can be no assurance that the investment objective of the fund will be realized, as actual market movements may be at variance with anticipated trends.</p>
Liquidity	The Fund comprises of three open ended plans. Each plan under the Fund will provide resale/repurchase facility at NAV based price subject to exit loads, as applicable, on all business days on an ongoing basis.
Benchmark	<p>Progressive Plan – S&amp; P BSE 200 TRI</p> <p>Moderate Plan – CRISIL Hybrid 25+75 Aggressive Index</p> <p>Conservative Plan – CRISIL Short Term Debt Hybrid 75+25 Fund Index</p>
Transparency of operation / NAV Disclosure	<p>The NAVs will be calculated and disclosed on every Business Day. The AMC shall prominently disclose the NAVs under a separate head on the website of the Fund (<a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a>) and of the Association of Mutual Funds in India-AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) by 11 p.m on every Business Day.</p> <p>Tata Mutual Fund shall disclose portfolio (along with ISIN) in user friendly and downloadable spreadsheet format, as on the last day of the month/half year for all their schemes on its website <a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a> within 10 days from the close of each month/half year.</p> <p>In addition to monthly portfolio Tata Mutual Fund shall also disclose fortnight portfolio for debt scheme within 5 days of every fortnight as per SEBI Circular SEBI/HO/IMD/DF3/CIR/P/2020/130 dated July 22, 2020.</p> <p>In case of unitholders whose email addresses are registered, Tata Mutual Fund shall 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.</p> <p>Due to difference in the expense ratio, the NAV of each option of Direct Plan will be different from the NAV of each option of Regular Plan. Similarly, due to payout of income distribution cum withdrawal option, the NAV of Income Distribution cum withdrawal Option will be different from the NAV of Growth option.</p> <p>In case of investment in overseas securities by the scheme(s) as mentioned in the asset allocation patten of the respective scheme, the NAV of the fund will be based on the prices of overseas securities converted into Indian rupees.</p>
Load Structure for SIP and Non-SIP Transactions under all the Plans of the Fund	<p><b>Entry Load:</b> N.A. for all the plans under the fund.</p> <p><b>Exit Load:</b></p> <ol style="list-style-type: none"> <li>a) <b>If redeemed / switched-out on or after attainment of retirement age i.e. 60 years of age - Nil</b></li> <li>b) <b>In case of Auto switch-out of units on occurrence of “Auto-switch trigger event” – Nil</b></li> <li>c) <b>For Redemption of units before 61 months from the date of allotment: 1% of the applicable NAV</b></li> </ol> <p>[The scheme has a lock-in period of 5 years or till retirement age i.e 60 Years (whichever is earlier)]</p> <p><b>Exit Load Free Switch-outs*:</b> After completion of 5 years from the date of allotment, investors can avail exit load free switch from one plan to other plan of 'the Fund. However, this facility is available for a maximum six occasions during the tenure of investment in the Fund.</p> <p>Switch-out before completion of 5 years from the date of allotment or switch-out to other schemes of 'Tata Mutual Fund' (i.e. other than switch between the plans of Tata Retirement Savings Fund) or switch-out beyond the allowed free occasions / times (i.e. 6 times) shall be subject to exit loads as mentioned in point (a,b &amp; c) above.</p> <p>Calculation of holding period – In case of switch-out (auto switch or otherwise) of units, before attainment of the</p>

## TATA RETIREMENT SAVINGS FUND

	<p>retirement age, to other plans of this fund, holding period for the purpose of exit load will be the overall holding period in "Tata Retirement Savings Fund" (i.e. aggregate of the holding period in switch out plan as well as switch in plan).</p> <p>*It may please be noted that, those investors who avail this exit load free switch-out facility are required to re-register for the auto-switch facility form the plan to which they switch-in. However, auto-SWP facility shall remain in force and will be activated, upon attainment of the age of 60 years, from the plan to which they switch-in.</p>																																				
Minimum subscription under each Plan of the Fund	Rs. 5,000/- and in multiples of Re. 1/- thereafter. For additional investment by existing investor Rs. 1,000/- and in multiples of Re.1/- thereafter.																																				
Duration of the plans under the scheme	The fund/plans, being open ended in nature, has perpetual duration.																																				
Investment Plans / Options	<p><b>The Fund offers three plans viz. Progressive Plan, Moderate Plan and Conservative Plan.</b></p> <p><b>Regular Plan ( For applications routed through Distributors) : Growth</b></p> <p><b>Direct Plan ( For applications not routed through Distributors) : Growth</b></p> <p><b>Default Plan:</b> 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 plan of the scheme:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 10%;">Scenario</th> <th style="width: 20%;">Broker Code mentioned by the investor</th> <th style="width: 20%;">Plan mentioned by the investor</th> <th style="width: 20%;">Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">Not mentioned</td> <td style="text-align: center;">Not mentioned</td> <td style="text-align: center;">Direct Plan</td> </tr> <tr> <td style="text-align: center;">2</td> <td style="text-align: center;">Not mentioned</td> <td style="text-align: center;">Direct Plan</td> <td style="text-align: center;">Direct Plan</td> </tr> <tr> <td style="text-align: center;">3</td> <td style="text-align: center;">Not mentioned</td> <td style="text-align: center;">Regular Plan</td> <td style="text-align: center;">Direct Plan</td> </tr> <tr> <td style="text-align: center;">4</td> <td style="text-align: center;">Mentioned</td> <td style="text-align: center;">Direct Plan</td> <td style="text-align: center;">Direct Plan</td> </tr> <tr> <td style="text-align: center;">5</td> <td style="text-align: center;">Direct Plan</td> <td style="text-align: center;">Not Mentioned</td> <td style="text-align: center;">Direct Plan</td> </tr> <tr> <td style="text-align: center;">6</td> <td style="text-align: center;">Direct Plan</td> <td style="text-align: center;">Regular Plan</td> <td style="text-align: center;">Direct Plan</td> </tr> <tr> <td style="text-align: center;">7</td> <td style="text-align: center;">Mentioned</td> <td style="text-align: center;">Regular Plan</td> <td style="text-align: center;">Regular Plan</td> </tr> <tr> <td style="text-align: center;">8</td> <td style="text-align: center;">Mentioned</td> <td style="text-align: center;">Not Mentioned</td> <td style="text-align: center;">Regular Plan</td> </tr> </tbody> </table> <p>In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load.</p>	Scenario	Broker Code mentioned by the investor	Plan mentioned by the investor	Default Plan to be captured	1	Not mentioned	Not mentioned	Direct Plan	2	Not mentioned	Direct Plan	Direct Plan	3	Not mentioned	Regular Plan	Direct Plan	4	Mentioned	Direct Plan	Direct Plan	5	Direct Plan	Not Mentioned	Direct Plan	6	Direct Plan	Regular Plan	Direct Plan	7	Mentioned	Regular Plan	Regular Plan	8	Mentioned	Not Mentioned	Regular Plan
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8	Mentioned	Not Mentioned	Regular Plan																																		
Default Option/Plan	<p>Investor should appropriately tick the 'plan' (Progressive / Moderate / Conservative) in the application form while investing in the fund. If plan is not indicated by the investor, then units shall, by default, be allotted as under:</p> <p>a) If, at the time of investment, investor's age is less than 45 years then "Progressive Plan" shall be considered as a default plan and units shall be allotted accordingly.</p> <p>b) If, at the time of investment, investor's age is 45 years or greater but less than 60 years then "Moderate Plan" shall be considered as a default plan and units shall be allotted accordingly.</p> <p>c) If, at the time of investment, investor's age is 60 years or greater then "Conservative Plan" shall be considered as a default plan and units shall be allotted accordingly.</p>																																				

- A Mutual Fund - sponsored by Tata Sons Limited (TSL) and Tata Investment Corporation Limited (TICL).

- The Fund is managed by Tata Asset Management Limited (TAML).

- **Interpretation:**

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

- The terms defined in this SID includes the plural as well as the singular.
- Pronouns having a masculine or feminine gender shall be deemed to include the other.
- The term "Fund" or "Scheme" if mentioned in-general, refers to all the plans (i.e. Progressive, Moderate & Conservative Plan) under the Fund. The term "investor" / "Investors", unless specified otherwise, refer to the individual investor's.

**OTHER KEY FEATURES OF THE SCHEME**

1.	<b>Who Can Invest</b>	<p>Since this Fund aims to provide an investment tool for retirement planning, at present the fund accepts subscriptions only from:</p> <p>i) Individual Category of Investors; and</p> <p>ii) Other Category of Investors where ultimate beneficiary is Individual(s).</p> <p>Irrespective of the age, above Investors can invest in any of the Plans of this Fund.</p> <p>In case of death of the investor, his or her nominee can, instead of withdrawing / redeeming the investments, choose to continue the investments under his or her name. However, in such cases investor (nominee) has to indicate his / her preference for Auto Switch / Auto SWP.</p>
2.	<b>Compulsory Lock In Period</b>	<p><b>Tata Retirement Savings Fund – Progressive Plan, Tata Retirement Savings Fund – Moderate Plan, Tata Retirement Savings Fund – Conservative Plan</b> are categorized as open ended retirement solution oriented Fund. These schemes shall have a compulsory lock-in period of 5 years or till retirement age whichever is earlier. The change is effective from 19<sup>th</sup> March'2018.</p> <p>The said lock-in period will not be applicable to any existing investment by an investor, registered Systematic Investment Plan (SIP) / Systematic Transfer Plan (STP) before the date of implementation of changes as indicated above.</p> <p><b>Kindly note that lock in period is applicable when investor moves out of the Tata Retirement Savings Fund.</b></p> <p>Lock in period shall not be applicable to Auto Switch facility or active switch of units among the three plans of Tata Retirement Savings Fund.</p>
3.	<b>Auto Switch Facility</b>	<p>Auto Switch is a facility wherein investors' investment shall be switched automatically from one plan to another plan upon occurrence of a pre-defined trigger which is linked with the age of the investor.</p> <p>Auto Switch facility is available in Progressive Plan and Moderate Plan.</p> <p><b><u>(A) Auto Switch under Progressive Plan:</u></b></p> <p><b>Option 1:</b></p> <p><b>Upon completion of 45 years of age, investments shall be switched automatically from “Progressive Plan” to “Moderate Plan”.</b> This option is applicable for those investors whose age at the time of investment is less than 45 years.</p> <p><b>Applicable NAV:</b> Such auto switch-out from “Progressive Plan” will be done at the applicable NAV on the date on which investor completes* the age of 45 years or immediate next business day if such day is non-business day subject to applicable provisions of NAV Applicability.</p> <p><b>Note:</b> For NAV applicability, kindly refer para related to Cut Off Timing for Subscription/Redemptions and Switches.</p> <p>Please note that upon completion of 60 years of age, investments shall be auto switched again to Conservative Plan. (Please refer Para “(B) Auto Switch under Moderate Plan” for further details on auto switch from Moderate plan to Conservative Plan).</p> <p><b>Option 2:</b></p> <p><b>Upon completion of 60 years of age, investments shall be switched automatically from “Progressive Plan” to “Conservative Plan”.</b></p> <p><b>Applicable NAV:</b> Since different cut-off timings are applicable for equity (Progressive Plan) and debt (Conservative Plan) oriented schemes, NAV applicability for switch-out from “Progressive Plan” and Switch-in to “Conservative Plan” shall be as under:</p> <p><b>For Switch-out from “Progressive Plan”:</b></p> <p>Auto switch-out will be done at the applicable NAV on the date on which investor completes* the age of 60 years or immediate next business day if such day is non-business day.</p> <p><b>For Switch-in to “Conservative Plan”:</b></p> <p>Switch-in will be done at the applicable NAV on the date on which funds are available for utilization in the “Conservative Plan”.</p> <p>For NAV applicability, kindly refer para related to Cut Off Timing for Subscription/Redemptions and Switches.</p> <p><b>However, if an investor does not wish to opt for auto switch facility, they can continue in the Progressive Plan and redeem the units on any business day at applicable NAV.</b></p> <p><b>Default Option:</b></p> <p>Investor should appropriately tick the 'option' (i.e. option 1 or option 2 or no auto switch) in the application form. If the option is not indicated by the investor, then units shall, by default, be allotted as under:</p> <p>a) If, at the time of investment, investor's age is less than 45 years then option 1 shall be considered as a default option and units shall be allotted accordingly.</p>

- b) If, at the time of investment, investor's age is 45 years or greater but less than 60 years then option 2 shall be considered as a default option and units shall be allotted accordingly.
- c) If, at the time of investment, investor's age is 60 years or greater then auto switch facility shall not be available and his investments shall, by default, remain invested in the original plan (i.e. Progressive Plan).

\*Example explaining the attainment of pre-defined age:

Date of Birth of the investor	Date of Completion of 45 years of age	Date of completion of 60 years of age
February 04, 1981	February 03, 2026	February 03, 2041

**(B) Auto Switch under Moderate Plan:**

**Option 1:**

**Upon completion of 60 years of age, investments shall be switched automatically from “Moderate Plan” to “Conservative Plan”.** This option is applicable for those investors whose age at the time of investment is less than 60 years.

**Applicable NAV:** Since different cut-off timings are applicable for equity (Moderate Plan) and debt (Conservative Plan) oriented schemes, NAV applicability for switch-out from “Moderate Plan” and Switch-in to “Conservative Plan” shall be as under:

**For Switch-out from “Moderate Plan”:**

Auto switch-out will be done at the applicable NAV on the date on which investor completes\* the age of 60 years or immediate next business day if such day is non-business day.

**For Switch-in to “Conservative Plan”:**

Switch-in will be done at the applicable NAV on the date on which funds are available for utilization in the “Conservative Plan”.

**Note:** For NAV applicability, kindly refer para related to Cut Off Timing for Subscription/Redemptions and Switches.

**However, if an investor does not wish to opt for auto switch facility, they can continue in the Moderate Plan and redeem the units on any business day at applicable NAV.**

**Default Option:**

Investor should appropriately tick the ‘option’ (i.e. option 1 or no auto switch) in the application form. If the option is not indicated by the investor, then units shall, by default, be allotted as under:

- a) If, at the time of investment, investor's age is less than 60 years then option 1 shall be considered as a default option and units shall be allotted accordingly.
- b) If, at the time of investment, investor's age is 60 years or greater then auto switch facility shall not be available and his investments shall, by default, remain invested in the original plan (i.e. Moderate Plan).

\* Example explaining the completion of pre-defined age:

Date of Birth of the investor	Date of completion of 60 years of age
February 04, 1981	February 03, 2041

**(C) Auto Switch under Conservative Plan:** Not Available.

**Please note that**

- Amount which gets switched-out (from the transferor plan) automatically under auto-switch facility shall be treated as redemption and shall be subject to Income Tax provisions as applicable on such redemption. Hence, In case of NRIs, such auto switch-out shall be subject to TDS as applicable.
- Subsequent to auto switch, if investor redeems or switches-out from the transferee plan (before completion of the age of 60 years) then such redemption / switch-out shall be subject to the exit load depending upon the holding period criteria as explained under “Load Structure”. However, holding period for the purpose of exit load will be the overall holding period in “Tata Retirement Savings Fund” (i.e. aggregate of the holding period in switch out plan as well as switch in plan). Please refer “load structure” for further details on exit load.
- For Income tax purposes, holding period shall be calculated from the date of investment in the respective plan instead of date of original investment in the Fund.

		<p><b>Calculation of holding period is illustrated below:</b></p> <p><b>For Taxation purpose:</b></p> <p>Suppose an investor invests in 'Progressive Plan' on say July 01, 2018 and on April 30, 2019 his investments are switched (automatically or otherwise) to other plan say 'Moderate Plan' and on December 31, 2019 'his investments from Moderate Plan' are again switched (automatically or otherwise) to other plan say 'Conservative Plan and ultimately such investments are redeemed on say January 31, 2020. Then in such case, provision of Income Tax shall be applied transaction-wise and there shall be following three transactions:</p> <ol style="list-style-type: none"> <li>1. Capital Gain / loss treatment on switching from Progressive Plan to Moderate plan. Considering the period of investment in Progressive plan i.e. from July 01, 2018 to April 30, 2019, capital gain / loss shall be short term in nature and shall be treated accordingly.</li> <li>2. Capital Gain / loss treatment on switching from Moderate Plan to Conservative plan. Considering the period of investment in Moderate plan i.e. from April 30, 2019 to December 31, 2019, capital gain / loss shall be short term in nature and shall be treated accordingly.</li> <li>3. Capital Gain / loss treatment on redeeming from Conservative Plan. Considering the period of investment in Conservative plan i.e. from December 31, 2019 to January 31, 2020, capital gain / loss shall be short term in nature and shall be treated accordingly.</li> </ol> <p><b>For Exit Load purpose:</b></p> <p>Referring to the scenario as mentioned above, to decide the applicability of exit load, investors' holding period shall be considered from July 01, 2018 to January 31, 2020 i.e. from the date of initial investment in Tata Retirement Savings Fund to the date of final exit from Tata Retirement Savings Fund.</p>
<p>4.</p>	<p><b>Auto SWP Facility (after attaining the retirement age i.e. 60 years)</b></p>	<p><b>This facility aims to provide a regular inflow of money to investors (monthly or quarterly) by automatic redemption of units in staggered manner after attainment of retirement age. This is subject to following terms:</b></p> <ol style="list-style-type: none"> <li>1) This facility is available under all plans of the fund.</li> <li>2) Auto SWP shall be either on a monthly or a quarterly frequency as mandated by the investors in application form;</li> <li>3) In case of Monthly Auto SWP, systematic withdrawal amount shall be equal to 0.50% of the market value of the investment as on the date of completion of 60 years of age in the respective plan and in case of Quarterly auto SWP, systematic withdrawal amount shall be equal to 1.5% of the market value of investment as on the date of completion of 60 years of age in the respective plan;</li> </ol> <p>Investors will also be given an option to withdraw a flat amount with a minimum amount being Rs.500 and in multiples of Rs.500 on monthly basis.</p> <ol style="list-style-type: none"> <li>4) i) SWP start date for those investors who have opted for auto switch facility on attainment of retirement age ie. 60 years: <ul style="list-style-type: none"> <li>▪ SWP shall start from the 1<sup>st</sup> working day the month followed by the month in which investments are auto – switched.</li> </ul> <p><i>For example, if investments are auto switched on May 3<sup>rd</sup>, then his auto SWP shall start from 1<sup>st</sup> June (assumed to be the first business day of the following month).</i></p> </li> <li>ii) SWP start date for other investors who have not opted for auto switch facility: <ul style="list-style-type: none"> <li>▪ SWP shall start from the 1<sup>st</sup> working day the month followed by the month in which investor attains the age of 60 years.</li> </ul> <p><i>For example, if an investor attains the age of 60 years on say May 16<sup>th</sup> then his auto SWP shall start from 1<sup>st</sup> June (assumed to be the first business day of the following month).</i></p> </li> </ol> <p><b>However, it may be noted that:</b></p> <ol style="list-style-type: none"> <li>1) Auto SWP facility is at the option of the investors. Investors can choose not to opt for this facility by ticking at the appropriate box in the application form. However, if investors does not indicate his/her option for auto SWP (i.e no auto SWP or monthly SWP or quarterly SWP), then quarterly SWP shall be considered as a default option. If investors have opted for auto SWP facility but have not indicated the specified the frequency for such auto SWP then quarterly SWP shall be considered as a default option.</li> <li>2) SWP amount as mentioned above is the default amount and investors can indicate their preference for a different SWP amount in the application form.</li> <li>3) Systematic withdrawal shall be treated as redemption for income tax purposes and shall be liable to capital gain (if any) tax. Hence, systematic withdrawal by NRIs shall be subject to TDS as applicable.</li> <li>4) For Income tax purposes, holding period shall be calculated at plan level instead of aggregating holding period in the Fund</li> <li>5) If investor registers for SWP (other than the auto SWP) before completion of 60 years of age, then such SWP shall be subject to the exit load depending upon the holding period criteria as explained under "Load Structure". However, holding period for the purpose of exit load will be the overall</li> </ol>

## TATA RETIREMENT SAVINGS FUND

		<b>holding period in “Tata Retirement Savings Fund” (i.e. aggregate of the holding period in switch out plan as well as switch in plan).</b>
5.	<b>Multi-plan Investment with a single Cheque facility</b>	<p>Under this facility, investors shall have an option to allocate the subscription amount to more than one plan under the fund. This facility can be availed of at the time of subscribing to the fund by specifying, in the application form, the specific % of investment amount to be allocated to the respective plan.</p> <p>Based on the instruction as given by the investors in the application form, subscription amount shall be allocated to the respective plans and units will be issued accordingly.</p> <p>However, if investor does not specify the allocation % then the entire subscription amount shall be allocated to the single plan as specified by the investor. In case investor fails to specify even a single plan, then units shall, by default, be issued under the following plans depending upon the age of the investors:</p> <p>i) In case the age of investor is less than 45 years then units shall be allotted under “Progressive Plan”.</p> <p>ii) In case the age of investor is 45 years or more but less than 60 years then units shall, by default, be allotted under “Moderate Plan”</p> <p>iii) In case the age of investor is 60 years or more then units shall, by default, be allotted under “Conservative Plan”.</p> <p><b>Please Note:</b></p> <p>1. <b>Irrespective whether investor wants to opt for multi-plan investment facility or not, all subscription Cheque / Draft by the applicant should be made out <u>in favour of the fund name i.e. “Tata Retirement Savings Fund” only and not in favour of individual plans’ name.</u></b></p> <p>2. <b>in case of multi-plan investment with a single Cheque / Draft or multi-plan investment with separate Cheque / Draft on a single day, NAV applicability for investment in different plan under the fund shall differ depending upon the cut-off timings as applicable to the respective plan.</b></p>

### I. INTRODUCTION

#### A. RISK FACTORS

##### Standard Risk Factors:

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

##### Other Risk Factors:

##### Risk Related to the Overseas Investments:

The plans under the fund may invest in overseas securities and overseas investments are prone to following risks:

In respect of the corpus of the plan under the fund that is invested in overseas mutual fund schemes, investors shall bear the proportionate recurring expenses of such underlying scheme(s), in addition to the recurring expenses of the plan. Therefore, the returns attributable to such investments by the plan may be impacted or may, at times, be lower than the returns that the investors could obtain by directly investing in the said underlying scheme.

To the extent the assets of the plans under the fund are invested in overseas financial assets, there may be risks associated with currency movements, restrictions on repatriation and transaction procedures in overseas market. Further, the repatriation of capital to India may also be hampered by changes in regulations or political circumstances as well as the application to it of other restrictions on investment. In addition, country



risks would include events such as introduction of extraordinary exchange controls, economic deterioration, bi-lateral conflict leading to immobilization of the overseas financial assets and the prevalent tax laws of the respective jurisdiction for execution of trades or otherwise.

The plans under the fund may also invest in ADRs / GDRs / Foreign Debt Securities as permitted by Reserve Bank of India and Securities and Exchange Board of India. To the extent that some part of the assets of the plans may be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by the changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital also may be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

As the investments may be made in stocks of different countries, the portfolio shall be exposed to the political, economic and social risks with respect to each country. However, the portfolio manager shall ensure that his exposure to each country is limited so that the portfolio is not exposed to one country. Investments in various economies will also diversify and reduce this risk.

