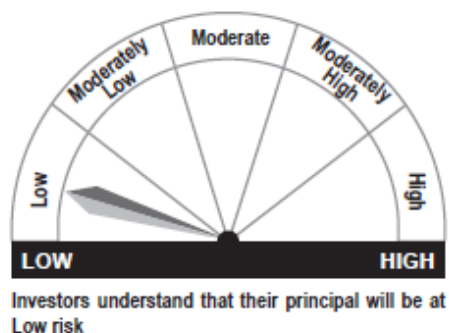


SCHEME INFORMATION DOCUMENT FOR UTI-LIQUID CASH PLAN

(An Open-ended Income Scheme)

THIS PRODUCT IS SUITABLE FOR INVESTORS WHO ARE SEEKING*:

- Steady and reasonable income over short-term with capital preservation.
- Investment in money market securities & high quality debt



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

**UTI Mutual Fund
UTI Asset Management Company Limited
UTI Trustee Company Private Limited**

Address of the Mutual Fund, AMC and Trustee Company:

UTI Tower, Gn Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. **Website:** www.utimf.com

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 (SID).

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 / UTI Financial Centers (UFCs) / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of UTI Mutual Fund, Tax and Legal issues and general information on www.utimf.com

SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest UTI Financial 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 August , 2016.

TABLE OF CONTENTS

Item No.	Contents	Page No.
	HIGHLIGHTS	3
I.	INTRODUCTION	
A.	Risk Factors	4
B.	Requirement of minimum investors in the Scheme	7
C.	Definitions	8
D.	Due Diligence by the Asset Management Company	12
II.	INFORMATION ABOUT THE SCHEME	
A.	Type of the Scheme	13
B.	What is the investment objective of the Scheme?	13
C.	How will the Scheme allocate its assets?	13
D.	Where will the Scheme invest?	15
E.	What are the Investment Strategies?	20
F.	Fundamental Attributes	20
G.	How will the Scheme Benchmark its performance?	21
H.	Who manages the scheme?	21
I.	What are the Investment Restrictions?	22
J.	How has the Scheme performed?	25
K.	Additional Scheme related disclosures	26
III.	UNITS AND OFFER	
A.	Ongoing Offer Details	27
B.	Periodic Disclosures	48
C.	Computation of NAV	51
IV.	FEES AND EXPENSES	
A.	Annual Scheme Recurring Expenses	52
B.	Load Structure for all classes of investors	55
V.	RIGHTS OF UNITHOLDERS	57
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	57

HIGHLIGHTS

Investment Objective	The investment objective of the scheme is to generate steady and reasonable income, with low risk and high level of liquidity from a portfolio of money market securities and high quality debt.
Liquidity	The scheme will offer subscription of units on every business day on an ongoing basis. Redemptions will be open throughout the year without any lock-in-period subject to restrictions, if any, as stated in the SID. However, no redemption will be allowed during the book closure period/s, if any, that may be announced by UTI AMC.
Benchmark	CRISIL Liquid Fund Index
Net Asset Value (NAV)	NAV will be calculated for every calendar day.
Loads	Entry Load : Nil Exit Load : Nil (Minimum amount for redemption under Growth Option is ₹10/- & all the other options is ₹1000/-)
Minimum Amount of Initial Investment	<p>i. Minimum amount of initial investment under both the Plans</p> <p>i) Growth Option - ₹500/- ii) All the other Options - ₹10,000/- and in multiples of ₹1/- under both i & ii above</p> <p>ii. Subsequent minimum investment amount under both the Plans</p> <p>i) Growth Option - ₹500/- ii) All the other Options - ₹1000/- and in multiples of ₹1/- under both i & ii above</p>

I. INTRODUCTION

A. RISK FACTORS

Standard Risk Factors:

1. Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
2. As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down.
3. Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
4. UTI-Liquid Cash Plan is only the name of the scheme and does not in any manner indicate either the quality of the scheme or its future prospects or returns. There may be instances where no dividend distribution could be made.
5. The sponsors are not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of ₹ 10,000/- made by them towards setting up the Fund.
6. The present scheme is not guaranteed or assured return scheme.
7. Statements/Observations made are subject to the laws of the land as they exist at any relevant point of time.
8. Growth, appreciation, dividend and income, if any, referred to in this scheme information document are subject to the tax laws and other fiscal enactments as they exist from time to time.
9. Investments in units issued under the scheme is subject to market risks. There is no assurance that the scheme/plans will maintain stable net asset values.

Risks associated with Investing in Bonds:

1. **Credit Risk:** Bonds / debentures as well as other money market instruments issued by corporates run the risk of down grading by the rating agencies and even default as the worst case. Securities issued by Central government have lesser to zero probability of credit / default risk