**Currency Risk:** The plans under the fund may invest in securities denominated in a broad range of currencies and may maintain cash in such currencies. As a consequence, fluctuations in the value of such currencies against the currency denomination of the relevant scheme will have a corresponding impact on the value of the portfolio. Furthermore, investors should be aware that movements in the rate of exchange between the currency of denomination of a fund and their home currency will affect the value of their shareholding when measured in their home currency.

### **Liquidity and Settlement Risks**

The liquidity of the Fund's / plans' investments may be inherently restricted by trading volumes, transfer procedures and settlement periods. From time to time, the various plans under the fund will invest in certain securities of certain companies, industries, sectors, etc. based on certain investment parameters as adopted internally by TAML. While at all times the Asset Management Company will endeavour that excessive holding/investment in certain securities of industries, sectors, etc. by the Fund/plans is avoided, the funds invested by the Fund / plans in certain securities of industries, sectors, etc. may acquire a substantial portion of the Fund's / plans' 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 Fund's / plans' ability to dispose of particular securities, when necessary, to meet the Fund's / plans' liquidity needs or in response to a specific economic event or during restructuring of the Fund's / plans' investment portfolio. Furthermore, from time to time, the Asset Management Company, the Custodian, the Registrar, any Associate, any Distributor, Dealer, any Company, Corporate Bodies, Trusts, any Retirement and Employee Benefit Funds or any Associate or otherwise, any scheme / mutual fund managed by the Asset Management Company or by any other Asset Management Company may invest in the Fund / plans. While at all times the Trustee Company and the Asset Management Company will endeavour that excessive holding of Units in the Fund / plans among a few Unitholders is avoided, however, the funds invested by these aforesaid persons may acquire a substantial portion of the Fund's / plans' outstanding Units and collectively may constitute a majority unitholder in the Fund / plans. Redemption of Units held by such persons may have an adverse impact on the value of the Units of the Fund / plans because of the timing of any such redemptions and this may impact the ability of other Unitholders to redeem their respective Units.

### **Investment Risks**

The value of, and income from, an investment in the Fund can decrease as well as increase, depending on a variety of factors which may affect the values and income generated by the fund's / plan's portfolio of securities. The returns of the individual plan's investments are based on the current yields of the securities, which may be affected generally by factors affecting capital markets such as price and volume, volatility in the stock markets, interest rates, currency exchange rates, foreign investment, changes in Government and Reserve Bank of India policy, taxation, political, economic or other developments, closure of the Stock Exchanges etc. Investors should understand that the investment pattern indicated, in line with prevailing market conditions, is only a hypothetical example as all investments involve risk and there is no assurance that the Fund's investment objective will be attained or that the Fund be in a position to maintain the model percentage of investment pattern particularly under exceptional circumstances.

The fund may use techniques and instruments for efficient portfolio management and to attempt to hedge or reduce the risk of such fluctuations. 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.

### **Securities Lending by the Mutual Fund**

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

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

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

### **Example:**

A fund has a security of a company which it would wish to hold for a long period of time as a core holding in the portfolio as per the fund manager's plan. In that case the investors would be benefited only to the extent of the rise in the value of the security, from time to time if any, on the

exchange. If the fund is enabled to lend the said security to a borrower who would be wanting to take advantage of the market fluctuations in its price, the borrower would return the security to the lender (fund) at a stipulated time or on demand for a negotiated compensation. The fund's unitholders can enhance their returns to the extent of the compensation it will earn for lending the same. An adequate security or collateral will have to be maintained by the intermediary. This should always be higher than the cost of the security. Thus it is in the interest of the investors that returns can be enhanced by way of stock lending rather than hold the security only for capital appreciation potential.

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

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

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

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

### **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 Fund. Besides, there is also temporary illiquidity of the securities that are lent out and the fund 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 fund 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.

### **Interest Rate Risk**

As with debt instruments, changes in interest rate may affect the Fund'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 plans are 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 Factors Concerning Floating Rate Debt Instruments and Fixed Rate Debt Instruments Swapped for Floating Rate Return**

1. **Basis Risk (Interest Rate Movement):** During the life of floating rate security or a swap the underlying benchmark index may become less active and may not capture the actual movement in interest rates or at times the benchmark may cease to exist. These type of events may result in loss of value in the portfolio.

2. Spread Risk: In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. However, depending upon the market conditions the spreads may move adversely or favourably leading to fluctuation in NAV.
3. In case of downward movement of interest rates, floating rate debt instruments will give a lower return than fixed rate debt instruments.

### **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".

### **Risk of Writing of Call Option Under a Covered Call Strategy (Applicable for Progressive & Moderate Plan)**

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.

### **Risks associated with Segregated Portfolio (Applicable For Moderate & Conservative Plan)**

Investor holding units of segregated portfolio may not able to liquidate their holding till the time recovery of money from the issuer.

Security comprises of segregated portfolio may not realise any value.

Listing of units of segregated portfolio in recognised stock exchange does not necessarily guarantee their liquidity. There may not be active trading of units in the stock market. Further trading price of units on the stock market may be significantly lower than the prevailing NAV.

### **Risks Associated with Investments in REITs and InvITs:( Applicable for Moderate & Conservative Plan)**

- 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.

### **Disclosures / Risk Factors with respect to investment in Securitized Debt:**

Securitized Debt such as Mortgage Backed Securities ("MBS") or Asset Backed Securities ("ABS") is a financial instrument (bond) whose interest and principal payments are backed by an underlying cash flow from another asset. Asset Securitization is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments. A typical process of asset securitization involves sale of specific receivables to a Special Purpose Vehicle (SPV) set up in the form of a trust or a company.

The SPV in turn issues financial instruments (promissory notes, participation certificates or other debt instruments) also referred to as "Securitized Debt" to the investors evidencing the beneficial ownership of the investors in the receivables. The financial instruments are rated by an independent credit rating agency.

### **Risks 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 Fund. 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 Fund 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 Fund 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 Fund may be exposed to a potential loss.

### 1. Risk profile of securitized debt vis a vis risk appetite of the fund:

Securitized Debt is a financial instrument (bond) whose interest and principal payments are backed by an underlying cash flow from another asset. In line with the investment strategy of the Fund and considering that there would be no intermediate redemption pressures for the Fund Manager, the Fund may take exposure to rated Securitized Debt with the intent to enhance portfolio yield without compromising on credit quality.

Further as a prudent measure of risk control, Investment in Securitized Debt will not exceed 50% of the net assets of the Fund.

### 2. Policy relating to originators based on nature of originator, track record, NPAs, losses in earlier securitized debt, etc

The evaluation parameters of the originators are as under:

- Track record
- Willingness to pay, through credit enhancement facilities etc.
- Ability to pay
- Business risk assessment, wherein following factors are considered:
  - Outlook for the economy (domestic and global)
  - Outlook for the industry
  - Company specific factors

#### Track record

We ensure that there is adequate past track record of the Originator before selection of the pool including a detailed look at the number of issuances in past, track record of issuances, experience of issuance team, etc. We also look at the credit profile of the Originator for its own debt. We normally invest only if the Originator's credit rating is at least 'AA' (+/- or equivalent) or above by a credit rating agency recognized by SEBI.

#### Willingness to pay

As the securitized structure has underlying collateral structure, depending on the asset class, historical NPA trend and other pool / loan characteristics, a credit enhancement in the form of cash collateral, such as fixed deposit, bank guarantee etc. is obtained, as a risk mitigation measure.

#### Ability to pay

This assessment is based on a detailed financial risk assessment.

A traditional SWOT analysis is used for identifying company specific financial risks. One of the most important factors for assessment is the quality of management based on its past track record and feedback from market participants. In order to assess financial risk a broad assessment of the issuer's financial statements is undertaken to review its ability to undergo stress on cash flows and asset quality.

#### Business risk assessment, wherein following factors are considered:

- Outlook for the economy (domestic and global)
- Outlook for the industry
- Company specific factors

In addition a detailed review and assessment of rating rationale is done including interactions with the company as well as agency.

Typically we would avoid investing in securitization transaction (without specific risk mitigant strategies / additional cash/security collaterals/ guarantees) if we have concerns on the following issues regarding the originator / underlying issuer:

- High default track record/ frequent alteration of redemption conditions / covenants
- High leverage ratios - both on a standalone basis as well on a consolidated level/ group level. This is very important in case of single borrower loan sell down
- Higher proportion of re-schedulement of underlying assets of the pool or loan
- Higher proportion of overdue assets of the pool or the underlying loan
- Poor reputation in market
- Insufficient track record of servicing of the pool or the loan

### 3. Risk mitigation strategies for investments with each kind of originator

**Risk Mitigation Strategies** - Investments in securitized debt will be done based on the assessment of the originator which is carried out by the Fixed Income team based on the in-house research capabilities as well as the inputs from the independent credit rating agencies.

In order to mitigate the risk at the issuer/originator level, the Fixed Income team will consider various factors which will include:

- size and reach of the originator

- the infrastructure and follow-up mechanism
- quality of information disseminated by the issuer/originator; and
- the Credit enhancement for different type of issuer/originator
- the originator's track record in that line of business

**4. The level of diversification with respect to the underlying assets, and risk mitigation measures for less diversified investments**

Majority of securitized debt investments shall be in asset backed pools wherein the underlying assets could be Medium and Heavy Commercial Vehicles, Light Commercial Vehicles (LCV), Cars, and Construction Equipment, Mortgages etc.

The Fund Manager will invest in securitized debt which are rated 'AA' (+/- or equivalent) or above by a credit rating agency recognized by SEBI. While the risks mentioned above cannot be eliminated completely, they may be minimized by considering the diversification of the underlying assets as well as credit and liquidity enhancements.

**Table 1: illustrates the framework that will be applied while evaluating investment decision relating to a pool securitization transaction:**

Characteristics/Type of Pool	Mortgage Loan	Commercial Vehicle and Construction Equipment	CAR	2 wheelers	Micro Finance Pools	Personal Loans	Single Sell Downs	Others
Approximate Average maturity (in Months)	Up to 120 months	Up to 60 months	Up to 60 months	Up to 60 months	Up to 12 months	Up to 36 months	Case by case basis	Any other class of securitized debt would be evaluated on a case by case basis
Collateral margin (including cash guarantees, excess interest spread, subordinate tranche)	In excess of 3%	In excess of 5%	In excess of 5%	In excess of 5%	In excess of 10%	In excess of 10%	Case by case basis	
Average Loan to Value Ratio	95% or lower	100% or lower*	95% or lower	95% or lower	Unsecured	Unsecured	Case by case basis	
Average seasoning of the Pool	Minimum 3 months	Minimum 6 months	Minimum 6 months	Minimum 6 months	Minimum 1 month	Minimum 2 months	Case by case basis	
Maximum single exposure range	5%	5%	1%	1%	<1%	<1%	Case by case basis	
Average single exposure range %	<5%	<5%	<1%	<1%	<1%	<1%	Case by case basis	

\* LTV based on chasis value

**Note:** The information contained herein is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our investment strategy, risk mitigation measures and other information contained herein may change in response to the same.

In addition to the framework as per the table above, we also take into account following factors, which are analyzed to ensure diversification of risk and measures identified for less diversified investments:

- Size of the loan: The size of each loan is generally analyzed on a sample basis and an analysis of the static pool of the originator is undertaken to ensure that the same matches with the static pool characteristics. It also indicates whether there is high reliance on very small ticket size borrower which could result in delayed and expensive recoveries.
- Average original maturity of the pool: The analysis of average maturity of the pool is undertaken to evaluate whether the tenor of the loans are generally in line with the average loans in the respective industry and repayment capacity of the borrower.
- Default rate distribution: The Fixed Income team generally ensures that all the contracts in the pool are current to ensure zero default rate distribution.
- Geographical Distribution: The analysis of geographical distribution of the pool is undertaken to ensure prevention of concentration risk.
- Risk Tranching: Typically, we avoid investing in mezzanine debt or equity of Securitized debt in the form of sub ordinate tranche, without specific risk mitigant strategies / additional cash / security collaterals/ guarantees, etc.
- Credit enhancement facility - credit enhancement facilities in the form of cash collateral, such as fixed deposits, bank guarantee etc could be obtained as a risk mitigation measure.
- Liquid facility - these parameters will be evaluated based on the asset class as mentioned in the table above
- Structure of the pool of underlying assets - The structure of the pool of underlying assets would be either single asset class or combination of various asset classes as mentioned in the table above. We could add new asset class depending upon the securitization structure and changes in market acceptability of asset classes

Investment in the Single Loan Securitization would be done based on the assessment of credit risk associated with the underlying borrower as well as the originator. The Fixed Income team will adhere internal credit process and perform a detailed review of the underlying borrower prior to making investments.

### **5. Minimum retention period of the debt by originator prior to securitization**

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements. In addition, RBI has proposed minimum holding period of between nine and twelve months for assets before they can be securitized. The minimum holding period depends on the tenor of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

### **6. Minimum retention percentage by originator of debts to be securitized**

Issuance of securitized debt is governed by the Reserve Bank of India. RBI norms cover the "true sale" criteria including credit enhancement and liquidity enhancements, including maximum exposure by the originator in the PTCs. In addition, RBI has proposed minimum retention requirement of between five and ten percent of the book value of the loans by the originator. The minimum retention requirement depends on the tenor and structure of the securitization transaction. The Fund will invest in securitized debt that are compliant with the laws and regulations.

### **7. The mechanism to tackle conflict of interest when the mutual fund invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme of the fund**

An investment by the fund in any security is done after detailed analysis by the Fixed Income team and in accordance with the investment objectives and the asset allocation pattern of a fund. All investments are made on an arms length basis without consideration of any investments (existing/potential) in the fund made by any party related/involved in the transaction. The robust credit process ensures that there is no conflict of interests when a scheme invests in securitized debt of an originator and the originator in turn makes investments in that particular scheme. Normally the issuer who is securitizing instrument is in need of money and is unlikely to have long term surplus to invest in mutual fund scheme.

Furthermore, there is clear cut segregation of duties and responsibilities with respect to Investment function and Sales function. Investment decisions are being taken independently based on the above mentioned parameters and investment by the originator in the fund is based on their own evaluation of the fund vis a vis their investment objectives.

### **8. The resources and mechanism of individual risk assessment with the AMC for monitoring investment in securitized debt**

The risk assessment process for securitized debt, as detailed in the preceding paragraphs, is same as any other credit. The investments in securitized debt are done after appropriate research by credit analyst. The ratings are monitored for any movement.

The resources for and mechanisms of individual risk assessment with the AMC for monitoring investment in securitized debt are as follows:

- Fixed Income Team - Risk assessment and monitoring of investment in Securitized Debt is done by credit team.
- Ratings are monitored for any movement - Based on the cash-flow report and analyst view, periodic review of utilization of credit enhancement shall be conducted and ratings shall be monitored accordingly.
- Wherever the fund's portfolio is disclosed, the AMC may give a comprehensive disclosure of Securitized debt instruments held in line with SEBI requirement.

**Note:** The information contained herein is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our investment strategy, risk mitigation measures and other information contained herein may change in response to the same.

**Note: The Risk Profile will be Medium to High.**

### **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.

### **Risk associated with investing in Repo of Corporate Bond Securities ( Applicable for Conservative Plan)**

To the extent the scheme invests in Repo of Corporate Bond Securities, the scheme will be subject to following risks –

- Corporate Bond Repo will be subject to counter party risk.
- The Scheme will be exposed to credit risk on the underlying collateral– downward migration of rating. The scheme may impose adequate haircut on the collateral to cushion against any diminution in the value of the collateral. Collateral will require to be rated AA and above rated where potential for downgrade/default is low. In addition, appropriate haircuts are applied on the market value of the underlying securities to adjust for the illiquidity and interest rate risk on the underlying instrument.
- Liquidity of collateral: In the event of default by the counterparty, the scheme would have recourse to recover its investments by selling the collateral in the market. If the underlying collateral is illiquid, then the Mutual Fund may incur an impact cost at the time of sale (lower price realization).

**Risk mitigation measures for equity and related investments:**

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

Nature of Risk	Measures to Mitigate Risk
Regulatory Risk	Online monitoring of various exposure limits by the Front Office System. Also as a back up, manual controls are also implemented.
Poor Portfolio Quality	Pre approved universe of stocks based on strong fundamental research. New stock addition only with the prior approval of investment committee.
Performance Risk	Periodical review of stock wise profit & loss. Review of fund performance vis. a vis. benchmark index as well as peer group.
Liquidity Risk	Periodical review of the liquidity position of each scrip (Market capitalization, average volume in the market vis. a vis. Portfolio Holding)
Concentration Risk	Cap on maximum single sector exposure. Cap on maximum single stock exposure. Exposure to minimum 'X' number of stocks / sectors in a portfolio.

Further, with respect to investments in overseas securities, apart from other risks, there is an inherent risk of currency fluctuation which can not be mitigated. However, the fund will strive to minimize such risk by hedging in the FOREX market as and when permitted.

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

Nature of Risk	Measures to mitigate risk
Liquidity Risk	<ul style="list-style-type: none"> <li>Focus on good quality paper at the time of portfolio construction</li> <li>Portfolio exposure spread over various maturity buckets.</li> </ul>
Credit Risk	<ul style="list-style-type: none"> <li>In house dedicated team for credit appraisal</li> <li>Issuer wise exposure limit</li> <li>Rating grade wise exposure limit</li> <li>Independent rating of fund portfolio by recognized rating agency.</li> <li>Periodical portfolio review by the Board of AMC</li> </ul>
Interest Rate Risk	<ul style="list-style-type: none"> <li>Close watch on the market events</li> <li>Active duration management</li> <li>Cap on Average Portfolio maturity depending upon the fund objective and strategy</li> <li>Portfolio exposure spread over various maturities.</li> </ul>
Regulatory Risk	Online monitoring of various exposure limits by the Front Office System also as a back up, 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.

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

The Scheme/Plan shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). The two conditions mentioned above shall be complied with on a calendar quarter basis, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. However, in case the Scheme / Plan(s) does not have a minimum of 20 investors, on an average basis, in the stipulated period (i.e. during the concerned calendar quarter), the provisions of Regulation 39(2) (c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at applicable NAV. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

**C. SPECIAL CONSIDERATIONS**

Investors are urged to study the terms of the SID carefully before investing in any of the plan of this Fund, and to retain this SID for future reference.

**Tax Consequences**

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

**Disclosure / Disclaimer**

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

Neither this SID nor the Units have been registered in any jurisdiction. The distribution of this SID in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this SID are required to inform themselves about, and to

## TATA RETIREMENT SAVINGS FUND

observe, any such restrictions. No persons receiving a copy of this SID or any accompanying application form in any such jurisdiction may treat this SID or such application form as constituting an invitation to them to subscribe for Units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this SID does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this SID and any persons wishing to apply for Units pursuant to this SID to inform themselves of, and to observe, all applicable laws and Regulations of such relevant jurisdiction.

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

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

The Mutual Fund may disclose details of the investor's account and transactions there under to those intermediaries whose stamp appears on the application form or who have been designated as such by the investor. In addition, the Mutual Fund may disclose such details to the bankers, as may be necessary for the purpose of effecting payments to the investor. The Fund may also disclose such details to regulatory and statutory authorities/bodies as may be required or necessary.

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

### **Other Business Activities of AMC:**

AMC has obtained registration from SEBI vide Registration No. INP000001058 dated September 14, 2004 to act as a Portfolio Manager under SEBI (Portfolio Managers) Regulations, 1993. AMC has appointed separate Fund Manager(s) for the same and back office is also segregated from Mutual Fund Back Office.

AMC managing schemes of Tata Alternative Investment Fund (Alternative Investment Fund-Category II & Category III). AMC has appointed separate Fund Manager(s) for the same and back office is also segregated from Mutual Fund Back Office.

AMC has obtained no objection from SEBI for providing investment advisory service and investment management services to Offshore Funds. These funds are registered with SEBI as Foreign Portfolio Investors (FPIs). In terms of Regulation 24 (b) (vi) of SEBI (Mutual Funds) Regulations, 1996 there is no need to appoint separate fund manager for managing these offshore funds.

AMC has implemented necessary controls to avoid conflicts of interest in managing above activities.

All other business activities mentioned above will be explicitly forbidden from the acquisition of any asset out of the assets of the mutual fund scheme which involves the assumption of any liability which is unlimited or shall not result in encumbrance of the assets of the mutual fund scheme in any way and also should not affect the net worth requirements of Tata Asset Management Limited for mutual fund operation.

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

### **D. DEFINITIONS & ABBREVIATION:**

1.	"Business Day"	A day other than <ul style="list-style-type: none"> <li>• Saturday and Sunday</li> <li>• a day on which the Bombay Stock Exchange Limited and/or National Stock Exchange of India Limited are closed for trading</li> <li>• a day on which sale and repurchase of units is suspended by the AMC</li> <li>• a day on which normal business could not be transacted due to storms, floods, bandhs, strikes etc.</li> </ul> The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres. In such circumstances notice will be published on the AMC website i.e www.tatamutualfund.com.
2.	"Business Hours"	Business hours are from 10.00 A.M. to 3.00 P.M. on any Business Day.
3.	"BSE' / "NSE"	Bombay Stock Exchange Limited / National Stock Exchange of India Limited
4.	"Calendar Year"	A Calendar Year shall be 12 full English Calendar months commencing from 1st January and ending on 31st December.



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5.	“Custodian” or “Citi Bank N. A	Standard Chartered Bank
6.	“Day”	Any day as per English Calendar viz. 365 days in a year.
7.	“Dividend”	Dividend = Income Distribution cum capital withdrawal (IDCW) Dividend Payout= Payout of Income Distribution cum capital withdrawal option (IDCW-Payout)
8.	“Exit Load”	Amount collected to cover the cost of providing Redemption / distribution related service to the Fund on a continuous basis.
9.	“Exposure” (for Derivative Positions)	<b><u>SEBI Circular No. Cir / IMD / DF / 11 / 2010 dated August 18, 2010</u></b> Each position taken in derivatives shall have an associated exposure as defined under. Exposure is the maximum possible loss that may occur on a position. However, certain derivative positions may theoretically have unlimited possible loss. Exposure in derivative positions shall be computed as follows:  <b>Long Futures</b> : Futures Price * Lot Size * Number of Contracts <b>Short Futures</b> : Futures Price * Lot Size * Number of Contracts <b>Option Bought</b> : Option Premium Paid * Lot Size * Number of Contracts
10.	“Financial Year”	A Financial Year shall be 12 full English Calendar months commencing from 1st April and ending on 31st March.
11.	“Group”	“Group” means a group as defined in clause (b) of the Explanation to Section 5 of the Competition Act, 2002 (12 of 2003)”
12.	“IMA”	Investment Management Agreement dated 9th May, 1995, as amended from time to time, between the TTCL & TAML.
13.	“Investor”	An investor means any resident or non-resident person whether individual or not (legal entity), who is eligible to subscribe units under the laws of his/her/their country of incorporation, establishment, citizenship, residence or domicile and under the Income Tax Act, 1961 including amendments thereto from time to time and who has made an application for subscribing units under the Scheme. Under normal circumstances, an Unitholder shall be deemed to be the investor.
14.	“Main Portfolio”	The term ‘main portfolio’ shall mean the scheme portfolio excluding the segregated portfolio.
15.	“Net Asset Value” or “NAV”	(a) In case of winding up of the Fund:  In respect of an Unit, the amount that would be payable to the holder of that Unit on any date if the fund were to be wound up and its assets distributed on that date (valuing assets and liabilities in accordance with the normal accounting policies of the Fund, but ignoring net distributable income of the current financial year and winding up expenses).  (b) Daily for Ongoing Sale/Redemption/ Switch:  In respect of a Unit, the amount that would be payable by/to the investor / holder of that Unit on any Valuation date by dividing the net assets of the Fund by the number of outstanding Units on the Valuation date.
16.	“Net Assets”	Net Assets of the Fund / Plan at any time shall be the value of the Fund's total assets less its liabilities taking into consideration the accruals and the provisions at that time.
17.	“Non- Resident Indian” / NRI	A person resident outside India who is a citizen of India or is a person of Indian origin as per the meaning assigned to the term under Foreign Exchange Management (Investment in firm or proprietary concern in India) Regulations, 2000.
18.	“Permissible Investments”	Investments made on account of the Unitholders of the Fund in securities and assets in accordance with the SEBI Regulations.
19.	“Portfolio”	Portfolio at any time shall include all Permissible Investments and Cash.
20.	“Regulations”	Regulations imply SEBI Regulations and the relevant rules and provisions of the Securities and Exchange Board of India (Depositories and participants) Regulations 1996, Public Debt Act 1944, the relevant notifications of the Government of India Ministry of Finance Department of Revenue, (Central Board of Direct Taxes), the Income Tax Act, 1961; Foreign Exchange Management Act, 1999 as amended from time to time and shall also include any Circulars, Press Releases or Notifications that may be issued by SEBI or the Government of India or the Reserve Bank of India from time to time.
21.	“Resident”	A resident means any person resident in India under the Foreign Exchange Management Act, 1999 and under the Income Tax Act, 1961, including amendments thereto from time to time.
22.	“Fund” / “Scheme”	Tata Retirement Savings Fund comprising of three plans viz Progressive Plan, Moderate Plan and Conservative Plan.
23.	“SEBI”	Securities & Exchange Board of India established under the Securities & Exchange Board of India Act, 1992.
24.	“SEBI Regulations”	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time and shall also include any Mutual Fund Regulations, Circulars, Press Releases, or Notifications that may be issued by SEBI or the Government of India to regulate the activities and growth of Mutual funds.
25.	“Segregated Portfolio”	The term ‘segregated portfolio’ shall mean a portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme.
26.	“SID”	Scheme Information Document
27.	“SAI”	Statement of Additional Information
28.	“SIP”	Systematic Investment Plan, a facility to invest systematically (Daily/Weekly/monthly / quarterly / half-yearly / yearly) in the fund.

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29.	“SWP”	Systematic Withdrawal Plan, a facility to redeem systematically (Daily/Weekly/monthly / quarterly / half-yearly / yearly) from the fund.
30.	“STP”	Systematic Transfer Plan, a facility to switch money / investment from this fund to other scheme(s) of Tata Mutual Fund, systematically (Daily/Weekly/monthly / quarterly / half-yearly / yearly
31.	“TAML”	Tata Asset Management Limited, the Asset Management Company (AMC), a company within the meaning of the Companies Act, 1956 (1 of 1956) and includes its successors and permitted assigns.
32.	“TICL”	Tata Investment Corporation Limited, a sponsor of the TMF and a shareholder of TAML, a company within the meaning of the Companies Act, 1913 and includes its successors and permitted assigns.
33.	“TMF” or “Fund”	Tata Mutual Fund, a trust established under a Trust Deed dated 9th May, 1995, under the provisions of The Indian Trusts Act, 1882, bearing SEBI registration No. MF/023/95/9.
34.	“Total Assets”	Total Assets of the Fund at any time shall be the total value of the Funds assets taking into consideration the accruals.
35.	“Total Portfolio”	The term ‘total portfolio’ shall mean the scheme portfolio including the securities affected by the credit event.
36.	“Trust Deed”	The Trust Deed of the Mutual Fund dated 9th May, 1995, as amended from time to time, made between TSL and TICL as the settlors, and TTCL as the Trustee.
37.	“TSL”	Tata Sons Limited, a sponsor of TMF and a shareholder of TAML, a company within the meaning of the Companies Act, 1913 and includes its successors and permitted assigns.
38.	“TTCL or Trustee Company”	Tata Trustee Company Limited, a company within the meaning of the Companies Act, 1956 and includes its successors and permitted assigns.
39.	“Unitholder”	An Unitholder means any resident or non-resident person whether individual or not (legal entity), who is eligible to subscribe to the Fund and who has been allotted Units under the Fund based on a valid application.
40.	“Units”	The security representing the interests of the Unitholders in the Fund. Each Unit represents one undivided share in the assets of the Fund as evidenced by any letter/ advice or any other statement / certificate / instrument issued by TMF.
41.	“Year”	A Year shall be 12 full English Calendar months.

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

The following Due Diligence Certificate has been submitted to SEBI:

It is confirmed that:

- (i) the Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) all legal requirements connected with the running of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) the disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed fund.
- (iv) the intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

For **Tata Asset Management Limited**

Place: Mumbai  
Date: 13.04.2021

**Upesh K. Shah**  
Head – **Compliance**

II. INFORMATION ABOUT THE SCHEME

**These products are suitable for investors who are seeking\*:**

**TRSF-PROGRESSIVE PLAN:** • Long Term Capital Appreciation. • An equity oriented (between 85%-100%) savings scheme which provides tool for retirement planning to individual investors.

**TRSF-MODERATE PLAN:** • Long Term Capital Appreciation & Current Income. • A predominantly equity oriented (between 65%-85%) savings scheme which provides tool for retirement planning to individual investors.

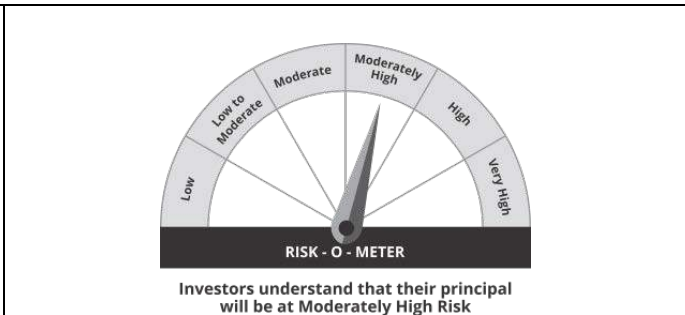
**\*Investors should consult their financial advisors if in doubt about whether the product is suitable for them**



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

**TRSF-CONSERVATIVE PLAN:** • Long Term Capital Appreciation & Current Income. • A debt oriented (between 70%-100%) savings scheme which provides tool for retirement planning to individual investors.

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



It may be noted that risk-o-meter specified above is based on the scheme characteristics. The same shall be updated in accordance with provisions of SEBI circular dated October 5, 2020 on Product labelling in mutual fund schemes on ongoing basis.

A. TYPE OF THE SCHEME

An open ended retirement solution oriented scheme having a lock-in of 5 years or till retirement age (whichever is earlier).

The Fund is comprising of following three Plans:

- i. Progressive Plan (an open ended equity scheme)
- ii. Moderate Plan (an open ended equity scheme)
- iii. Conservative Plan (an open ended debt scheme)

B. INVESTMENT OBJECTIVE OF THE SCHEME

The objective of the fund is to provide a financial planning tool for long term financial security for investors based on their retirement planning goals.

However, there can be no assurance that the investment objective of the fund will be realized, as actual market movements may be at variance with anticipated trends.

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

Tata Retirement Savings Fund is a fund which aims to provide an investment tool for retirement planning of individual investors. Depending upon the risk appetite and the age group of the investors, this fund offers three plans with different asset allocation under each plan.

At present there are no other schemes with such kind of features. Below mentioned is the comparison of this fund with other existing schemes of the same category of Tata Mutual Fund:

**Comparison for Tata Retirement Savings Fund with existing schemes:**

Scheme Name	Asset Allocation Pattern	Primary Investment Focus	AUM as on 31 <sup>st</sup> Mar'2021 (Rs. Crore)	No. of Folios as on 31 <sup>st</sup> Mar '2021
<b>Tata Retirement Savings Fund</b>	Progressive Plan: 80-100% in equity & equity related instruments. Debt & money market 0-15%, other securities: 0-10%. Moderate Plan: 65-85% in Equity & equity related instruments, 15-35% investments in Debt & related instruments & other securities 0-10% Conservative Plan: 0-30% in equity & equity related instruments. Debt &	The scheme is having three plans. 1) Progressive 2) Moderate 3) Conservative Plans. The objective of the Fund is to provide a financial planning tool for long term financial security for investors based on their retirement planning goals.  <b>At present we do not have</b>	Progressive-995.79 Moderate-1361.02 Conservative-167.18	Progressive-48588 Moderate-38254 Conservative-8105

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Scheme Name	Asset Allocation Pattern	Primary Investment Focus	AUM as on 31 <sup>st</sup> Mar'2021 (Rs. Crore)	No. of Folios as on 31 <sup>st</sup> Mar '2021
	money market 70-100%, other securities: 0-10%.	<b>other similar scheme.</b>		
<b>Tata Young Citizens' Fund</b>	65%-85% in Equity and Equity related instruments of companies and 15%-35%in Debt & Money Market Instruments.	Primarily focus on equity / equity related instruments of listed as well as unlisted companies aiming to generate long term capital growth. Scheme is having a lock in for atleast 5 years or till the child attains age of majority(whichever is earlier) <b>At present we do not have other similar scheme.</b>	228.54	32214

**Other unique features of Tata Retirement Savings Fund which differentiate it from the other schemes of Tata Mutual Fund:**

- Specifically designed for individual investors to plan their retirement goals.
- Auto Switch facility based on the predefined age criteria of the investors.
- Auto SWP facility to the investors on attainment of retirement age.

None of our existing schemes has these features at present.

**C. ASSET ALLOCATION AND RISK PROFILE**

Under normal circumstances, the asset allocation of the scheme will be as follows:

**Progressive Plan:**

Instruments	Indicative allocations (% to total assets)		Risk Profile
	Minimum	Maximum	
Equity and Equity related instruments	85	100	High
Debt & Money Market instruments	0	15	Low to Medium
Other Securities#	0	10	High

Investment by the plan in securitized debt will not normally exceed 15% of the net asset of the plan.

The plan level will have maximum derivative gross notional position of 100%^ of the net assets of the plan. Investment in derivative instruments may be done for trading as well as for hedging and Portfolio balancing. The scheme may write call options under covered call strategy

Not more than 25% of the net assets of the plan shall be deployed in securities lending.

**^ For calculation of Gross Derivative Exposure, all types of derivative exposure i.e. long and short position (excluding short positions created for hedging) will be aggregated. The aggregate exposure to derivative position, equity / equity related instruments, debt instruments and money market instruments (excluding Tri-Party Repo, REPO and others cash equivalents instruments with residual maturity of less than 91 days) will not exceed 100% of the net assets of the plan.**

# Other securities shall include: Domestic Exchange Traded Funds, Overseas Exchange Traded Funds / Foreign Securities / Foreign Funds as may be permitted under the extant SEBI Regulations.

**Moderate Plan:**

Instruments	Indicative allocations (% to total assets)		Risk Profile
	Minimum	Maximum	
Equity and Equity related instruments	65	85	High
Debt & Money Market instruments	15	35	Low to Medium
Units of REITs & InvITs@	0	10	Medium to High
Other Securities#	0	10	High

Investment by the plan in securitized debt will not normally exceed 15% of the net asset of the plan.

The plan level will have maximum derivative gross notional position of 100%^ of the net assets of the plan. Investment in derivative instruments may be done for trading as well as for hedging and Portfolio balancing. The scheme may write call options under covered call strategy

Not more than 25% of the net assets of the plan shall be deployed in securities lending.

**^ For calculation of Gross Derivative Exposure, all types of derivative exposure i.e. long and short position (excluding short positions created for hedging) will be aggregated. The aggregate exposure to derivative position, equity / equity related instruments, debt instruments and money market instruments ,Reits & invits (excluding Tri-Party Repo, REPO and others cash equivalents instruments with residual maturity of less than 91 days) will not exceed 100% of the net assets of the plan.**

## TATA RETIREMENT SAVINGS FUND

# Other securities shall include: Domestic Exchange Traded Funds, Overseas Exchange Traded Funds / Foreign Securities / Foreign Funds as may be permitted under the extant SEBI Regulations.

@ 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 –

- a) more than 10% of its NAV in the units of REIT and InvIT; and
- b) more than 5% of its NAV in the units of REIT and InvIT issued by a single issuer

### Conservative Plan:

Instruments	Indicative allocations (% to total assets)		Risk Profile
	Minimum	Maximum	
Equity and Equity related instruments	0	30	High
Debt & Money Market instruments	70	100	Low to Medium
Units of REITs & InvITs@	0	10	Medium to High
Other Securities#	0	10	High

Investment by the plan in securitized debt will not normally exceed 25% of the net asset of the plan.

The plan level will have maximum derivative gross notional position of 100%^ of the net assets of the plan. Investment in derivative instruments may be done for trading as well as for hedging and Portfolio balancing.

Not more than 25% of the net assets of the plan shall be deployed in securities lending.

The scheme shall hold at least 10% of its net assets in liquid assets. For this purpose, liquid assets will include cash, government securities, T-Bills and repo on government securities. In case exposure in liquid assets falls below 10% of the net assets of the scheme, the AMC will ensure compliance with the requirement before making further investments.

**^ For calculation of Gross Derivative Exposure, all types of derivative exposure i.e. long and short position (excluding short positions created for hedging) will be aggregated. The aggregate exposure to derivative position, equity / equity related instruments, debt instruments and money market instruments, transaction in repo in corporate debt securities and Reits & Invits (excluding Tri-Party Repo, REPO and others cash equivalents instruments with residual maturity of less than 91 days) will not exceed 100% of the net assets of the plan.**

# Other securities shall include: Domestic Exchange Traded Funds, Overseas Exchange Traded Funds / Foreign Securities / Foreign Funds as may be permitted under the extant SEBI Regulations.

@ 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 –

- a) more than 10% of its NAV in the units of REIT and InvIT; and
- b) more than 5% of its NAV in the units of REIT and InvIT issued by a single issuer

### Please Note:

1. The above Asset Allocation Patterns are only indicative. The investment manager in line with the investment objective as may alter the above patterns for short term and on defensive consideration. The allocation between debt and equity will be decided based upon the prevailing market conditions, macro-economic environment and the performance of corporate sector, the equity market and other considerations.

2. All the three plans under the fund may have similar securities. However, the exact proportion of such securities will depend upon the asset allocation of the respective plan.

3. Investment in Foreign Securities / Overseas Financial Assets:

SEBI Vide Circular SEBI/HO/IMD/DF3/CIR/P/2020/225 dated November 5,2020 has revised the aggregate ceiling for the mutual fund industry to invest in following securities Up to US \$ 7 billion, and within this limit of US \$ 7 billion, individual Mutual Fund can make overseas investments in following securities to a maximum of US \$ 600 million.

SEBI vide circular dt. September 26, 2007 has permitted mutual funds to invest in following types of foreign securities:

- ADRs/GDRs issued by Indian companies or foreign companies, Equity of overseas companies listed on recognized stock exchanges overseas
- Initial and follow on public offering for listing at recognized stock exchange overseas
- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- Money market instruments rated not below investment grade
- Repos in the form of investment, where the counterparty is rated not below investment grade; repos should not however, involve any borrowing of funds by mutual funds
- Government securities where the countries are rated not below investment grade
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Short term deposits with banks overseas where the issuer is rated not below investment grade

- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets).

SEBI Vide Circular SEBI/HO/IMD/DF3/CIR/P/2020/225 dated November 5,2020 permitted mutual fund to invest in overseas Exchange Traded Funds (ETFs) cumulatively upto US\$ 1 billion with a sub – ceiling of US \$ 200 million for individual Mutual Fund.

**Portfolio of overseas / foreign securities (if any) shall be managed by a dedicated Fund Manager, while selecting the securities the Fund Manager may rely on the inputs received from internal research or research conducted by external agencies in various geographies. The fund may also appoint overseas investment advisors / managers to advise / manage portfolio of foreign securities.**

The investment in such Overseas Financial Assets shall not exceed the limit as may be imposed by SEBI/ RBI from time to time.

AMC believes that overseas securities offer new investment and portfolio diversification opportunities into multi-market and multicurrency products. However, such investments also entail additional risks. The Fund may, where necessary, appoint other intermediaries of repute as advisors, sub-managers, or sub custodians for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements, if any, of SEBI.

To the extent that the assets of the plans will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets may be adversely affected by changes in the value of certain foreign currencies relative to the Indian rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances or any other restriction applicable to it. To manage risk associated with foreign currency and interest rate exposure and for efficient portfolio management, the fund may use derivatives such as cross currency swaps etc. The use of derivatives would be in accordance with the prevailing regulations.

4. The plans under the fund will purchase securities in the public offerings and rights issues, as well as those traded in the secondary markets. On occasions, if deemed appropriate, the plans will invest in securities sold directly by the issuer, or acquired in a negotiated transaction or issued by way of private placement. The moneys collected under various plans of the fund shall be invested only in transferable securities.
5. As per SEBI (Mutual Funds) Regulations 1996, the Fund shall not make any investments in any un-listed securities of associate / group companies of the Sponsors. The Fund will also not make investment in privately placed securities issued by associate / group companies of the Sponsors. The Fund may invest not more than 25% of the net assets in listed securities of Group companies.
6. 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 plans and protect unitholders interests so also to earn reasonable returns on liquid funds maintained for redemption/repurchase of units.

**Change in Investment Pattern** - Investment strategy and pattern may be deviated from time to time, provided such modification is in accordance with the Fund objective and Regulations as amended from time to time including by way of Circulars, Press Releases, or Notifications issued by SEBI or the Government of India to regulate the activities and growth of Mutual Funds. The asset allocation pattern will be reviewed periodically. In case of any deviation, the AMC will endeavour to achieve a normal asset allocation pattern in a maximum period of one month. However, if such modified / deviated portfolio is not rebalanced within a period of one month then justification for such delay in rebalancing of portfolio shall be placed before the investment committee and the reasons for the same shall be recorded in writing. The investment committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objectives of the scheme.

**Overview of Debt Market:**

The major players in the Indian Debt Markets are banks, financial institutions, insurance companies and mutual funds. The instruments in the market can be broadly categorized as those issued by corporate, banks, financial institutions and those issued by state/central governments. The risk associated with any investments are – credit risk, interest rate risks and liquidity risk. While corporate papers carry credit risk due to changing business conditions, government securities are perceived to have zero credit risk. Interest rate risk is present in all debt securities and depends on a variety of macroeconomic factors. The liquidity risk in corporate securities market is higher compared to those of government securities. The liquidity risk in corporate securities market is higher compared to those of government securities. Liquidity in the corporate debt market has been improving due to the entry of more players and due to various measures taken by the regulators to increase the liquidity and transparency such as introduction of repo in corporate bonds, Credit Default Swaps, compulsory reporting of secondary market OTC transactions on exchange platforms to name a few. Moreover, the recent successful e introduction of Interest Rate Future in the benchmark 10 year Government Bond will also likely to increase the depth in the debt market.

The market participants in the corporate debt and gilt markets are banks, financial institutions, mutual funds, corporates, insurance companies, FIs, primary dealers and provident funds. The main debt instruments in the market are those issued by Corporates and State/Central Governments. Corporate papers carry credit risk while government securities are believed to carry no credit risk. The main risks with investments in debt securities are interest rate risk, credit risk and liquidity risk. Interest rate risk associated with debt instruments depend on the macroeconomic environment. It includes both market price changes due to change in yields as well as coupon reinvestment rate risk. Corporate papers carry higher liquidity risk as compared to gilts due to the depth of the gilt market.

**Money Market:**

Money market encompasses a wide range of instruments with maturities ranging from one day to a year, issued by Government, Banks and corporates etc. and traded in markets of varying liquidity. The risk associated with any investments are – credit risk, interest rate risk and liquidity risk. However, such risks are lower in case of money market instruments compare to other debt instruments. Further, within the gamut of money market instruments as available in the market, such risks are very low in case of instruments issued by government. While corporate papers carry credit risk due to changing business conditions, government securities are perceived to have zero credit risk.

The following table attempts to give a broad overview of the available instruments in the financial markets and their risk return profile. The data given in the table is based on market conditions around the date of the Offer document and can at best be considered indicative:

**Expected Yields on Debt Securities (as on 15.03.2021)**

Issuer	Instruments	Maturity	Yields (%)
GOI	T-Bill	91 days	3.25
GOI	T-Bill	364 days	3.80
GOI	Short dated	1-3 yrs	5.10
GOI	Long dated	3-5 yrs	5.88
Corporate	AAA	1-3 yrs	5.65
Corporate	AAA	3-5 yrs	6.15
Corporate	AA	1-3 yrs	6.52
Corporate	AA	3-5 yrs	7.15
Corporate	CP	3 months	3.55
Corporate	CP	1 year	4.35
Banks	CD	3 months	3.49
Banks	CD	1 year	4.20
Repo		1-3 days	3.25

**D. WHERE WILL THE SCHEME INVEST**

In line with the investment allocation pattern of the respective plan, the plans under the fund will predominantly invest in

- i) Equity & equity related instruments; and / or
- ii) Debt and money market instruments including securitized debt instruments.
- iii) Other securities such as Domestic Exchange Traded Funds, Overseas Exchange Traded Funds / Foreign Securities / Foreign Funds as may be permitted under the extant SEBI Regulations

**Investment in Equities:**

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

- Equity shares of listed and to be listed companies;
- Preference shares;
- Convertible debentures;
- Convertible Preference shares.

**Investment in Debt Securities:**

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

- Money Market Instruments like commercial papers, Certificate of Deposits, Short Term Deposits, Treasury Bills and short term debt instruments etc. issued by various Corporate, Government – State or Central, Public Sector Undertakings etc;
- Non-Convertible Debentures;
- Securitised Debt (asset backed securities excluding mortgage backed securities),
- Zero Interest Bonds, Deep Discount Bonds, Floating Rate Bonds / Notes;
- Government Securities.

**Repo in Corporate Debt Securities (Applicable only for Conservative Plan)**

Tata Retirement Savings Fund -Conservative Plan may participate in repo in corporate debt securities subject to guidelines specified by RBI and SEBI which includes the following:

- Gross exposure to corporate bond repo transaction should be not more than 10% of the net asset of the scheme.
- The cumulative gross exposure through repo transactions in corporate debt securities along with equity, debt, reits & invits and derivatives shall not exceed 100% of the net assets of the Scheme.
- The Scheme will participate in repo transactions only in AA and above rated corporate debt securities.
- The Scheme may borrow through repo transactions (for redemption/dividend payout) only if the tenor of the transaction does not exceed a period of six months and aggregate borrowing is not more than 20% of net assets of the Scheme.
- Credit exposure will be on the counterparty and not on the collateral securities in case of corporate bond repo. Issuer and counterparty limits will be based on approved credit universe.

The scheme may invest in the units of REITs and InvITs. **(Applicable only for Moderate & Conservative Plan)**

“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 scheme will ensure compliance with the Seventh Schedule of the Mutual Funds Regulations about restrictions on investments, wherever applicable, with respect to repo transactions in corporate debt securities.

As mandated by SEBI vide circular CIR / IMD / DF / 19 / 2011 dated November 11, 2011, AMC and Trustee company of Tata Mutual Fund have specified norms for Category of counterparty, credit rating of counterparty, tenor of collateral and applicable haircuts for participation in repo in corporate bonds.

The above lists are illustrative and not the exhaustive and may include other money market securities as may be available / introduced in the market.

### Investment in Securitized Debt

Inherently, securitized debt is a riskier instrument as compared to similar debt instruments, as shown by the risk factors for securitized debt. The fund manager would therefore use great caution / discretion whilst dealing in such paper he would use it only in situation where the securitized debt is giving a marginally better return for a similarly profiled debt instrument or conversely, if a securitized debt instrument and a debt instrument are giving the same yield but the debt instrument is rated one notch lower in rating profile. It would be endeavored to ensure that the overall risk profile of the portfolio does not get materially concentrated in securitized debt and usage is only to get a better yield if the risk profile of the portfolio is not affected too adversely.

### Trading in Derivatives

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

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

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

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

Subject to SEBI (Mutual Fund) Regulations, 1996, The Scheme may invest in Derivative Instruments to the extent permitted under SEBI Circulars DNP/DF/Cir-29/2005 dated September 14, 2005, CIR/IMD/DF/11/2010 dated August 18, 2010 & SEBI/HO/IMD/DF2/CIR/P/2017/109 dated September 27, 2017.

For other option contracts, the total exposure related to option premium paid will not exceed 20% of the net assets of the scheme. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.

1. The total exposure related to option premium paid shall not exceed 20% of the net assets of the scheme.
2. The cumulative gross exposure through debt, money market instruments, transactions in repo in corporate debt securities, reits & invits, and derivative positions should not exceed 100% of the net assets of the scheme.
3. Cash or cash equivalents with residual maturity of less than 91 days will be treated as not creating any exposure.
4. Mutual funds are allowed to hedge the portfolio or part of the portfolio (including one or more securities) on weighted average modified duration basis by using Interest Rate Futures (IRFs). The maximum extent of short position that may be taken in IRFs to hedge interest rate risk of the portfolio or part of the portfolio, is as per the formula given below:

$$\frac{\text{(Portfolio Modified Duration*Market Value of the Portfolio)}}{\text{-----}}$$

$$\text{(Futures Modified Duration*Futures Price/PAR)}$$

In case the IRF used for hedging the interest rate risk has different underlying security(s) than the existing position being hedged, it would result in imperfect hedging.



## TATA RETIREMENT SAVINGS FUND

5. Mutual Funds are permitted to resort to imperfect hedging, without it being considered under the gross exposure limits, if and only if, the correlation between the portfolio or part of the portfolio (excluding the hedged portions, if any) and the IRF is atleast 0.9 at the time of initiation of hedge. In case of any subsequent deviation from the correlation criteria, the same may be rebalanced within 5 working days and if not rebalanced within the timeline, the derivative positions created for hedging shall be considered under the gross exposure. The correlation should be calculated for a period of last 90 days. At no point of time, the net modified duration of part of the portfolio being hedged should be negative.

The portion of imperfect hedging in excess of 20% of the net assets of the scheme should be considered as creating exposure and shall be included in the computation of gross exposure limit mentioned in clause 2 above.

6. The Mutual Fund may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions shall be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases shall not exceed the value of respective existing assets being hedged by the scheme.
7. Exposure to a single counterparty in such transactions shall not exceed 10% of the net assets of the scheme.
8. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be included under the limits mentioned in clause 2 above.

### Definition of Exposure in case of Derivative Positions

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

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

### Position Limits for Mutual Fund and its scheme

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

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

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

Additional position limit for hedging	
In addition to the position limits as mentioned above, Mutual Funds may take exposure in equity index derivatives subject to the following limits:	Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
	Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.
Position limit for Stock Options and Stock Futures contracts	
The combined futures and options position limit shall be 20% of the applicable Market Wide Position Limit (MWPL).	
This limit would be applicable on aggregate open positions in all futures and all option contracts on a particular underlying stock.	

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

The scheme-wise position limit requirements shall be:

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

### Position Limits for Interest Rate Future Contracts:

Scheme Level: The gross open positions across all contracts shall not exceed 3 % of the total open interest or INR 200 crores- whichever is higher.

Mutual Fund: The gross open positions across all contracts shall not exceed 10 % of the total open interest or INR 600 crores- whichever is higher.

**Derivative Instruments & Related Examples:****Futures:**

A futures contract is an agreement between the buyer and the seller for the purchase and sale of a particular asset at a specific price on a specific future date. The price at which the underlying asset would change hands in the future is agreed upon at the time of entering into the contract. The actual purchase or sale of the underlying asset involving payment of cash and delivery of the instrument does not take place until the contracted date of delivery. A futures contract involves an obligation on both the parties to fulfill the terms of the contract. Currently, futures contracts have a maximum expiration cycle of 3-months. A futures contract on the stock market index gives its owner the right and obligation to buy or sell the portfolio of stocks characterized by the index. Stock index futures are cash settled; there is no delivery of the underlying stocks.

**Example:**

<b>Index Future</b>	
Assume, 1-month Nifty Future price on day 1:	10110
Scheme Buys	100 Future Contracts
(1 lot =Nominal Value equivalent to 75 units of the underlying index)	
<b>Scenario 1</b>	
On the date of Settlement, the future price (closing spot price of the index)	10200
<b>Profit for the scheme (10200-10110) *100*75</b>	675000
<b>Scenario 2</b>	
On the date of Settlement, the future price (closing spot price of the index)	10050
<b>Loss for the scheme (10050-10110) *100*75</b>	-450000

**Risks associated with Future Contracts:** 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 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. Additional risks could be on account of illiquidity and potential mispricing of the futures.

**Options:**

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

**Example:**

<b>Call Option</b>	
Say, Scheme buys 1 lot of Nifty Index	75 Units
Spot price	10000
Strike price	10100
Premium	100
Total amount paid as premium (Rs.) (100X75)	Rs.7500
<b>Scenario 1: The Nifty Index goes up (i.e Nifty Spot)</b>	10250
<b>Scheme has reversed the position before expiry of the contract</b>	
Current Premium at the time of reversal	200
Net Gain Rs. (200-100)	100
Total gain on 1 lot of Nifty (75 units) Rs.(75x100)	Rs.7500
<b>Scheme has reversed the position ( i.e Nifty Option) at expiry</b>	
Nifty Spot on expiry	10275
Premium Paid(Rs.)	100
Exercise price	10100
Receivables on Exercise (10275-10100)	175
Total gain (Rs.) (175 -100) *75	Rs.5625
<b>Scenario 2: The Nifty index moves to the level below 10100</b>	
<b>Scheme does not gain anything but the loss to the scheme (limited to the actual premium paid)</b>	Rs. 7500

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<b>Put Option</b>	
Say, Scheme buys 1 lot of Nifty Index	75 Units
Spot Price	10000
Strike Price	9450
Premium	50
Total Amount Paid by the Scheme (75*50)	3750
<b>Scenario 1: Nifty Index goes down</b>	
<b>Scheme has reversed the position before expiry of the contract</b>	
Nifty Spot	9300
Current Premium at the time of reversal	80
Premium Paid (Rs.)	50
Net Gain (Rs.80-50)	30
Total Gain on 1 lot of Nifty (Rs.) (75x30)	Rs.2250
<b>Scheme has reversed the position at expiry</b>	
Nifty Spot	9375
Premium Paid (Rs.)	50
Exercise Price	9450
Gain on Exercise	75
Total Gain Rs.(75-50)*75)	Rs.1875
<b>Scenario 2: If Nifty Index Stays over the Strike price of 9450</b>	
Say Nifty Spot	9500
<b>Net Loss to the Scheme will be premium paid</b>	Rs.3750

**Risks associated with Option Contracts:** The option contracts give a person the right but not an obligation to buy or sell. The risk is potential mispricing and exposure to options can limit the profits from a genuine investment transaction.

### Various Derivatives Strategies:

#### 1. Index / Stock spot - Index / Stock Futures

The pricing of the futures is derived from underlying Index spot or the underlying stock. It is the cost of carry that binds the value of the futures to the underlying portfolio. When the two go out of sync, there are opportunities.

The cost of carry links the futures price to the price of the underlying asset. The price of the futures at any given instance should typically be more than the level of the spot price at that point. Theoretically, the fair value of the futures is equal to the spot price of the underlying plus the cost of carry i.e. the interest rate prevailing for an equivalent credit risk. Cash and carry trades at times provide higher than the prevailing interest rates. There is an opportunity to exploit by selling the overpriced futures and buying the underlying portfolio. It may also happen that the Index / Stock Future may be at a discount. In such cases, the Scheme may buy the future and sell the stock after borrowing the same. The Scheme shall enter into a combination of these transactions simultaneously.

If the Scheme has to unwind the positions prior to the expiry on account of redemptions or any other reason, the returns would depend on the spread between the spot and futures price at which the position is unwound. If the price differential between the spot and futures position of the subsequent month maturity is attractive near the expiry date, then the scheme may rollover the futures position and continue with the position in the spot market. The Scheme shall endeavour to deploy its assets through transactions in the above pattern, which may involve Index Futures with Stock Futures or Futures of the same stock with different expiry months.

#### 2. Cash Futures Arbitrage Strategy

The fund would look for market opportunities between the spot and the futures market. The cash futures arbitrage strategy can be employed when the price of the futures exceeds the price of the underlying stock. The fund would first buy the stocks in cash market and then sell in the futures market to lock the spread.

Buying the stock in cash market and selling the futures results in a hedge where the fund portfolio has locked in a spread and is not affected by the price movements in the spot and futures markets. The arbitrage position can be continued till expiry of the futures contracts. The futures contracts are settled based on the last half an hour's weighted average trade of the cash market. There is a convergence between the cash market and the futures market on expiry and this convergence results in the portfolio being able to generate the arbitrage return locked in earlier. However, the position may even be closed earlier in the event of the price differential being realized before expiry or better opportunities being available in other stocks / indexes. The strategy is attractive if this price differential (post all costs) is higher than the investor's cost-of capital.

#### Illustration of a Cash Futures Arbitrage Strategy: -

**Buy 100 shares of Company X at Rs 1000 and sell the same quantity of stock's futures of the Company X at Rs 1100.**

**1. Market goes up and the price on the expiry day is Rs 2000.**

At the end of the month (expiry day) the futures expires automatically:

Settlement price of futures = closing spot price = Rs 2000

Gain on stock is  $100 \times (2000 - 1000) = \text{Rs } 100,000$

Loss on futures is  $100 \times (1100 - 2000) = \text{Rs } -90,000$

Net gain is  $100,000 - 90,000 = \text{Rs } 10,000$

**2. Market goes down and the price on the expiry day is Rs 500.**

At the end of the month (expiry day) the futures expires automatically:

Settlement price of futures = closing spot price = Rs 500

Loss on stock is  $100 \times (500 - 1000) = \text{Rs } -50,000$

Gain on futures is  $100 \times (1100 - 500) = \text{Rs } 60,000$

Net gain is  $60,000 - 50,000 = \text{Rs } 10,000$

**Unwinding the position:**

**Buy 100 shares of Company X at Rs 1000 and sell the same quantity of stock's futures of the Company X at Rs 1100.**

The market goes up and at some point of time during the month (before expiry) the stock trades at Rs 1200 and the futures trades at Rs 1190 then

Fund Manager will unwind the position:

Buy back the futures at Rs 1190: loss incurred is  $(1100 - 1190) \times 100 = \text{Rs } -9,000$

Sell the stock at Rs 1200: gain realized:  $(1200 - 1000) \times 100 = \text{Rs } 20,000$

Net gain is  $20,000 - 9,000 = \text{Rs } 11,000$

**Rolling over the futures:**

The Scheme may continue to stay invested in the stock in the Cash market. Close to expiry, if the stock's price is at Rs 1500 then the stock's futures is close to Rs 1500 as well. Also if the price of the current month stock futures is below the current price of the next month stock futures, the scheme may roll over the futures position to the next expiry:

The price of the stock futures next month contract is at Rs 1510

The price of the stock futures current month contract is at Rs 1500

Then sell the futures next month contract at Rs 1510 and buy back current month futures contract at Rs 1500 = gain of  $100 \times (1510 - 1500) = \text{Rs } 9,000$  and the arbitrage position is rolled over.

**3. Use of derivative for other Arbitrage Opportunities**

**a. Dividend Arbitrage**

At the time of declaration of dividend, the stock futures / options market can provide a profitable opportunity. Generally, the stock prices decline by the dividend amount when the stock becomes ex-dividend.

**b. Buy-Back / Open Offer Arbitrage**

When the Company announces the buy-back or open offer of its own shares, there could be opportunities due to price differential in buyback price and traded price.

**c. Weighted average price of futures on expiry.**

The fund manager will aim at liquidating the cash market position in the last half an hour on expiry day at a rate that will be closed to weighted price in the spot market. However, the extreme volatility in last half an hour may effect the price and accordingly affect the return. Accordingly, fund will aim at taking exposure to those stocks where the bid and ask spread is minimum.

**d. Reverse cash and carry arbitrage**

If permitted by SEBI, the scheme may enter into reverse cash and carry arbitrage. This will involve borrowing stock for a defined period from a recognized counter-party and selling it in the market while simultaneously taking a long position in the stock futures. The above trade will be remunerative in scenarios where the stock/ index futures are trading at a discount to the underlying cash market. Once the discount narrows or converts to a premium, the position is unwound by buying back the stock/index and squaring off the futures transaction. The purchased stock/ index is returned to the lender as per the agreed terms.

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

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

**Example: Use of IRS**

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

**Example A: Use of IRS**

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

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

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

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

**Example B: Use of IRS**

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

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

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

**Risks associated with Swaps:**

Interest rate risk is significant because interest rates do not always move as expected. Both parties have interest rate risk. The holder of the fixed rate risks the floating interest rate going higher, thereby losing interest that it would have otherwise received. The holder of the floating rate risks interest rates going lower, which results in a loss of cash flow since the fixed rate holder still has to make streams of payments to the counterparty.

The other main risk associated with swaps is counterparty risk. This is the risk that the counterparty to a swap will default and be unable to meet its obligations under the terms of the swap agreement. If the holder of the floating rate is unable to make payments under the swap agreement, the holder of the fixed rate has credit exposure to changes in the interest rate agreement. This is the risk the holder of the fixed rate was seeking to avoid.

**Forward Rate Agreements (FRA):**

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

**This is illustrated below:**

Assume that on April 1, 2021, the 30-day commercial paper (CP) rate is 7.75% and the Scheme has an investment in a CP of face value Rs. 50 crores, which is going to mature on April 30, 2021. If the interest rates are likely to remain stable or decline after April 30, 2021, and if the fund manager, who wants to re-deploy the maturity proceeds for 1 more month, does not want to take the risk of interest rates going down, he can then enter into a following forward rate agreement (FRA) say as on April 30, 2021:

He can receive 1 X 2 FRA on April 30, 2021 at 7.75% (FRA rate for 1-month lending in 2 months' time) on the notional amount of Rs.50 crores, with a reference rate of 30 day CP benchmark. If the CP benchmark on the settlement date i.e. April 30, 2021 falls to 7.50%, then the Scheme receives the difference 7.75 - 7.50 i.e. 25 basis points on the notional amount Rs. 50 crores for 1 month. The maturity proceeds are then reinvested at say 7.50% (close to the benchmark). The scheme, however, would have locked in the rate prevailing on April 30, 2021 (7.75%) as it would have received 25 basis points more as settlement amount from FRA. Thus the fund manager can use FRA to mitigate the reinvestment risk.

In this example, if the rates move up by 25 basis points to 8% on the settlement date (April 30, 2021), the Scheme loses 25 basis points but since the reinvestment will then happen at 8%, effective returns for the Scheme is unchanged at 7.75%, which is the prevailing rate on April 30, 2021.

**Risks associated with Forward Rate Contracts:**

When entering into an FRA, both parties to the contract entail credit risk exposure. The additional risks could be on account of lack of opportunity, illiquidity.

**Interest Rate Future (IRF)**

An interest rate future is a contract (future contract) with an interest-bearing instrument as the underlying asset. Interest rate futures are used when there is an expectation of interest rate movement in adverse direction.

For example, if fund manager expects rise in interest rate. He may sell interest rate future today. If interest rates rise in the future, the value of the future will fall (as it is linked to the underlying asset, bond prices), and hence a profit can be made when closing out of the future (i.e. buying the future). However, in case interest rate falls, loss may be incurred on IRF position.

**Illustration of Use of IRF (For Hedging)**

**A – Perfect Hedge**

- 1) Assume a portfolio has 100 crores of Government security 7.59% GOI 2026 with face value Rs. 100/. The bond is currently trading in market at 105.00.
- 2) The futures on 7.59% GOI 2026, expiring on 27<sup>th</sup> October 2016 is trading on exchange at 105.10.
- 3) Instead of exiting the cash position, the fund manager can decide to hedge the position by selling the same quantity in futures. Since one contract of IRF has a notional of 2 lacs, in this example the fund manager sells 100 crs/2 lakhs = 5000 contracts, to hedge long position.
- 4) At maturity, the settlement price of the futures will be almost same as closing price of the underlying security.

**At maturity of the Interest Rate Futures**

Case 1: At expiry Bonds close higher than the price at which fund manager hedged the position, but below the futures price at which he hedged

Closing price of Bonds on day of maturity of futures = 105.05

Settlement price of futures = 105.05

MTM gain on the underlying bond = (105.05-105.00) \* 100 crs / 100 (i.e. face value of bond) = Rs. 5,00,000

The profit on the futures leg is = 5000\*2lacs \*(105.10-105.05)/ 100 (i.e. face value of bond) = Rs 5,00,000

Overall profit to the fund = Rs 10,00,000

Case 2: At maturity bonds close higher than the level at which futures were sold

In case, the closing price of bonds on the day of maturity of futures = 105.20,

Settlement price of futures = 105.20

The MTM gain on underlying bond = (105.20-105.00) \* 100 crs /100 (i.e. face value of bond) = Rs. 20,00,000

Loss on futures leg is = 5000\*2 lacs \* (105.10-105.20) /100 (i.e. face value of bond) = - Rs 10,00,000

Total Profit to the fund = Rs 10,00,000

As can be seen above, by selling the future contract instead of the underlying, the fund manager has locked in the Rs. 10, 00,000 profit and at the same time cash holding position will be hedged against the adverse market movements.

**B – imperfect hedging**

Assume the portfolio of market value worth INR 1000 crore has a modified duration of 5. This is being hedged with an IRF that has a modified duration of 10. Considering that fund manager choose to hedge 20% of the portfolio the maximum extent of short position that may be taken in IRF is as below:

$$\frac{(\text{Portfolio Modified Duration} * \text{Market Value of the Portfolio})}{(\text{Futures Modified Duration} * \text{Futures Price/PAR})}$$

$$= \frac{(5 * (0.2 * 1000))}{(10 * (101/100))}$$

=Rs.99.01 Crores.

Hence the scheme can sell IRFs worth Rs.99.01 Crores and with duration of 10 to hedge Rs.200 Crores of portfolio with a duration of 5.

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

## E. THE INVESTMENT STRATEGIES

Everyone wants to lead a comfortable retirement. However, without adequate planning it probably won't happen. People are living longer than ever before, which is obviously good news, but that means retirement is becoming more expensive.

*Retirement planning* means setting aside of money or assets for the purpose of deriving some income during old age. This is to be done before reaching retirement age. But the process of retirement planning is based on a person's desired retirement age and lifestyle.

The importance of retirement planning cannot be overstated. Retirement planning begins with setting clearly defined life goals and putting together a financial plan to achieve those goals upon retirement.

Apart from starting early which gives the advantage of compound growth, the next most important thing is to select the appropriate asset classes and appropriate allocation of savings over various asset classes which ensure a smooth fulfillment of the pre-set goals.

Concept of retirement planning has changed over the years. Retirement planning in the 21st century needs a different set of considerations from what it used to be. The current employment conditions have changed. In the past, Social Security Benefits, Personal savings and Defined Benefit Pension were considered main resources for leading a comfortable retired life. In present scenario, one cannot solely depend on these resources.

"Tata Retirement Savings Fund" is a carefully structured suite of Plans designed to meet investment needs for retirement planning. Not only do unitholders have a choice of three plans within the Fund, but also it is easier for unitholders to move between Plans as their needs change.

Each plan under the Fund shall follow a different investment pattern / style to cater the need different investor classes at different stages of their lifecycle. Accordingly:

**Progressive Plan** shall focus on the need & risk appetite of young age people and shall aim to provide long term growth by investing at-least 85% of its net assets in equity and equity related instruments. This plan may also invest upto 15% of its net assets into debt securities.

**Moderate Plan** shall focus on the need and risk appetite of middle age people shall aim to provide growth along with the increased exposure towards debt securities as compare to the Progressive Plan. This plan shall, at-least 15% of its net assets, compulsory invest into debt securities and restricts its exposure to equity to a maximum of 85% of the net assets.

**Conservative Plan** shall focus on the need & risk appetite of elder age people and shall aim on the preservation of capital along with the steady income stream by investing at least 70% of its net assets into debt and money market instruments. However, in order to get a long term investment advantage, this plan may also invest in to equities to a maximum extent of 30% of its net assets.

Depending upon the investment opportunities as may arise from time to time; plans under the fund may also invest in overseas securities.

The plans may also use the derivatives to manage the risks and to take the advantage of price differentiation in two segments and to rebalance the portfolios.

While investing in equities, the Fund will emphasise on investment in well managed, quality companies with above average growth prospects that can be purchased at a reasonable price. Typically, these companies will be highly competitive, with a large and growing market share. In selecting specific stocks, the Asset Management Company will consider and evaluate amongst various criteria network, consistent growth, strong cash flows, high return on capital etc. Investment in fixed income securities (wherever possible) will be mainly in investment grade listed / unlisted securities. In case of investment in debt instruments that are not rated, specific approval of the Board of AMC and Trustee Company will be taken.

While investing in debt securities, the Fund would invest in companies based on various criteria including sound professional management, track record, industry scenario, growth prospectus, liquidity of the securities, etc. The Fund will emphasise on well managed, quality companies with above average growth prospectus whose securities can be purchased at a good yield and whose debt securities are concerned investments (wherever possible) will be mainly in securities listed as investments grade by a recognised authority like The Credit Rating and Information Services of India Limited (CRISIL), ICRA Limited (formerly, Investment Information and Credit Rating Agency of India Limited), Credit Analysis and Research Limited (CARE) etc. In case of investments in debt instruments that are not rated, specific approval of the Board will be taken except in case of Government Securities being sovereign bonds. However, in case of investment in unrated securities prior board approval is not necessary if investment in within the parameters as stipulated by the board.

**All the three plans under the fund may have similar securities. However, the exact proportion of such securities will depend upon the asset allocation of the respective plan.**

### Writing of call options under covered call strategy (Applicable for Progressive & Moderate Plan)

The scheme may write call options under covered call strategy subject to conditions specified by SEBI which includes the following:

- 1) Call option writing under a cover call strategy is allowed for constituent stocks of NIFTY 50 and BSE SENSEX.
- 2) The total notional value (taking into account strike price as well as premium value) of call options written by a scheme shall not exceed 15% of the total market value of equity shares held in that scheme.
- 3) The total number of shares underlying the call options written shall not exceed 30% of the unencumbered shares of a particular company held in the scheme. The unencumbered shares in a scheme shall mean shares that are not part of Securities Lending and Borrowing Mechanism (SLBM), margin or any other kind of encumbrance.
- 4) In no case, the scheme shall write a call option without holding the underlying equity shares. A call option can be written only on shares which are not hedged using other derivative contracts.
- 5) The total gross exposure related to option premium paid and received must not exceed 20% of the net assets of the scheme.
- 6) The call option written shall be marked to market daily and the respective gains or losses factored into the daily NAV of the respective scheme(s) until the position is closed or expired

### Benefit of Writing of Call Option Under a Cover Call Strategy

- a. Holders with Long term view on the stock can write options and reduce the portfolio costs.

- b. Writing can also act as a good alternative for playing relative outperformance for stocks held in portfolios within same sector.
- c. Stocks held in the portfolio can be effectively hedged in extreme volatility in the market

**Illustration**

For example, if the scheme buy a stock A at Rs.900, receive a Rs.100 option premium from writing a Rs.1050 strike price call of stock A, then it can maintain the stock position as long as the stock price stays below Rs.1150 at expiry. If the stock price moves above Rs.1150, the scheme may have to give delivery of long position to meet obligation of call writing. The scheme can only profit if stock price remains below Rs.1150 on expiry.

**Portfolio Turnover**

“Portfolio Turnover” is the term used by any Mutual Fund for measuring the amount of trading that occurs in a Fund’s portfolio during the given period of time. It is expected that there would be a number of subscriptions and repurchase on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. However, a high turnover would not significantly affect the brokerage and transaction costs. The Fund will endeavor to balance the increased cost on account of higher portfolio turnover with the benefits derived there of. A high portfolio turnover rate is not necessarily a drag on portfolio performance and may be representative of arbitrate opportunities that exist for scrips/securities held in the portfolio rather than an indication of a change in Fund view on a scrip, etc.

Portfolio Turnover of Tata Retirement Savings Fund- Progressive Plan: 0.79 Times as on 31.3.2021 (for 13 Months).  
 Portfolio Turnover of Tata Retirement Savings Fund- Moderate Plan: 0.85 Times as on 31.3.2021(for 13 Months).  
 Portfolio Turnover of Tata Retirement Savings Fund- Conservative Plan: 0.26 Times as on 31.3.2021 (for 13 Months).

**F. FUNDAMENTAL ATTRIBUTES**

Following are the Fundamental Attributes of the fund, in terms of Regulation 18 (15A) of the SEBI (Mutual Funds) Regulations, 1996:

**(i) Type of a scheme**

An Open Ended Fund comprising of three Plans:

- i) Progressive Plan (an open ended equity scheme) - (TRSFP).
- ii) Moderate Plan (an open ended equity scheme) – (TRSFM).
- iii) Conservative Plan (an open ended debt scheme) – (TRSFCD).

**(ii) Investment Objective**

The objective of the fund is to provide a financial planning tool for long term financial security for investors based on their retirement planning goals.

However, there can be no assurance that the investment objective of the fund will be realized, as actual market movements may be at variance with anticipated trends.

**Investment Pattern and Risk Profile:**

The tentative portfolio break-up of Equity , Debt, Money Market Instruments, other permitted securities and such other securities as may be permitted by the Board from time to time with minimum and maximum asset allocation, while retaining the option to alter the asset allocation for a short term period on defensive considerations has been provided in Section C for detailed Asset Allocation and Risk Profile of the scheme.

**(iii) Terms of Issue**

- Liquidity: Repurchase/ Resale is at Net Asset Value (NAV) related prices with repurchase/ resale loads as applicable (within limits) as specified under SEBI Regulations 1996, 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.
- Aggregate fees and expenses charged to scheme -Please refer section “IV FEES AND EXPENSES” for details.
- The scheme does not provide any safety net or guarantee nor does it provide any assurance regarding declaration of income cum withdrawal i.e dividend. There is no guarantee or assurance that the scheme will achieve its’ objective.

In accordance with Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996, the Trustees shall ensure that no change in the fundamental attributes of the Fund and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Fund and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- (i) A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
- (ii) The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

**G. SCHEME BENCHMARK**

<b>Progressive Plan</b>	<b>Moderate Plan</b>	<b>Conservative Plan</b>
S&P BSE 200 TRI	CRISIL Hybrid 25+75 Aggressive Index	CRISIL Short Term Debt Hybrid 75+25 Fund Index

Portfolio of progressive plan will comprise of Stock selected predominantly from S&P BSE 200 index thus, it is most appropriate to benchmark the fund against S&P BSE 200 TRI index.



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Crisil Hybrid 25+75-Aggressive Index seeks to capture returns of equity-oriented hybrid portfolio having a blend of S&P BSE 200 (75%) and CRISIL Composite Bond Fund Index (25%). Since Moderate Plan focused on the need and risk appetite of middle age people shall aim to provide growth along with the increased exposure towards debt securities, hence CRISIL Balanced Fund Index is most suitable for performance comparison.

CRISIL Short Term Debt Hybrid 75+25 Fund Index seeks to track the performance of a debt-oriented hybrid portfolio having a blend of S&P BSE 200 (25%) and CRISIL Short Term Bond Fund Index (75%). Since Conservative Plan focused on the need & risk appetite of elder age people and shall aim on the preservation of capital along with the steady income, the benchmark Index is most suitable for performance comparison.

The composition of the aforesaid benchmarks is such that, they are most suited for comparing performance of the respective plans of the fund. Total Return variant of the index(TRI) of above benchmarks for the respective plans will be used for performance comparison.

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

### H. FUND MANAGER

Name	Age Yrs	Qualification	Total Experience (Years)	Other Schemes Under his Management	Experience (Assignments held during last 10 years)
Sonam Udasi (Equity Portfolio of Tata Retirement Savings Fund – Progressive, Moderate & Conservative Plan managing since 01.04.2016.)	48	B. Com, PGDM-Finance	24	Tata Flexi Cap Fund, Tata Index Fund-Sensex & Nifty, Tata Banking & Financial Services Fund, Tata India Consumer Fund, Tata Equity P/E Fund, Tata Value Series I & II (Close Ended)	From April 2014 to date with Tata Asset Management Ltd. Currently Fund Manager reporting to Chief Investment Officer-Equity. Responsibilities Held • Head Research • Head PMS June 2010 – March 2014 with IDBI Capital Market Services Ltd as Head Research, Reporting to Executive Vice President. November 2008 – April 2010 with BRICS Securities as Head – Consumer Vertical, Reporting to Head Equities. August 2007 – October 2008 with Prime Securities as Head Research, Reporting to President. February 2006 – June 2007 with JM Financial AMC as Senior Analyst, Reporting to Chief Investment Officer. June 2005 – January 2006 with ASK Raymond James as Lead Analyst, Reporting to Head Research.
Murthy Nagarajan (managing the debt portfolio of the scheme since 01.04.2017)	50	B. Com, M. Com, PGPMS, ICWA (Inter)	25	Tata Gilt Securities Fund, Tata Short Term Bond Fund, Debt Portfolio of Tata Equity Savings Fund & Tata Hybrid Equity Fund & Tata Multi Asset Opportunities Fund. Co-Fund Manager in Tata Medium Term Fund.	Presently working with Tata Asset Management Ltd. since March 2017 as Head- Fixed Income, Reporting to Chief Executive Officer and Managing Director.  October 2013 to February 2017 with Quantum Asset Management Co. Pvt. Ltd. as Head – Fixed Income, Reporting to Chief Executive Officer.  February 2010 to October 2013 with Tata Asset Management Ltd. as Head -Fixed Income, Reporting to Chief Investment Officer.  December 2007 to January 2010 with Mirae Asset Global Investment India Pvt. Ltd. as Head - Fixed Income, Reporting to Managing Director.  August 1999 to November 2007 with Tata Asset Management Ltd. as Head -Fixed Income, Reporting to Managing Director.
Ennette Fernandes (Assistant Fund Manager Since 18.06.2018)	36	PGDBM, B.Com	12	Tata Ethical Fund (Fund Manager), Tata India Consumer Fund, Tata India Tax Savings Fund and Tata Focused Equity Fund. (Assistant Fund Manager)	From January 2014 till date working with Tata Asset Management Ltd, current working as Fund Manager /Assistant Fund Manager, reporting to Chief Investment Officer-Equity.  Earlier she was Research Analyst tracking FMCG, Retail, Consumer Durables, Building Products, Media and Textile Sector. Reporting to Chief Investment Officer-Equities.  From March 2009 to December 2013 with Phillip Capital India Pvt. Limited, as Junior Research Analyst on FMCG sector. Reporting to Head of Research.

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

1. 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:

- 1A. 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.

2. No Mutual Fund under all its Schemes should own more than 10% of the Companies paid-up capital carrying voting rights.
3. 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 for quoted instruments on spot basis.

## TATA RETIREMENT SAVINGS FUND

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.

4. A 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.
  5. Every mutual fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:  
Provided that a mutual fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by the Board:  
Provided further that a mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the Board."
  6. Every 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.
  7. Pending deployment of funds of a Scheme in terms of investment objectives of the scheme, a mutual fund may invest them in short term of schedule commercial banks, subject to SEBI circular no. SEBI/IMD/CIR No. 1/91171/07 dated April 16, 2007 and SEBI/HO /IMD/DF4/ CIR/P /2019/093 dated August 16,2019 and SEBI/HO/IMD/DF2/CIR/P/2019/101 dated September 20,2019.
  8. No mutual fund scheme shall 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 of the schemes.
  9. No Mutual Fund Schemes shall invest more than 10% of its NAV in the equity shares or equity related instruments of any Company.  
Provided that, the limit of 10 per cent shall not be applicable for investments in case of index fund or sector or industry specific scheme.
  - 9A) No scheme of a mutual fund shall make any investment in any fund of fund scheme.
  10. 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.
  11. The total exposure of the Scheme in a particular sector (excluding investments in Bank CDs, Tri-Party Repo, G-Secs, T-Bills, short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions & Public Sector Banks) shall not exceed 20% of the net assets of the scheme.  
Provided that an additional exposure to financial services sector not exceeding 10% (revised)of the net assets of the scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs);  
Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio.  
However, the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme.  
Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB).
- Notes
- If security/issuer is rated by two or more credit rating agencies, the investment Committee will decide the credit rating agency who's rating to be considered for monitoring the sector exposure limit.
  - In case of investment in short term securities like money market instruments or debentures/bonds upto 1 year maturity, long term rating of the issuer will be considered for monitoring the sector exposure limit.
12. Total Exposure of debt schemes of the fund in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Such investment limit may be extended to 25% of the net assets of the scheme with the prior approval of the Trustees.  
Additional Provision: The investments in debt and money market instruments of group companies of both the sponsor and the AMC shall not exceed 10% of the net assets of the scheme. Such investment limit may be extended to 15% of the net assets of the scheme with the prior approval of the Trustees.
  13. The Scheme shall not borrow except to meet temporary liquidity needs of the mutual funds for the purpose of repurchase/ redemption of units or payment of interest or dividend to the unitholders. The fund shall not borrow more than 20 per cent of the net asset of the scheme and the duration of such a borrowing shall not exceed a period of six months.
  14. 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 -
    - a) more than 10% of its NAV in the units of REIT and InvIT; and
    - b) more than 5% of its NAV in the units of REIT and InvIT issued by a single issue

15. Participation in Repo in Corporate Debt Securities is subject to the following restriction:

- Gross exposure to corporate bond repo transaction should be not more than 10 % of the net asset of the scheme.
- The Scheme will participate in repo transactions only in AA and above rated corporate debt securities.
- The Scheme may borrow through repo transactions (for redemption/dividend payout) only if the tenor of the transaction does not exceed a period of six months and aggregate borrowing is not more than 20% of net assets of the Scheme.

16. Investment in Instruments having Special Features (like subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption, Additional Tier 1 bonds and Tier 2 bonds issued under Basel III framework etc) shall have to follow the following prudential limit:

i. No Mutual Fund under all its schemes shall own more than 10% of such instruments issued by a single issuer.

ii. A Mutual Fund scheme shall not invest –

a. more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and

b. more than 5% of its NAV of the debt portfolio of the scheme in such instruments issued by a single issuer.

The above investment limit for a mutual fund scheme shall be within the overall limit for debt instruments issued by a single issuer, as specified at clause 1 of the Seventh Schedule of SEBI (Mutual Fund) Regulations, 1996, and other prudential limits with respect to the debt instruments.

#### **Restrictions with respect to Overseas Investments:**

SEBI Vide Circular SEBI/HO/IMD/DF3/CIR/P/2020/225 dated November 5, 2020 has revised the aggregate ceiling for the mutual fund industry to invest in following securities Up to US \$ 7 billion, and within this limit of US \$ 7 billion, individual Mutual Fund can make overseas investments in following securities to a maximum of US \$ 600 million. Following are the securities in which a mutual fund scheme can invest:

SEBI vide circular dt. September 26, 2007 has permitted mutual funds to invest in following types of foreign securities:

- ADRs/GDRs issued by Indian companies or foreign companies, Equity of overseas companies listed on recognized stock exchanges overseas
- initial and follow on public offering for listing at recognized stock exchange overseas
- Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- Money market instruments rated not below investment grade
- Repos in the form of investment, where the counterparty is rated not below investment grade; repos should not however, involve any borrowing of funds by mutual funds
- Government securities where the countries are rated not below investment grade
- Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- Short term deposits with banks overseas where the issuer is rated not below investment grade
- Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in (a) aforesaid securities, (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or (c) unlisted overseas securities (not exceeding 10% of their net assets).

SEBI Vide Circular SEBI/HO/IMD/DF3/CIR/P/2020/225 dated November 5, 2020 permitted mutual fund to invest in overseas Exchange Traded Funds (ETFs) cumulatively upto US\$ 1 billion with a sub - ceiling of US \$ 200 million for individual Mutual Fund.

Portfolio of overseas / foreign securities shall be managed by a dedicated Fund Manager. While selecting the securities, the Fund Manager may rely on the inputs received from internal research or research conducted by external agencies in various geographies. The fund may also appoint overseas investment advisors / managers to advise / manage portfolio of foreign securities.

The investment in such Overseas Financial Assets shall not exceed the limit as may be imposed by SEBI/ RBI from time to time.

AMC believes that overseas securities offer investment and portfolio diversification opportunities into multi-market and multicurrency products. However, such investments also entail additional risks. The Fund may, where necessary, appoint other intermediaries of repute as advisors, sub-managers, or sub custodians for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements, if any, of SEBI.

To manage risk associated with foreign currency and interest rate exposure and for efficient portfolio management, the fund may use derivatives such as cross currency swaps etc. The use of derivatives would be in accordance with the prevailing regulations.

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.

## TATA RETIREMENT SAVINGS FUND

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 Fund 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 Fund will be made in accordance with SEBI (Mutual Funds) Regulations, 1996, including Schedule VII thereof.

### Investment by Asset Management Company

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

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

### J. PERFORMANCE OF THE SCHEME

Tata Retirement Savings scheme is launched in October'2011 and allotment was done in 1st November'2011.

#### Performance of the Fund as on 31.03.2021

Tata Retirement Savings Fund - Progressive Plan		
Compounded Annualised Returns	Scheme Returns %	Benchmark Returns % (BSE 200 TRI)
Returns for Last 1 Year	55.20	76.26
Returns for Last 3 Years	9.86	13.74
Returns for Last 5 Years	15.22	15.50
Returns Since Inception	14.87	13.71

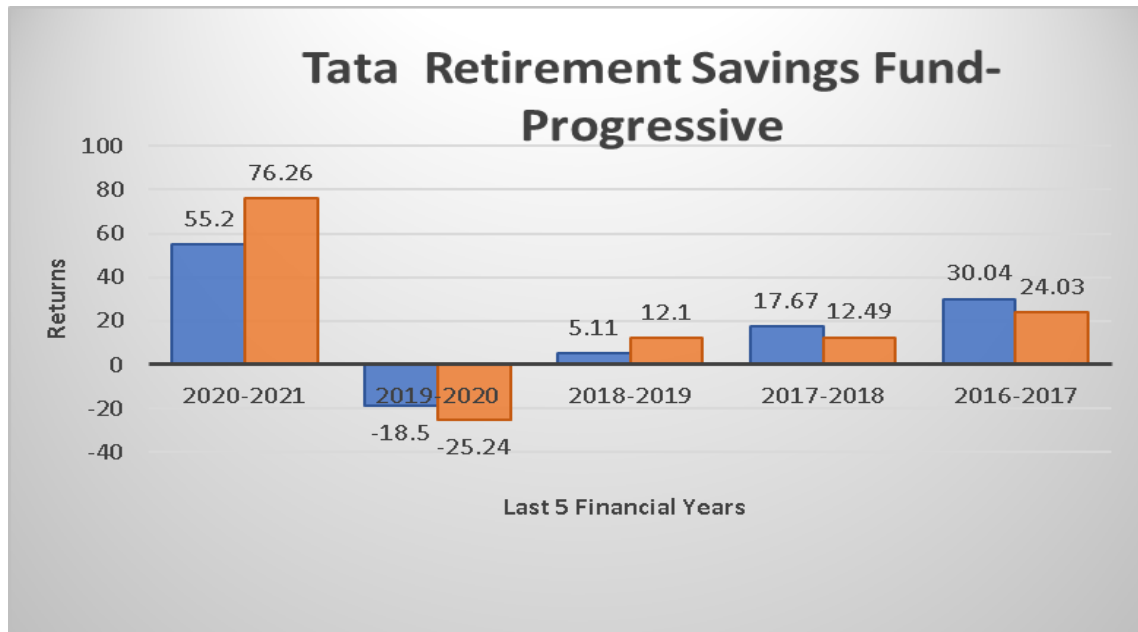
Tata Retirement Savings Fund - Moderate Plan		
Compounded Annualised Returns	Scheme Returns %	Benchmark Returns % (Crisil Hybrid 25+75 Aggressive Index)
Returns for Last 1 Year	47.68	57.06
Returns for Last 3 Years	9.28	13.26
Returns for Last 5 Years	13.53	14.22
Returns Since Inception	15.02	12.85

Tata Retirement Savings Fund - Conservative Plan		
Compounded Annualised Returns	Scheme Returns %	Benchmark Returns % (Crisil Short Term Debt Hybrid 75+25 Fund Index)
Returns for Last 1 Year	18.37	22.83
Returns for Last 3 Years	7.45	10.34
Returns for Last 5 Years	9.06	10.32
Returns Since Inception	9.46	10.18

#### Absolute Returns for the Last 5 Financial Years

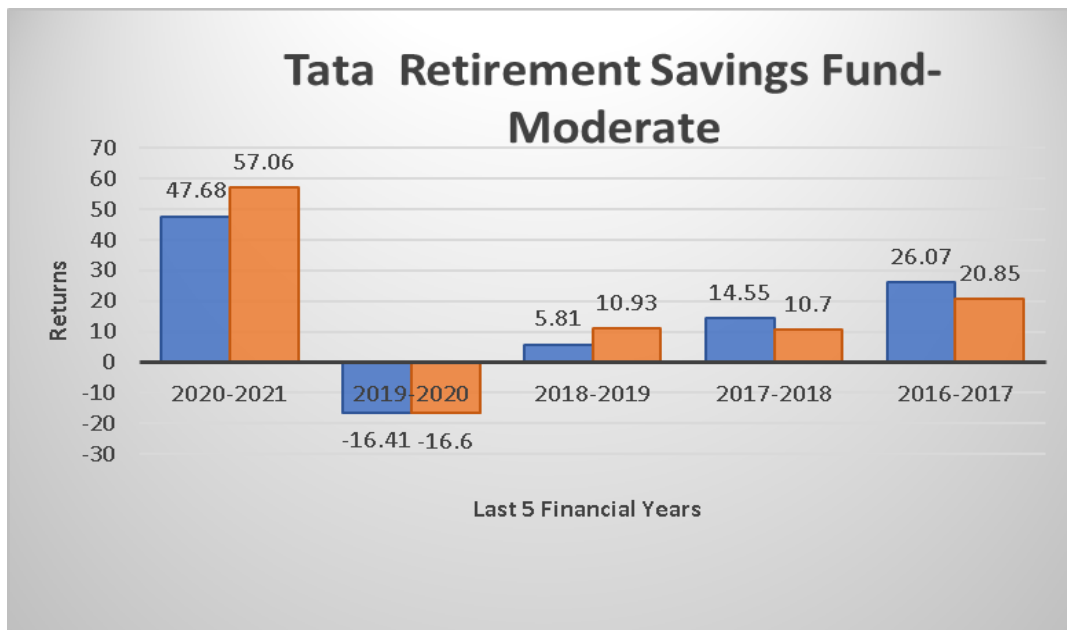
##### Tata Retirement Savings Fund- Progressive Plan

Financial Year	Scheme Returns (%)	Benchmark Returns (%): S & P BSE 200 TRI
2020-2021	55.20	76.26
2019-2020	-18.5	-25.24
2018-2019	5.11	12.1
2017-2018	17.67	12.49
2016-2017	30.04	24.03



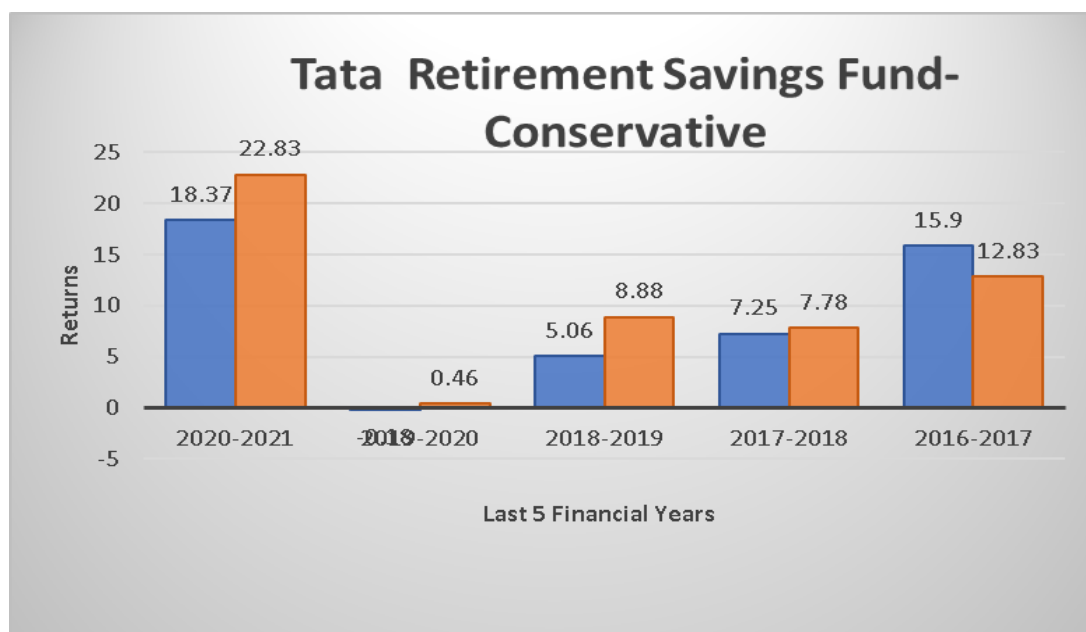
**Tata Retirement Savings Fund-Moderate Plan**

Financial Year	Scheme Returns (%)	Benchmark Returns :Crisil Hybrid 25+75 Aggressive Index (%)
2020-2021	47.68	57.06
2019-2020	-16.41	-16.60
2018-2019	5.81	10.93
2017-2018	14.55	10.7
2016-2017	26.07	20.85



**Tata Retirement Savings Fund-Conservative Plan**

Financial Year	Scheme Returns (%)	Benchmark Returns (%) :Crisil Short Term Debt Hybrid 75+25 Fund Index
2020-2021	18.37	22.83
2019-2020	-0.18	0.46
2018-2019	5.06	8.88
2017-2018	7.25	7.78
2016-2017	15.9	12.83



Past Performance may or may not be sustained in future. Performance 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 in Progressive Plan as on 31.03.2021**

Name of Issuer	% of AUM
HDFC BANK LTD.	8.01
ICICI BANK LTD.	7.93
RELIANCE INDUSTRIES LTD.	7.31
TATA CONSULTANCY SERVICES LTD.	4.21
INFOSYS LTD.	4.08
ITC LTD.	3.54
AXIS BANK LTD.	3.17
HCL TECHNOLOGIES LTD.	3
SBI CARDS & PAYMENT SERVICES LTD.	2.74
KOTAK MAHINDRA BANK	2.5

**Top 10 holdings by issuer in Moderate Plan as on 31.03.2021**

Name of Issuer	% of AUM
HDFC BANK LTD.	6.77
ICICI BANK LTD.	6.74
RELIANCE INDUSTRIES LTD.	6.36
GOVT OF INDIA	4.75
TATA CONSULTANCY SERVICES LTD.	3.57
INFOSYS LTD.	3.47
ITC LTD.	3.03
AXIS BANK LTD.	2.72
SBI CARDS & PAYMENT SERVICES LTD.	2.64
HCL TECHNOLOGIES LTD.	2.49

**TATA RETIREMENT SAVINGS FUND****Top 10 holdings by issuer in Conservative Plan as on 31.03.2021**

<b>Name of Issuer</b>	<b>% of AUM</b>
GOVT OF INDIA	41.09
POWER FINANCE CORPORATION	6.28
FOOD CORPORATION OF INDIA LTD.	3.15
ICICI BANK LTD.	2.39
SDL MAHARASHTRA STATE GOVERNMENT	2.29
HDFC BANK LTD.	2.28
RELIANCE INDUSTRIES LTD.	2.27
INFOSYS LTD.	1.27
TATA CONSULTANCY SERVICES LTD.	1.23
NABARD	1.09

The fortnightly /monthly portfolio of the Scheme-All plans 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****Tata Retirement Savings Fund- Progressive Plan**

<b>Sectors</b>	<b>% of AUM</b>
FINANCIAL SERVICES	31.93
CONSUMER GOODS	21.45
IT	13.91
OIL & GAS	7.31
PHARMA	5.75
AUTOMOBILE	4.97
CEMENT & CEMENT PRODUCTS	3.95
INDUSTRIAL MANUFACTURING	2.07
FERTILISERS & PESTICIDES	2.03
CONSUMER SERVICES	1.95
POWER	1.84

**Tata Retirement Savings Fund- Moderate Plan**

<b>Sectors</b>	<b>% of AUM</b>
FINANCIAL SERVICES	29.92
CONSUMER GOODS	18.97
IT	11.83
OIL & GAS	6.36
PHARMA	4.91
SOVEREIGN	4.75



## TATA RETIREMENT SAVINGS FUND

AUTOMOBILE	4.18
CEMENT & CEMENT PRODUCTS	3.33
POWER	2.74
FERTILISERS & PESTICIDES	1.85
INDUSTRIAL MANUFACTURING	1.76
CONSUMER SERVICES	1.68

### Tata Retirement Savings Fund- Conservative Plan

Sectors	% of AUM
SOVEREIGN	43.38
FINANCIAL SERVICES	16.99
CONSUMER GOODS	9.54
IT	4.2
OIL & GAS	2.27
PHARMA	1.69
AUTOMOBILE	1.43
CEMENT & CEMENT PRODUCT	1.13
FERTILISERS & PESTICIDES	0.63
CONSUMER SERVICE	0.59
INDUSTRIAL MANUFACTURING	0.54
POWER	0.54

### The aggregate investment in the Plans of the Schemes under the following categories as on 14.03.2021

Category	Rs. In crores
AMC's Board of Directors (Investment in Progressive plan)	0.58
Fund Manager/Managers of the scheme-In All Plans	NIL
Other Key Personnel -Progressive Plan	0.003
Other Key Personnel-Moderate Plan	0.02
Other Key Personnel-Conservative Plan	0.001

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

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

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

**III. UNITS AND OFFER**

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

**A. ONGOING OFFER DETAILS**

<p>Ongoing Offer Period This is the date from which the scheme reopened for subscriptions/redemptions after the closure of the NFO period.</p>	<p>Tata Retirement Savings Fund was launched on 7<sup>th</sup> October'2011 and w.e.f 11<sup>th</sup> November'2011 the schemes are offered at NAV based prices with applicable exit loads. The units are now offered at NAV based price and subscription/redemption facility is provided on all business days.</p>									
<p>Ongoing price for subscription (purchase) / switch-in (from other schemes / plans of the mutual fund) by investors.  This is the price you need to pay for purchase/switch-in.</p>	<p>At the applicable NAV.</p>									
<p>Ongoing price for redemption (sale) / repurchase /switch outs (to other schemes/plans of the Mutual Fund) by investors.  This is the price you will receive for redemptions/switch outs.  <i>Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be: Rs. 10* (1-0.02) = Rs. 9.80</i></p>	<p>At the applicable NAV subject to prevailing exit load, if any.</p> <p>Repurchase/ Resale is at Net Asset Value (NAV) related prices with repurchase/ resale loads as applicable (within limits) as specified under SEBI Regulations 1996, 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> <p>The Trustee Company may however, from time to time review and modify the repurchase load for each choice of investment. The Units if partially repurchased would be subtracted from the Unit balance of that Unitholder on "First In First Out" basis i.e. the Units that were offered / allotted first would be the first to be repurchased. In case amount is withdrawn, the same will be converted into Units at the applicable Repurchase price / NAV related price and the number of Units so arrived at will be subtracted from the Unit balance of that Unitholder on "First In First Out" basis. The repurchase would be permitted to the extent of credit balance in the Unitholder's account.</p> <p>The repurchase cheque will be issued in the name of the first unitholder. Under normal circumstances, the Fund will ensure that the repurchase cheques are despatched within ten business days from the date of processing the repurchase request on repurchase day. In the event of partial repurchase, the Fund shall despatch the revised Account Statement by suitable mode as decided by AMC from time to time, for the balance number of Units still being held by the Unitholder along with the repurchase cheque. Credit balances in the account of a Non- Resident Unitholder on maturity or otherwise, (where RBI final approval and any other approval (if any required) has been obtained) may be repurchased by the Fund by such Unitholder in accordance with the procedure described above and also subject to any procedures laid down by RBI and any other agency. Such repurchase proceeds will be paid by means of a Rupee cheque payable to the NRE/ NRO account of the Unitholder or subject to RBI procedures and approvals, such payment in Indian Rupees will be converted into US Dollars or into any other currency, as may be permitted by RBI, at the rate of exchange prevailing at the time of remittance and will be despatched at the applicants' risk, or at the request of the applicants' will be credited to their NRE/ NRO Accounts, details of which are to be furnished in the space provided for this purpose in the Repurchase Form. The Fund will not be liable for any delays or for any loss on account of exchange fluctuations, while converting the rupee amount in US Dollar or any other currency. The Fund (if required) may also make arrangements to obtain RBI approvals on a case-by-case basis on behalf of the Unitholder, subject to the Unitholder providing the Fund with the necessary documents required.</p>									
<p>Cut off timing for subscriptions / redemptions and switches  This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p><b>Applicable NAV for Subscription / Switch-in :Cut Off Timing 3.00 pm</b></p> <table border="1" data-bbox="432 1603 1461 2092"> <thead> <tr> <th data-bbox="432 1603 919 1659">Particulars</th> <th data-bbox="919 1603 1461 1659">Applicable NAV</th> </tr> </thead> <tbody> <tr> <td data-bbox="432 1659 919 1800">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.</td> <td data-bbox="919 1659 1461 1800">The closing NAV of the same day.</td> </tr> <tr> <td data-bbox="432 1800 919 1991">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.</td> <td data-bbox="919 1800 1461 1991">The closing NAV of the next Business Day.</td> </tr> <tr> <td data-bbox="432 1991 919 2092">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</td> <td data-bbox="919 1991 1461 2092">The closing NAV of the next Business Day.</td> </tr> </tbody> </table>		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	The closing NAV of the next Business Day.
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.									
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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	The closing NAV of the next Business Day.									

**TATA RETIREMENT SAVINGS FUND**

	<p>i.e. available for utilization after the cut-off time of the Day.</p> <p>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 subsequent Business Day.</p>	<p>The closing NAV of such subsequent Business Day on which funds are available for utilisation.</p>
<p>Where can the applications for redemption / subscription and switches be submitted?</p>	<p>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.</p> <p>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.</p> <p><b>For Switch-ins including Systematic Investment Plan (SIP), Systematic Transfer Plan (STP) of any amount:</b></p> <p>For determining the applicable NAV, the following shall be ensured:</p> <ul style="list-style-type: none"> <li>• Application for switch-in is received before the applicable cut-off time.</li> <li>• 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.</li> <li>• 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.</li> </ul> <p>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.</p> <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>Application/ Transaction slip completed in all respect along with Cheque / DD or fund transfer instruction in case of purchase, and transaction slip completed in all respect in case of redemption / Switch can be submitted at the official acceptance points. Refer Application form for further details.</p>	
<p>Minimum amount for redemption, purchase and switches</p>	<p><b>Progressive, Moderate &amp; Conservative Plan:</b></p> <p><b>Minimum Amount for Purchase / switch in:</b></p> <p>Rs. 5,000/- and in multiples of Re. 1/- thereafter.</p> <p>For additional investment by existing investor Rs. 1,000/- and in multiples of Re.1/- thereafter.</p> <p>The repurchase / switch-in request can be made for a minimum of Rs. 500/- / 50 units or in multiples of Re.1/- thereafter or for all the Units.</p> <p>Currently there is no minimum amount requirement in case unitholder is opting for an all units switch.</p> <p><b>Compulsory Lock in Period : ( w.e.f 19<sup>th</sup> March 2018)</b></p> <p><b>Tata Retirement Savings Fund – Progressive Plan, Tata Retirement Savings Fund – Moderate Plan, Tata Retirement Savings Fund – Conservative Plan</b> are categorized as open ended Retirement Solution Oriented Fund. These schemes shall have a compulsory lock-in period of 5 years or till retirement age whichever is earlier.</p> <p>The said lock-in period will not be applicable to any existing investment by an investor, registered Systematic Investment Plan (SIP) / Systematic Transfer Plan (STP) before the date of implementation of changes.</p> <p><b>Kindly note that lock in period is applicable when investor moves out of the Tata Retirement Savings Fund.</b></p> <p>Lock in period shall not be applicable to Auto Switch facility or active switch of units among the three plans of Tata Retirement Savings Fund.</p> <p><b>Default Plan:</b></p> <p>Investors are requested to note the following scenarios for the applicability of “Direct Plan or Regular Plan” for valid applications received under the scheme:</p>	

## TATA RETIREMENT SAVINGS FUND

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.

### Treatment of Business Received Through Suspended Distributors:

The financial transactions of an investor where his distributor's AMFI Registration Number (ARN) has suspended temporarily or terminated permanently by Association of Mutual Funds in India (AMFI) shall be processed as follows:

1. All purchase and switch transactions including SIP/STP registered prior to the date of suspension and fresh SIP/STP registrations received under the ARN code of a suspended distributor during the period of suspension, shall be processed under 'Direct Plan' and shall be continued under Direct Plan perpetually except in case where TAML receives any written request/ instructions from the unitholder/s to shift back to Regular Plan under the ARN of the distributor post the revocation of suspension of ARN.
2. All Purchase and Switch Transactions including SIP/STP transactions received through the stock exchange platform through a distributor whose ARN is suspended shall be rejected.

Investor should note that for processing of redemption and related transactions in Non-PAN exempt folios from time to time, it is mandatory to complete the KYC requirements for all applicants/investors (including existing investors and joint holders) and in case of folio of a minor investor, the KYC of the guardian is mandatory irrespective of the amount of investment.

Accordingly, financial transactions (including Fresh Purchases, Additional Purchases, Switch transactions, Redemption and all types of systematic plans) and non-financial requests will not be processed if the applicants (including existing investors and joint holders) and unitholders have not completed KYC requirements.

Unitholders are advised to use the applicable KYC Form for completing the KYC requirements and submit the form at the point of acceptance. Further, upon updation of PAN/PEKRN details with the KRA (KRA-KYC)/CERSAI (CKYC), the unitholders are requested to intimate TAML/ Registrar and Transfer Agent i.e. Computer Age Management Services Limited (CAMS) their PAN information along with the folio details for updation in our records.

Maximum amount for redemption and switch-outs	There is no upper limit of redemption. However, this is subject to following: a) The repurchase would be permitted to the extent of credit balance in the Unit holder's account. b) There may be exceptional circumstances leading to a systemic crisis or events that severely constraint market liquidity or efficient functioning of the market, where the right to redemption may be restricted by TAML. Investors are requested to refer the clause "Restrictions on Redemption and switch of units" in Statement of Additional Information (SAI) of Tata Mutual Fund.
Minimum balance to be maintained and consequences of non maintenance.	<b>The Fund may mandatorily redeem all the Units of any Unitholder:</b> (a) if the value of the account falls below the minimum Rs.500/50 Units due to normal repurchase/switch and the unitholders fails to invest sufficient funds or to purchase sufficient units to bring the value of the account upto the minimum level within 30 days after a written intimation in this regard is sent by the fund to that unitholder; or (b) Where the Units are held by a Unitholder in breach of any regulations.
Special Products available	<b>a) Systematic Investment Plan (SIP)</b> The investors can benefit by investing specified Rupees amounts at regular intervals. The SIP allows the unitholders to invest a fixed amount of Rupees at regular intervals for purchasing additional units of the fund at NAV based prices. Investment can be done with the minimum / maximum amount and number of cheques specified by AMC from time to time. The cheques will be presented on the dates mentioned on the cheque and subject to realization. Units will be allotted at the applicable NAV along with applicable load.  "SIP facility is available subject to terms and conditions. Please refer to the SIP Enrolment form for terms and conditions before enrolment."

	<p><b>b) Systematic Withdrawal Plan (SWP)</b>                  This facility available to the unitholders of the fund enables them to redeem fixed sums or fixed number of units from their unit accounts at periodic intervals. The amount withdrawn under SWP by redemption shall be converted into the Fund units at the Repurchase price and such units will be subtracted from the unit balance of that unitholder. In case the date falls during a book closure period the immediate next Business day will be considered for this purpose.</p> <p>The Authorised Investor Service Center may terminate SWP on receipt of a notice from the unitholder. It will terminate automatically if all units are liquidated or withdrawn from the account or upon the receipt of notification of death or incapacity of the unitholder.</p> <p>"SWP facility is available subject to terms and conditions. Please refer to the SWP Enrolment form for terms and conditions before enrolment."</p> <p><b>c) Systematic Transfer Plan (STP)</b>                  A unitholder may establish a Systematic Transfer Plan (STP) and choose to transfer on a monthly or a quarterly basis from one TMF Scheme to another TMF Scheme on a date prescribed by the Investment Manager. The amount thus withdrawn by redemption shall be converted into units at the applicable NAV on the scheduled day and such units will be subtracted from the unit balance of that unitholder. Unitholders may change the amount, not below the specified minimum, by giving two weeks prior written notice to the registrars. STP may be terminated automatically if the balance falls below the minimum account balance or upon the receipt of notification of death or incapacity of the unitholders by the fund. Rules relating to the plan may be changed from time to time by the Investment Manager.</p> <p>"STP facility is available subject to terms and conditions. Please refer to the STP Enrolment form for terms and conditions before enrolment."</p> <p><b>d) Auto Switch facility</b></p> <p><b>e) Auto SWP Facility</b></p> <p><b>f) Multi-plan Investment facility</b></p> <p style="text-align: right;">} <b>Please refer page nos. 3 to 6 for detail of these facilities.</b></p>
<p>Accounts Statements</p>	<p>On acceptance of application for financial transaction, a confirmation specifying the number of Units allotted/redeemed will be sent by way of e-mail and/or SMS to the applicant's registered e-mail address and/or mobile number within five business days from the date of transaction.</p> <p>Tata Mutual Fund shall send first account statement for a new folio separately with all details registered in the folio by way of a physical account statement and/or an e-mail to the investor's registered address/email address not later than five business days from the date of subscription.</p> <p><b>Tata Mutual Fund will send the Consolidated Account Statement (CAS) to investors as follows:</b></p> <ol style="list-style-type: none"> <li>1. A single Consolidated Account Statement (CAS) on basis of PAN (PAN of the first holder &amp; pattern of holding, in case of multiple holding) will be dispatched to unitholders having Mutual Fund investments &amp; holding Demat accounts by Depositories within ten days from the end of the month in which transaction (the word 'transaction' shall include all financial transactions in demat accounts/Mutual Fund folios of the investor) takes place.</li> <li>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.</li> <li>3. In other cases i.e. where unitholders having no Demat account &amp; only MF units holding, Tata Mutual Fund shall continue to send the CAS as is being send presently within ten days from the end of the month in which financial transaction takes place.</li> <li>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.</li> <li>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.</li> <li>6. Each CAS issued to the investors shall also provide the total purchase value / cost of investment in each scheme.</li> <li>7. In case if no transaction has taken place in a folio during the period of six months ended September 30 and March 31, the CAS detailing the holdings across all schemes of all mutual funds, shall be emailed on half yearly basis, on or before the tenth day of succeeding month, unless a specific request is made to receive the same in physical form.</li> <li>8. Half-yearly CAS shall be issued to all Mutual Fund investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. Further, CAS issued for the half-year(September/March) shall also provide:                         <ol style="list-style-type: none"> <li>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</li> </ol> </li> </ol>

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	<p>scheme. The term "commission" here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by Tata AMC/MF to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as applicable tax (wherever applicable, as per existing rates), operating expenses, etc.</p> <p>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.</p>
Dividend	Being a growth oriented fund, the fund, at present does not envisage any income distribution. The AMC shall be liable to pay interest to the Unit Holders at such rate as may be specified by SEBI for the period of such delay in case of failure to dispatch income distribution proceeds i.e dividend proceeds (presently @ 15% per annum), in case the option is introduced later.
Redemption	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of acceptance of redemption or repurchase request.</p> <p>The redemption cheque will be issued in the name of the first unitholder.</p>
Delay in payment of redemption / repurchase proceeds	The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).
Restrictions, if any, on the right to freely retain or dispose of units being offered.	<p>1.Units are freely transferable. Unitholders desirous of transferring units shall submit the transfer request in the prescribed form or convert his/her holding in unit certificate or demat mode. Any addition / deletion of name from the folio of the unitholder is deemed as transfer of unit. Transfer of unit(s) shall be subject to payment of applicable stamp duty by the unitholder(s) and applicable laws.</p> <p>The above provisions in respect of deletion of names will not be applicable in case of death of unitholder (in respect of joint holdings) as this is treated as transmission of units and not transfer.</p> <p>2. The units issued in Demat (electronic) form are transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time.</p> <p>3. Transfer would be only in favor of transferees who are capable of holding units. The Fund will not be bound to recognize any other transfer.</p> <p>4. The delivery instructions for transfer of units will have to be lodged with the DP in the requisite form as may be required from time to time and transfer will be affected in accordance with such rules/regulations as may be in force governing transfer of securities in dematerialized mode.</p> <p><b>As per SEBI circular no CIR/IMD/DF/102010 dated August 18, 2010. All the units of a mutual fund scheme held in Demat form will be freely transferable.</b></p> <p>Please refer SAI for the procedure of transmission &amp; pledging. Investors are requested to visit the funds website for the list of prescribed documents under any of the procedure or call the investors service centers for any clarification on the above.</p>
Bank Account Details	<p>It shall be mandatory for the Unitholders to mention their bank account numbers in their applications/requests for redemptions. Unitholders are requested to give the full particulars of their Bank Account i.e. nature and number of account, name, Account Number, Nine digit MICR code No. (For Electronic Credit Facility), IFSC code for NEFT a 11 digit number, branch address of the bank at the appropriate space in the application form.</p> <p><b><u>Uniform Procedure for Change of Bank Details (COB) and Change of Address (COA)</u></b></p> <p>In order to protect the interest of the investors and mitigate the risks arising due to of increasingly fraudulent attempts by external elements by changing the address and/or bank details of the genuine investor, uniform process for carrying out change of bank and change of address is recommended by NISM committee.</p> <p>Tata Mutual Fund (TMF) has decided to implement the following process for Change of Bank Mandate (COB) and Change of Address (COA) in line with the AMFI circular 135/BP/17/10-11 dated October 22, 2010 and 135/BP/26/11-12 dated March 21, 2012.</p> <p>Applications without complete bank details shall be rejected. The Asset Management Company will not be responsible for any loss arising out of fraudulent encashment of cheques / warrants and / or any delay / loss in transit.</p> <p><b>1. Documents required for Change of Bank Mandate (COB )</b></p> <p>1.Transaction slip/Request letter from investor</p> <p>And</p> <p>2.Proof of New Bank Mandate :</p> <p>Original of any one of the following documents or originals should be produced for verification or copy should be attested by the Bank:</p> <p>Cancelled original cheque of the new bank mandate with first unit holder name and bank account number printed on the face of the cheque.</p> <p>OR</p> <p>Self attested copy of not older than 3 months bank statement containing the first unit holder name and bank</p>

	<p>account number</p> <p>OR</p> <p>Bank passbook with current entries not older than 3 months containing the first unit holder name and bank account number.</p> <p>OR</p> <p>Original Bank Letter on the letter head containing the first unit holder name and bank account number duly signed by branch manager/authorized personnel with name, employee code and bank seal.</p> <p>And</p> <p>3.Proof of Existing Bank Mandate :</p> <p>Original of any one of the following documents or copy should be attested by the Bank or originals should be produced for verification:</p> <p>Cancelled original cheque with first unit holder name and bank account number printed on the face of the cheque.</p> <p>OR</p> <p>Original bank account statement / Pass book containing the first unit holder name and bank account number.</p> <p>OR</p> <p>Original letter issued by the bank on the letter head confirming the bank account holder name with the account details, duly signed by the Branch Manager with name, employee code and bank seal.</p> <p>OR</p> <p>In case such bank account is already closed, an original letter on the letter head of such bank duly signed by the Branch Manager with name, employee code and bank seal, confirming the closure of said account.</p> <p><b>Important Note:</b></p> <p>Unitholders may note that minimum 10 days prior notice is required for change/updation of bank account details.</p> <p>In case prior notice for change of bank account details is not provided atleast 10 days prior to the date of redemption then the payment of redemption proceeds may be paid out to the existing bank account. For unit holder where the units are held in demat, please ensure that the bank account details linked with the demat account is updated. Maturity payment would be made as per the bank account details as provided by the Depository Participant.</p> <p><b>Documents required for Change of Address (COA)</b></p> <p>KYC complied Folios/ Clients: No change in the existing process.</p> <p>KYC not complied Folios/Clients:</p> <p>1.Transaction slip/Request letter from investor</p> <p style="text-align: center;">And</p> <p>2.Proof of New Address (as per KYC guidelines)</p> <p style="text-align: center;">And</p> <p>3. Proof of Identity: Only PAN card copy if PAN is updated in the folio, or PAN/ other proof of identity ((as per KYC guidelines) if PAN is not updated in the folio.</p> <p>Unitholders may note that copies of all the documents submitted should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested / verified by entities authorized for attesting/verification of the documents as per extant KYC guidelines.</p> <p>In the event of a request for change in bank account information being invalid / incomplete / not satisfactory in respect of signature mismatch/document insufficiency/not meeting any requirements more specifically as indicated in clauses above, the request for such change will not be processed. Redemptions / dividend payments, if any, will be processed and the last registered bank account information will be used for such payments to Unitholders. Unitholders may note that requests for change in bank details shall be submitted atleast 10 business days prior to date of redemption / dividend payment. In event of insufficient prior notice for change in the Bank account mandate, the redemption / dividend payment, if any will be processed using last registered bank account Tata Mutual Fund shall not be responsible for any consequence arising out of such action.</p> <p>Unit holders are advised to provide their contact details like telephone numbers, mobile numbers and email IDs to Tata Mutual Fund in writing.</p> <p><b>Restriction on Acceptance of Third Party Cheques:</b> In pursuance to Best Practice Guidelines issued by Association of Mutual Funds in India [AMFI] Vide Circular No.135/BP/16/10 dated August 16th 2010 for Restriction on acceptance of Third party cheques, Tata Asset Management Ltd has decided henceforth not to accept subscriptions with Third-Party cheques except as provided in the aforesaid circular. For details kindly refer Statement of Additional Information (SAI).</p>
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**Eligibility for Application**

Since, this Fund is oriented towards providing a tool for retirement planning to investors; only individual investors are eligible to invest under the fund / plans. However, other category of investment vehicles, such as Private Trusts, Pension Funds, Gratuity Funds, Superannuation Fund etc as may be permitted under their respective statutes, where the ultimate beneficiary is an individual can also invest in the Fund.

**Applicants who cannot Invest**

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

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

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

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

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

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

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

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

**Common Reporting Standard (CRS)**

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

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

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

Who can invest

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



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	<p>communication / guidelines from Government of India or AMFI or SEBI or any other regulatory authority.</p> <p>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.</p> <p>Investors(s)/Unit holder(s) should consult their own tax advisors to understand the implications of FATCA/CRS provisions /requirements.</p> <p>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.</p> <p>The Fund reserves the right to include / exclude new / existing categories of investors to invest in the scheme from time to time, subject to SEBI Regulations and other than prevailing statutory regulations, if any.</p> <p>If a person resident of India at the time of subscription becomes a person resident outside India subsequently, shall have the option to either be paid Redemption value of Units, or continue into the Scheme if he/ she so desires and is otherwise eligible. However, the person who desires to continue in the Scheme shall not be entitled to any interest or any compensation during the period it takes for the Fund to record the change in Address and the Residential Status. Notwithstanding the aforesaid, the Trustee Company reserves the right to close the Unitholder account and to pay the Redemption value of Units, subsequent to his becoming a person resident outside India, should the reasons of expediency, cost, interest of Unitholders and other circumstances make it necessary for the Fund to do so. In such an event, no resident Unitholders who have subsequently become resident outside India shall have a right to claim the growth in capital and/ or income distribution.</p> <p>This scheme has not been registered in any country outside India. To ensure compliance with any Laws, Acts, Enactments, etc. including by way of Circulars, Press Releases, or Notifications of Government of India, the Fund may require/give verification of identity/any special/additional subscription-related information from /of the Unitholders(which may result in delay in dealing with the applications, Units, benefits, distribution, etc./giving subscription details, etc). Each Unitholder must represent and warrant to the Trustee Company/AMC that, among other things, he is able to acquire Units without violating applicable laws. The Trustee Company will not knowingly offer or sell Units to any person to whom such offer or sale would be unlawful, or might result in the Fund incurring any liability or suffering any other pecuniary disadvantages which the Fund might not otherwise incur or suffer. Units may not be held by any person in breach of the law or requirements of any governmental, statutory authority including, without limitation, Exchange Control Regulations. The Trustee company may, compulsorily redeem any Units held directly or beneficially in contravention of these prohibitions. In view of the individual nature of investment portfolio and its consequences, each Unitholder is advised to consult his/her own professional advisor concerning possible consequences of purchasing, holding, selling, converting or otherwise disposing of the Units under the laws of his/her State/country of incorporation, establishment, citizenship, residence or domicile.</p>
How to Apply	Please refer to the Scheme Additional Information and Application form for the instructions.
Dividend Policy	<p>At present the Fund does not envisage any income distribution under any of the plan. The income / profits received / earned would be accumulated by the Fund as per the objective of the Fund as capital accretion, aimed at achieving medium to long term capital growth and reflected in the NAV. Guided by the philosophy of value-oriented returns, the Trustee Company may periodically capitalise net earnings of the Fund (including interest income and realised gains and losses 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 Fund and Unitholders' interests.</p> <p>The Fund does not assure any targeted annual return / income or any capitalisation ratio. Normally the Fund will have positive net earnings at the time of each determination of earnings and the consequent NAV, However, accumulation of earnings and / or capitalisation of bonus units and the consequent determination of NAV, may be suspended temporarily or indefinitely under any of the circumstances as stated in the clause "Suspension of Ongoing Sale, repurchase or switch of units" under General Information section of SAI"</p> <p>However, the fund may introduce Income Cum Withdrawal i.e dividend / bonus options subsequently.</p>
Facility for purchasing of the units of the scheme through order routing platform on BSE and NSE	<p><b>Tata Mutual Fund has signed an agreement with BSE &amp; NSE for allowing transactions in the Scheme through stock exchange platform.</b></p> <p>The schemes 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 &amp; NSE. <b>Please refer SAI for further details.</b></p>

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<p>Option to hold Units in dematerialized (demat) form</p>	<p>Pursuant to SEBI Circular no. CIR/IMD/DF/9/2011 dated May 19, 2011 and further as per AMFI Circular No 35P/MEM-COR/35/11-12 dated Dec 23, 2011, Mutual Fund shall provide an option to investors to hold units in demat mode. Hence investors opting for allotment of units in demat form shall mention demat account details in the application form. Demat facility is available for all schemes of Tata Mutual Fund except for subscription in Plans / Options where dividend distribution frequency is less than one month.</p> <p>Subscription by way of Systematic Investment Plan option shall also be available for SIP transactions.</p>
<p>Additional communication channel for transaction alerts and confirmations for financial and/or non-financial transactions and other services</p>	<p>Tata Asset Management Limited (TAML) / Tata Mutual Fund (TMF) is offering a facility to the unitholder/ investors to receive transaction alerts and confirmations for financial and/ or non-financial transactions and other services on "WhatsApp" which is enabled on the mobile numbers of unitholders registered in Tata Mutual Fund folios.</p> <p>To receive such information/messages on WhatsApp, the unitholder / investor needs to provide their consent or "Opt In" and agree to receive various messages or other services. Investors can provide this 'opt in' on online mode and through physical modes like application form, through SMS etc.</p> <p>The Terms and conditions for using the facility:</p> <ul style="list-style-type: none"> <li>• The user agrees to subscribe to the WhatsApp service &amp; promotional alerts from TAML/TMF.</li> <li>• The user can unsubscribe to the channel at any time by sending an email to us at <a href="mailto:service@tataamc.com">service@tataamc.com</a>.</li> <li>• This channel cannot be used for grievance redressal or reporting fraud as of now, TAML/TMF will have no liability if any such incidents are reported on this channel.</li> <li>• It is advisable for customers who have subscribed to this service to delete WhatsApp when changing their device.</li> <li>• Customers shall not submit or transmit any content through this service which: <ul style="list-style-type: none"> <li>o Is Obscene, Vulgar, Pornographic, Political, Religious, etc.</li> <li>o Encourages the commission of a crime or violation of any law Violates any state or Central law in India and/or the jurisdiction in which he resides and/or any applicable law.</li> <li>o Infringes the intellectual or copyrights of a third party.</li> </ul> </li> <li>• Under no circumstances shall TAML/TMF, or its agents, affiliated companies, officers, directors, employees, and contractors be liable for any direct, indirect, punitive, incidental, special, or consequential damages that result from the use of, or inability to use, this service or for receipt of any answer provided by the program running at the back-end.</li> <li>• The customer understands that using WhatsApp application may carry extra risks and may not be secured. Further any message and information exchanged is subject to the risk of being read, interrupted, intercepted, or defrauded by third party or otherwise subject to manipulation by third party or involve delay in transmission.</li> <li>• TAML/TMF shall not be responsible or liable to the customer or any third party for the consequences arising out of or in connection with using of this service.</li> <li>• The customer is responsible for keeping security safeguard of his WhatsApp account linked to the registered mobile number.</li> <li>• TAML/TMF has the right to retract the service anytime it deems fit.</li> <li>• The customer agrees that he shall not have any claim against TAML/TMF on account of any suspension, interruption, non-availability or malfunctioning of the service due to any link/mobile/system failure at TAML/TMF's end for any reason thereof.</li> <li>• These terms and conditions may be withdrawn/ superseded/ modified at any time whatsoever, by TAML/TMF without any prior notice.</li> </ul>
<p>Transactions through online facilities / electronic modes:</p>	<p>The time of transaction done through various online facilities / electronic modes offered by the AMC, for the purpose of determining the applicability of NAV, would be the time when the request for purchase / sale / switch of units is received in the servers of AMC/RTA.</p> <p>In case of transactions through online facilities / electronic modes, the movement of funds from the investors' bank account to the Scheme's bank account may happen via the Intermediary / Aggregator service provider through a Nodal bank account and post reconciliation of fund. The process of movement of funds from the investors' bank account into the Scheme's Bank account in case of online transaction is governed by Reserve Bank of India(RBI)vide their circular Ref. RBI/2009-10/231 DPSS.CO.PD.No.1102/02.14.08/2009-10 dated 24th November, 2009. The process followed by the aggregator and the time lines within which the Funds are credited into the Scheme's bank account is within the time lines provided by RBI which is T+3 settlement cycle / business days, where T is the date of Transaction / day of intimation regarding completion of transaction. The nodal bank account as stated above is an internal account of the bank and such accounts are not maintained or operated by the intermediary / aggregator or by the Mutual Fund.</p> <p>While the movement of Funds out of the investors' Bank account may have happened on T day, however post reconciliation and as per statutory norms the allotment can happen only on availability of Funds for utilization by the AMC/MF and accordingly the transaction will processed as per the applicable NAV based on availability of funds for utilization. This lag may impact the applicability of NAV for transactions where NAV is to be</p>

## TATA RETIREMENT SAVINGS FUND

	<p>applied, based on actual realization of funds by the Scheme. Under no circumstances will Tata Asset Management Limited or its bankers or its service providers be liable for any lag / delay in realization of funds and consequent pricing of units.</p> <p>The AMC has the right to amend cut off timings subject to SEBI (MF) Regulations for the smooth and efficient functioning of the Scheme(s).</p>
Official Points of Acceptance of Transaction through MF utility	<p>Tata Mutual Fund has entered into an agreement with MF Utilities India Private Limited ("MFUI"), a "Category II -Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for usage of MF Utility ("MFU") - a shared services initiative of various asset management companies, which acts as a transaction aggregator for transacting in multiple scheme of various mutual funds with a single form and a single payment instrument. Accordingly, all the authorized Point of Sales(POS) and website/mobile application of MFUI (available currently and also updated from time to time) shall be eligible to be considered as 'official points of acceptance' for all financial and non-financial transactions in the scheme of Tata Mutual Fund either physically or electronically. The list of POS of MFUI is published on the website of MFUI at <a href="http://www.mfuindia.com">www.mfuindia.com</a>.</p> <p>Applicability of NAV shall be based on time stamping as evidenced by confirmation slip given by POS of MFUI and also the realization of funds in the Bank account of Tata Mutual Fund (and NOT the time of realization of funds in the Bank account of MFUI) within the applicable cut-off timing. The Uniform Cut -off time as prescribed by SEBI and mentioned in the SID / KIM shall be applicable for applications received through such facilities.</p> <p>Investors are requested to note that MFUI will allot a Common Account Number ("CAN") i.e. a single reference number for all investments in the mutual fund industry for transacting in multiple scheme of various mutual funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form and necessary documents at the POS. The AMC and/or its Registrar and Transfer Agent shall provide necessary details to MFUI as may be needed for providing the required services to investors/distributors through MFU. Investors are requested to visit the website of MFUI i.e. <a href="http://www.mfuindia.com">www.mfuindia.com</a> to download the relevant forms.</p> <p>For any queries or clarifications related to MFU, please contact the Customer Care of MFUI on 1800-266-1415 (during the business hours on all days except Sunday and public holidays) or send an email to <a href="mailto:clientservices@mfuindia.com">clientservices@mfuindia.com</a>.</p>
Cash Investments	<p>Cash Investments in the Scheme Pursuant to SEBI circular dated September 13, 2012 and SEBI circular dated May 22, 2014, it is permitted to accept cash transactions to the extent of Rs. 50,000/- subject to compliance with Prevention of Money Laundering Act, 2002 and Rules framed there under and the SEBI Circular(s) on Anti Money Laundering (AML) and other applicable AML rules, regulations and guidelines. Provided that the limit shall be applicable per investor for investments done in a financial year across all scheme of the Mutual Fund, subject to sufficient systems and procedures in place for such acceptance. However any form of repayment either by way of redemption, dividend, etc. with respect to such cash investment shall be paid only through banking channel.</p> <p>Tata Asset Management Limited is in process of implementing adequate systems and controls to accept Cash Investment in the Scheme. Information in this regard will be provided to Investors as and when the facility is made available.</p>

### B. PERIODIC DISCLOSURES

<p><b>Net Asset Value</b></p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p><b>NAV Information</b></p> <p>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 (<a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a>) and of the Association of Mutual Funds in India-AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) by 11 p.m on every Business Day.</p> <p>Investor may write to AMC for availing facility of receiving the latest NAVs through SMS.</p> <p><b>Illustration of Calculation of Sale &amp; Repurchase Price:</b></p> <p>Assumed NAV Rs. 11.00 per unit</p> <p>Entry Load: NIL</p> <p>Exit Load 1%</p> <p>Sale Price = NAV + (Entry Load (%) * NAV)</p> <p>Sale Price = 11 + (0% * 11)</p> <p>Sale Price = 11 + 0</p> <p>Sale Price = Rs. 11/-</p> <p>Repurchase Price</p> <p>Repurchase Price = NAV – (exit load (%) * NAV)</p> <p>Repurchase Price = 11 – (1%*11)</p>
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	<p>Repurchase Price = 11 – 0.11</p> <p>Repurchase Price = Rs.10.89</p> <p>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 Board of Trustees may temporarily suspend determination and / or publication of the NAV of the Units.</p> <p>Repurchase/ Resale is at Net Asset Value (NAV) related prices with repurchase/ resale loads as applicable (within limits) as specified under SEBI Regulations 1996, 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> <p>The foreign securities including Overseas Mutual Fund units shall be valued at the price files available from the stock exchange / mutual fund NAV on a daily basis.</p>
<p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p><b>Portfolio Disclosure:</b></p> <p>Tata Mutual Fund shall disclose portfolio (along with ISIN) in user friendly and downloadable spreadsheet format, as on the last day of the month/half year for all their schemes on its website <a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a> within 10 days from the close of each month/half year.</p> <p>In addition to monthly portfolio Tata Mutual Fund shall also disclose fortnight portfolio for debt scheme within 5 days of every fortnight as per SEBI Circular SEBI/HO/IMD/DF3/CIR/P/2020/130 dated July 22, 2020.</p> <p>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.</p> <p>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 <a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a> and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>). Tata Mutual Fund will provide physical copy of the statement of scheme portfolio without any cost, on specific request received from a unitholder.</p> <p><b>Unaudited Financial Results:</b></p> <p>Tata Mutual Fund/ Tata Asset Management Ltd shall within one month from the close of each half year, that is on 31st March &amp; on 30th September, host a soft copy of its unaudited financial results on its website.</p> <p>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 &amp; in a newspaper having wide circulation published in the language of the region where the Head Office of the fund is situated in the format specified in Twelfth Schedule of SEBI (Mutual Funds) Regulations 1996.</p>
<p>Annual Report</p>	<p>Annual report or Abridged Summary, in the format prescribed by SEBI, will be hosted on AMC's website <a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a> and on the website of AMFI <a href="http://www.amfiindia.com">www.amfiindia.com</a>.</p> <p>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 accounts year.</p> <p>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.</p> <p>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.</p> <p>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 (<a href="http://www.tatamutualfund.com">www.tatamutualfund.com</a>) and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>).</p>
	<p>Creation of segregated portfolio shall be subject to guidelines specified by SEBI from time to time and includes the following:</p> <ol style="list-style-type: none"> <li>1) Segregated portfolio may be created, in case of a credit event at issuer level i.e. downgrade in credit rating by a SEBI registered Credit Rating Agency (CRA), as under: <ol style="list-style-type: none"> <li>a) Downgrade of a debt or money market instrument to 'below investment grade', or</li> <li>b) Subsequent downgrades of the said instruments from 'below investment grade', or</li> <li>c) Similar such downgrades of a loan rating</li> </ol> </li> </ol>

**Creation of Segregated Portfolio  
(Applicable for Moderate and  
Conservative Plan)**

- 2) In case of difference in rating by multiple CRAs, the most conservative rating shall be considered. Creation of segregated portfolio shall be based on issuer level credit events as mentioned above and implemented at the ISIN level.
- 3) Creation of segregated portfolio is optional and is at the discretion of the Tata Asset Management Ltd (AMC).

**Process for Creation of Segregated Portfolio**

- 1) On the date of credit event, AMC should decide on creation of segregated portfolio. Once AMC decides to segregate portfolio, it should :
  - a) seek approval of trustees prior to creation of the segregated portfolio.
  - b) immediately issue a press release disclosing its intention to segregate such debt and money market instrument and its impact on the investors. Tata Mutual Fund will also disclose that the segregation shall be subject to Trustee approval. Additionally, the said press release will be prominently disclosed on the website of the AMC.
  - c) ensure that till the time the trustee approval is received, which in no case shall exceed 1 business day from the day of credit event, the subscription and redemption in the scheme will be suspended for processing with respect to creation of units and payment on redemptions.
- 2) Once Trustee approval is received by the AMC:
  - a) Segregated portfolio will be effective from the day of credit event
  - b) AMC shall issue a press release immediately with all relevant information pertaining to the segregated portfolio. The said information will also be submitted to SEBI.
  - c) An e-mail or SMS will be sent to all unit holders of the concerned scheme.
  - d) The NAV of both segregated and main portfolios will be disclosed from the day of the credit event.
  - e) All existing investors in the scheme as on the day of the credit event will be allotted equal number of units in the segregated portfolio as held in the main portfolio.
  - f) No redemption and subscription will be allowed in the segregated portfolio. However, upon recovery of any money from segregated portfolio, it will be immediately distributed to the investors in proportion to their holding in the segregated portfolio.
  - g) AMC should enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and also enable transfer of such units on receipt of transfer requests
  - h) Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
- 3) If the trustees do not approve the proposal to segregate portfolio, AMC will issue a press release immediately informing investors of the same.
- 4) In case trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio.

**Processing of Subscription and Redemption Proceeds**

All subscription and redemption requests for which NAV of the day of credit event or subsequent day is applicable will be processed as under:

- i. Upon trustees' approval to create a segregated portfolio -
  - Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
  - Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.
- ii. In case trustees do not approve the proposal of segregated portfolio, subscription and redemption applications will be processed based on the NAV of total portfolio.

**Disclosure**

AMC shall make necessary disclosures as mandated by SEBI, in statement of account, monthly / half yearly portfolio statements, Key Information Memorandum (KIM), SID, Scheme Advertisements, Scheme Performance data, AMC Website and at other places as may be specified.

The information regarding number of segregated portfolios created in a scheme shall appear prominently under the name of the scheme at all relevant places such as SID, KIM-cum-Application Form, advertisement, AMC and AMFI websites, etc.

**Monitoring by Trustees**

Trustees will monitor the compliance of the SEBI Circular in respect of creation of segregated portfolio and disclosure in this respect shall be made in Half-Yearly Trustee reports filed with SEBI.

In order to avoid mis-use of segregated portfolio, Trustees will put in place a mechanism to negatively impact the performance incentives of Fund Managers, Chief Investment Officers (CIOs) etc. involved in the investment process of securities under the segregated portfolio, mirroring the existing mechanism for performance incentives of Tata Asset Management Ltd., including claw back of such amount to the segregated portfolio of the scheme.

**TER for the Segregated Portfolio**

- 1) AMC will not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.
- 2) The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence. In addition to the TER mentioned above, the legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio as mentioned below.
- 3) The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
- 4) The costs related to segregated portfolio shall in no case be charged to the main portfolio.

**Explanations:**

- 1) The term 'segregated portfolio' means a portfolio, comprising of debt or money market instrument affected by a credit event, that has been segregated in a mutual fund scheme.
- 2) The term 'main portfolio' means the scheme portfolio excluding the segregated portfolio.
- 3) The term 'total portfolio' means the scheme portfolio including the securities affected by the credit event.

**Illustration of Segregated Portfolio**

**Portfolio Date** 31-Mar-21  
**Downgrade Event Date** 31-Mar-21  
**Downgrade Security** 7.65% C Ltd from **AA+ to B**  
**Valuation Marked Down** 25%

Mr. X is holding **1,000 Units** of the Scheme, amounting to Rs.15,057.30 (**1000\*15.0573**)

**Portfolio Before Downgrade Event**

Security	Rating	Type of the Security	Qty	Price Per Unit	Market Value (Rs. in Lacs)	% of Net Assets
7.80% A FINANCE LTD	CRISIL AAA	NCD	32,00,000	102.812	3289.98	21.850
7.70 % B LTD	CRISIL AAA	NCD	32,30,000	98.5139	3182.00	21.133
<b>7.65 % C Ltd</b>	<b>CRISIL B*</b>	<b>NCD</b>	<b>32,00,000</b>	<b>73.843</b>	<b>2362.97</b>	<b>15.693</b>
D Ltd (15/May/2019)	ICRA A1+	CP	32,00,000	98.3641	3147.65	20.904
7.65 % E LTD	CRISIL AA	NCD	30,00,000	98.6757	2960.27	19.660
Cash / Cash Equivalents					114.47	0.760
Net Asset Value					<b>15,057.34</b>	
Unit Capital (No. of Units)					<b>1,000</b>	
NAV (Rs.)					<b>15.0573</b>	

\* Marked down by 25% on the date of credit event. Before Marked down the security was valued at Rs.98.4570 per unit on the date of credit event i.e. on 31st March 2021, NCD of C Ltd (7.65%) will be segregated as separate portfolio.

**TATA RETIREMENT SAVINGS FUND**

**Main Portfolio as on 31st March 2021**

Security	Rating	Type of the Security	Qty	Price Per Unit	Market Value (Rs. in Lacs)	% of Net Assets
7.80% A FINANCE LTD	CRISIL AAA	NCD	32,00,000	102.812	3289.98	21.850
7.70 % B LTD	CRISIL AAA	NCD	32,30,000	98.5139	3182.00	21.133
D Ltd (15/May/2019)	ICRA A1+	CP	32,00,000	98.3641	3147.65	20.904
7.65 % E LTD	CRISIL AA	NCD	30,00,000	98.6757	2960.27	19.660
Cash / Cash Equivalents					114.47	0.760
Net Asset Value					<b>12694.37</b>	
Unit Capital (No. of Units)					<b>1,000</b>	
NAV (Rs.)					<b>12.6944</b>	

**Segregated Portfolio as on 31st March 2021**

Security	Rating	Type of the Security	Qty	Price Per Unit	Market Value (Rs. in Lacs)	% of Net Assets
7.65 % C Ltd	CRISIL B*	NCD	32,00,000	73.843	2362.97	15.693
Net Asset Value					<b>2362.97</b>	
Unit Capital (no of Units)					<b>1,000</b>	
NAV (Rs.)					<b>2.3630</b>	

**Value of Holding of Mr. X after creation of Segregated Portfolio**

Particulars	Segregated Portfolio	Main Portfolio	Total Value
No. of Units	1,000	1,000	
NAV (Rs.)	2.3630	12.6944	
Total value of Investment (in Rs.)	2362.97	12694.33	<b>15057.30</b>

**Associate Transactions**

Please refer to Statement of Additional Information (SAI).

**Investor services**

The AMC has designated an Investor Relations Officer to look into investor grievances regarding deficiencies, if any, in the services provided by the Registrars or the Investor Service Centres.

Name of the Investor Relations Officer:

**Ms. Kashmira Kalwachwala**

**Mulla House, Ground Floor, Homi Modi Street, Fort, Mumbai-400001.**

Call: (022) 6282 7777 (Monday to Saturday 9:00 am to 5:30 pm), Fax: 22613782,

Email: service@tataamc.com

The AMC will have the discretion to change the Investor Relations' Officer depending on operational necessities and in the overall interest of the fund.

**Taxation**

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 Fund.** 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.

**Structure of the fund** – As per the provisions\* of Income Tax Act, 1961, 'Tata Retirement Savings Fund- Progressive Plan' & 'Tata Retirement Savings Fund– Moderate Plan' shall be treated as equity oriented schemes and 'Tata Retirement Savings Fund– Conservative Plan' shall be treated as a non-equity oriented scheme.

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

**Tax Implication:**

**(A) For Progressive Plan & Moderate Plan (equity oriented schemes)**

## TATA RETIREMENT SAVINGS FUND

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. However, TDS rates has been reduced to 7.5% for the period between May14,2020 to March 31,2021.

\*\* 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 @
Rate of Tax		
Tax on Capital Gains (Payable by the Investors )		
<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:

Taxable securities transaction	Payable by	Rate (as a % of value of the transaction)
Purchase/ Sale of an equity share in a company where a) the transaction of such purchase is entered into in a recognized stock exchange; and b) the contract for the purchase of such share is settled by the actual delivery or transfer of such share	Purchaser/ Seller	0.1%
Purchase of a unit of an equity oriented fund, where a) the transaction of such purchase is entered into in a recognized stock exchange; and b) the contract for the purchase of such unit is settled by the actual delivery or transfer of such unit	Purchaser	NIL



## TATA RETIREMENT SAVINGS FUND

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.

### (B) For Conservative Plan (non-equity oriented scheme)

The Finance Act, 2020 abolished income 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.

Tax on Capital Gains ( Payable by the Investors)			
	Rate of Capital Gain Tax		
	Individual/ HUF \$	Domestic Company @	NRI \$
<b>Short Term Capital Gain ( Units held for 36 months or less)</b>	As per relevant Slab of Total Income chargeable to Tax	30%/25% <sup>^</sup> /22% <sup>^^</sup> /15% <sup>^^^</sup>	30% <sup>^</sup>
<b>Long Term Capital Gain (Units held for more than 36 months)</b>			
After Providing Indexation	20%	20%	Listed - 20% Unlisted - 10%**

\$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.

\*\* Without indexation.

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^ Assuming the investor falls into highest tax bracket.

^^ If total turnover or gross receipts in the financial year 2018-19 does not exceed Rs. 400 crores.

^^^ This lower rate is optional and subject to fulfillment of certain conditions as provided in section 115BAA.

^^^^ This lower rate is optional for companies engaged in manufacturing business (set-up & registered on or after 1 October 2019) subject to fulfillment of certain conditions as provided in section 115BAB.

Further, the domestic companies are subject to minimum alternate tax (except for those who opt for lower rate of tax of 22%/15%) not specified in above tax rates.

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 in case of NRI investors.

### 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 Dividend Distribution Tax/Capital Gain Tax, by the tax authorities, shall be solely borne by the investors and not by the AMC or Trustee Company.

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

### C. COMPUTATION OF NAV

Net Asset Value ("NAV") of the Units under each plan of the Fund shall be determined daily as of the close of all business days on which Bombay Stock Exchange (BSE) is open.

NAV shall be calculated in accordance with the following formula:

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

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

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

### IV. FEES AND EXPENSES

#### A. NEW FUND OFFER (NFO) EXPENSES

Tata Retirement Savings Fund was launched on 7<sup>th</sup> October'2011. The new fund offer expenses were 23.74% of the amount mobilised. However, the NFO expenses were borne by Tata Asset Management Ltd.

#### B. ANNUAL SCHEME RECURRING EXPENSES

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

The AMC has estimated following percentage of the daily net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

The maximum recurring expenses of the Scheme is estimated below:

Ref	Expenses Head	% of Daily Net Assets For Equity Oriented Schemes #	% of Daily Net Assets for Other Than Equity Oriented Schemes #
	Investment Management and Advisory Fees	Upto 2.25%	Upto 2.00%
	Trustee fee		
	Audit fees		
	Custodian fees		
	RTA Fees		
	Marketing & Selling expense incl. agent commission		

## TATA RETIREMENT SAVINGS FUND

	Other Expenses		
	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 & Service tax on expenses other than investment and advisory fees		
	Goods & Service tax on brokerage and transaction cost		
<b>(a)</b>	<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c)</b>	<b>Upto 2.25%*</b>	<b>Upto 2.00%*</b>
<b>(b)</b>	Additional expenses under regulation 52 (6A) (c)**	Upto 0.05%	Upto 0.05%
<b>(c)</b>	Additional expenses for gross new inflows from specified cities under regulation 52 (6A) (b)	Upto 0.30%^	Upto 0.30%^

\* Excluding Goods & Service tax on investment and advisory fees.

**# 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.**

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.

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

Assets under management slab (Rs. In crores)	Total expense ratio limits for equity oriented schemes	Total expense ratio limits for other than equity oriented schemes
on the first Rs.500 crores of the daily net assets	2.25%	2.00%
on the next Rs.250 crores of the daily net assets	2.00%	1.75%
on the next Rs.1250 crores of the daily net assets	1.75%	1.50%
on the next Rs.3000 crores of the daily net assets	1.60%	1.35%
on the next Rs.5000 crores of the daily net assets	1.50%	1.25%
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.	Total expense ratio reduction of 0.05% for every increase of Rs.5000 crores of daily net assets or part thereof.
on the balance of the assets	1.05%	0.80%

\*\*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 & 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.

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

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

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

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

## TATA RETIREMENT SAVINGS FUND

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.

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".

Notes:

- 1) Brokerage & transaction costs (including tax) which are incurred for the purpose of execution of trade may be capitalised to the extent of 12bps and 5bps for cash market transactions and derivatives transactions respectively. GST on brokerage and transaction cost paid for execution of trades shall be within the limit prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996. Any payment towards brokerage and transaction cost, over and above the said 12 bps and 5bps for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.
- 2) AMC shall annually set apart atleast 2 basis point on daily net assets for investor's education and awareness initiatives.
- 3) The fund shall update the current expense ratios on the website( [www.tatamutualfund.com](http://www.tatamutualfund.com)) at least three working days prior to the effective date of the change. The exact web link for TER is <https://www.tatamutualfund.com/expense-ratio> as well as disclosure to be made on the website of AMFI in downloadable spreadsheet format.

**Note:**

In case the scheme invests in foreign mutual funds, the fees and expenses charged by the Mutual Fund(s) in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund(s) shall not exceed the total limits on expenses as prescribed under Regulation 52. Where the scheme is investing only a part of the net assets in the foreign mutual fund(s), the same principle shall be applicable for that part of investment.

### C. LOAD STRUCTURE

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

**For Progressive, Moderate & Conservative Plans:**

**Entry Load:** N.A. for all the plans under the fund.

**Exit Load:**

- a) **If redeemed / switched-out on or after attainment of retirement age i.e. 60 years of age - Nil**
- b) **In case of Auto switch-out of units on occurrence of "Auto-switch trigger event" – Nil**
- c) **For Redemption of units before 61 Months from the date of allotment: 1% of the applicable NAV**

[The scheme has a lock-in period of 5 years or till retirement age i.e 60 Years (whichever is earlier)]

**Exit Load Free Switch-outs\*:** After completion of 5 years from the date of allotment, investors can avail exit load free switch from one plan to other plan of 'the Fund. However, this facility is available for a maximum six occasions during the tenure of investment in the Fund.

Switch-out before completion of 5 years from the date of allotment or switch-out to other schemes of 'Tata Mutual Fund' (i.e. other than switch between the plans of Tata Retirement Savings Fund) or switch-out beyond the allowed free occasions / times (i.e. 6 times) shall be subject to exit loads as mentioned in point (a, b & c) above.

Calculation of holding period – In case of switch-out (auto switch or otherwise) of units, before attainment of the retirement age, to other plans of this fund, holding period for the purpose of exit load will be the overall holding period in "Tata Retirement Savings Fund" (i.e. aggregate of the holding period in switch out plan as well as switch in plan).

\*It may please be noted that, those investors who avail this exit load free switch-out facility are required to re-register for the auto-switch facility from the plan to which they switch-in. However, auto-SWP facility shall remain in force and will be activated, upon attainment of the age of 60 years, from the plan to which they switch-in Bonus units and units issued on reinvestment of dividends shall not be subject to exit load.

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

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

**D. TRANSACTION CHARGES**

Pursuant to SEBI circular dt. 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 per 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 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 new inflows.

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

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

**V. RIGHTS OF UNITHOLDERS**

Please refer to SAI for details.

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

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

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed. - NIL
2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed. - NIL
3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed. - NIL
4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.  
- NIL
5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed. - NIL

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

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

**Note:** The Schemes under this Scheme Information Document was approved by the Trustee Company on 3<sup>rd</sup> February 2011 & subsequently the change of scheme type was approved by Trustees on 4<sup>th</sup> December 2017. Further the fundamental changes were approved by trustees on 24<sup>th</sup> January 2019.

By order  
Board of Directors

**Tata Asset Management Limited**

Place: Mumbai

Date: 13.04.2021

**Authorised Signatory**

**West Zone:**

**Ahmedabad:** 402, 'Megha House', Mithakhali - Law Garden Road, Netaji Marg, Ahmedabad - 380 006. Tel.: 079 - 26466080 / 40076949. **Bhopal:** MF-12, Block-A, Mansarovar Complex, Near Habibganj Railway Station, Bhopal - 462 016. Tel.: 0755 - 2574198 / 4209752. **Borivali:** Shop No. 1 and 2, Ground Floor, Ganjawalla Residency, Ganjawalla Lane, Borivali West, Mumbai - 400092. Tel.: 022- 28945923 / 8655421234. **Goa:** F- 4, 1st Floor, Edcon Tower, Next to Hotel Salida Del Sol, Near Apple Corner, Menezes Braganza Road, Panaji - Goa - 403 001. Tel.: 7888051135, Fax: 0832-2422135. **Indore:** 204, D.M. Tower, Race Course Road, Near Zanjeerwala Chourha, Indore - 452 003. Tel.: 0731-4201806, Fax 0731-4201807. **Jabalpur:** Office No. 4, 1178, Napier Town, Home Science College Road, Jabalpur - 482 001(M.P.). Tel.: 0761-4074263. **Mumbai:** Mulla House, Ground Floor, 51, M. G. Road, Near Flora Fountain, Mumbai - 400 001. Tel.: 022-66315191/92/93, Fax: 022- 66315194. **Nagpur:** 102, Shivaji Complex, Near Times of India, Dharampeth, WHC Road, Nagpur - 440 010, Tel.: 0712 - 6630425 / 6502885. **Nashik:** 5, Samridhi Residency, Opp Hotel City Pride, Tilakwadi, Nashik - 422 002. Tel.: 0253-6605138, Fax: 0253-2579098. **Navsari:** Shop No.1, Swiss Cottage, Ashanagar Main Road, Navsari - 396 445. Tel: 02637 - 281991. **Pune:** Office No 33, 3rd Floor, Yeshwant Building, Opp Lane No. 9, Prabhat Road, Pune - 411 004. Tel.: 020-41204949 / 950. **Rajkot:** 402, The Imperia, Opp. Shastri Maidan, Limda Chowk, Rajkot - 360 001. Tel: (0281) 2964848 / 849 **Surat:** G-18, Ground Floor, ITC Building, Near Majuragate, Ring Road, Surat - 395 002. Tel.: 0261 - 4012140, Fax: 0261-2470326. **Thane:** Shop No. 9, Konark Tower, Ghantali Devi Road, Thane (West) - 400 602. Tel.: 022 - 25300912. **Vadodara:** 304, 3rd Floor, "TITHI" Complex, Opposite Baroda Productivity Council, Productivity Road, Alkapuri. Vadodara - 390 007. Tel.: 0265-6641888/2356114, Fax: 0265-6641999. **Gurgaon:** Unit No. - 209, 2nd Floor, Vipul Agora Mall, Sector 28, M. G. Road, Gurgaon - 122 001.

**East Zone:**

**Bhubaneswar:** Room-309, 3rd Floor, Janpath Tower, Ashok Nagar, Bhubaneswar - 751009. Tel.: 0674 -2533818/ 7064678888. **Dhanbad:** Shriram Plaza, 2nd Floor, Room No.202 (B), Bank More, Jharkhand, Dhanbad - 826 001. Tel.: 0326-2300304 / 9234302478. **Durgapur:** 8C, 8th Floor, Pushpanjali, C-71/A, Saheed Khudiram Sarani, City Centre, Durgapur - 713 216. Tel: (0343) 2544463/65. **Guwahati:** 109, 1st Floor, Orion Tower, Christian Basti, G S Road, Guwahati - 781 005 (Assam). Tel.: 0361-2343084. **Jamshedpur:** Voltas House, Mezzanine Floor, Main Road Bistupur, Jamshedpur - 831001. Tel.: 0657-2321302 / 363 / 6576911. **Kolkata:** Apeejay House, Ground Floor, 15 Park Street, Kolkata - 700 016. Tel.: 033-4406 3300/01/33/19. Fax: 033-4406 3315. **Patna:** 301, 3rd Floor, Grand Plaza, Frazer Road, Patna - 800 001. Tel.: (0612) 2216994. **Raipur:** Shop No. S-10, 2nd Floor, Raheja Tower, Near Fafadhi Chowk, Jail Road, Raipur (Chhattisgarh) 492001. Tel.: 0771-4040069 / 6537340. **Ranchi:** 406 - A, 4th Floor, Satya Ganga Arcade, Sarjana Chowk, Lalji Hirji Road, Ranchi - 834001. Tel.: 0651-2210226 / 8235050200.

**North Zone:**

**Ajmer:** 02 Floor, Agra Gate Circle, P. R. Marg, Ajmer - 305 001. Tel: (0145) 2625316. **Agra:** Unit No. 2, 1st Floor, Block No. 54, Prateek Tower Commercial Complex, Sanjay Place, Agra - 282002. Tel.: 0562-2525195. **Allahabad:** Shop No. 10, Upper Ground Floor, Vashistha Vinayak Tower, Tashkand Marg, Civil Lines, Allahabad -211 001. Tel.: 0532-2260974. **Amritsar:** Mezzanine Floor, S.C.O - 25, B Block, District Shopping Complex, Ranjit Avenue, Amritsar - 143 001. Tel.: 0183-5011181/5011190. **Chandigarh:** SCO - 2473-74, 1st Floor, Sector- 22C, Chandigarh - 160 022. Tel.: 0172-5037205/5087322, Fax: 0172 - 2603770. **Dehradun:** Shop No. 19, Ground Floor, Shree Radha Palace, 78, Rajpur Road, Dehradun - 248 001, Uttarakhand. Tel.: 0135-2740877 / 2741877. **Jalandhar:** Shop No.32, 5th Floor, City Square Building, Near Kesar Petrol Pump, Jalandhar - 144 001, Tel.: 0181 - 5001024/25. **Jaipur:** Office Number 52-53, 1 Floor, Laxmi Complex, Subhash Marg, M.I. Road Corner, C Scheme, Jaipur - 302 001. Tel.: 0141 - 5105177 / 78 / 2389387, Fax: 5105178. **Delhi:** Vandana Building, 9th Floor, Unit Nos.9-G & 9-H, 11, Tolstoy Marg, Connaught Place, New Delhi - 110 001. Tel.: 011-66324101/102/103/104/105, Fax: 011-66303202. **Jodhpur:** Ground Floor, Jaya Enclave, 79/4, Opp. IDBI Bank, 1st A Road, Sardarpura, Jodhpur - 342 001. Tel.: 0291-2631257, Fax: 0291 - 2631257. **Kanpur:** 4th Floor, Office No. 412 - 413, KAN Chambers, 14 / 113, Civil Lines, Kanpur - 208 001. Tel.: 0512-2306065 / 6066, Fax: 0512 - 2306065. **Lucknow:** 11 B & 12, Ground Floor, Saran Chamber II, Vikramaditya Marg, 5 Park Road, Lucknow - 226001. Tel: (0522) 4001731 / 4308904 **Ludhiana:** Cabin No. 201, 2nd. Floor, SCO 18, Opp Ludhiana Stock Exchange, Feroze Gandhi Market, Ludhiana - 141 001. Tel.: 0161-5089667 / 668, Fax: 0161-2413498. **Meerut:** G-13, Rama Plaza, Near Bachha Park, Western Kutchery Road, Meerut (U.P.) - 250 001. Tel.: 0121-4035585. **Moradabad:** Ground Floor, Near Hotel Rajmahal, Civil Lines, Moradabad - 244 001, Tel.: 0591-2410667. **Udaipur:** Office No - 4, 2nd Floor, Madhav Apartment, Opp GPO, Chetak Circle, Udaipur - 313 001. Tel.: 0294-2429371, Fax: 0294-2429371. **Varanasi:** D-64/127, 2nd Floor, C-H Arihant Complex, Sigra, Varanasi - 221010 Tel.: 0542-222179 / 2221822.

**South Zone:**

**Aurangabad:** Plot No 66, Bhagya Nagar, Near S T Office, Kranti Chowk Police Station to Employment Office Road, Aurangabad - 431001. Tel: (0240) 2351591/90. **Bangalore:** Unit 3A, 4th Floor, Sobha Alexander Plaza, 16/2-6, Commissariat Road, Bangalore - 560025. Tel.: 080 45570100. Fax: 080-22370512. **Calicut:** Ground Floor, Door No. 6/296-A & B, Karuppali Square, YMCA Cross Road, Calicut - 673 001. Tel.: 0495-4850508. **Chennai:** 3rd Floor, Sri Bala Vinayagar Square, No.2, North Boag Road, Near AGS Complex, T Nagar, Chennai - 600 017. Tel.: 044 - 48641878 / 48631868 / 48676454. Fax: 044-43546313. **Cochin:** 2nd Floor, Ajay Vihar, Near Hotel Avenue Regent, M. G. Road, Cochin - 682 016. Tel.: 0484-4865813 / 814 / 815. Fax: 0484 - 2377581. **Coimbatore:** Tulsi Chambers, 195-F, Ground Floor, West T V Swamy Road, R S Puram, Coimbatore - 641002. Tel.: 0422-4365635, Fax: 2546585. **Hyderabad:** 1st Floor, Nerella House, Nagarjuna Hills, Above Kotak Mahindra Bank, Punjagutta, Hyderabad - 500082. Tel.: 040-67308989 / 8901 / 8902. Fax: 040-67308990. **Hubli:** No 19 & 20, 1st Floor, Eureka Junction, T B Road, Hubli - 580029. Tel.: 0836 - 4251510 Fax: 4251510. **Kottayam:** CSI Ascention Square, Logos Junction, Collectorate P. O., Kottayam - 686 002. Tel.: 0481 2568450. **Mangalore:** Essel Towers, 1st Floor, Bunts Hostel Circle, Above UTI Bank, Mangalore - 575 003. Tel.: 0824 - 4260308. **Madurai:** 1st Floor, Old No. 11B, Opp. Sethupathy Higher Secondary School, North Veli Street, Madurai - 625 001. Tel.: 0452-4246315 Fax: 0452-4246315. **Mysore:** CH-16, 1st Floor, Prashanth Plaza, 4th Main, 5th Cross, Saraswathipuram, Mysore - 570009. Tel.: 0821 - 4246676 Fax: 4246676. **Salem:** Raj Towers, Ground Floor, No: 4, Brindavan Road, Fairlands, Salem - 636 016. Tel.: 0427 - 4042028 Fax: 4042028. **Thrissur:** 4th Floor, Pathayappura Buildings, Round South, Thrissur - 680 001. Tel.: 0487 - 2423330. **Trivandrum:** Ground Floor, Sai Kripa Building, TC-1956/3, Ganapthi Temple Road, Vazhuthacaud, Trivandrum - 695 014. Tel.: 0471 - 4851431. **Trichy:** No.60/3, 'Krishna', 2nd Floor, Sastri Main Road, Tennur, Trichy - 620 017. Tel.: 0431 - 4024060. **Vijaywada:** Ground Floor, D. No. 40 - 13 - 5, Sri Rama Chandra Complex, Chandra Mouli Puram, M. G. Road, Benz Circle, Vijaywada - 520 010. Tel.: 0866-6632010. **Vishakapatnam:** Door No. 47-15-14 & 15, Shop No. 102 B, Ground floor, VRC Complex, Opp. TSR Complex, Next to Andhra Bank, Visakhapatnam - 530 016. Tel.: 0891-2503292 / 6666133.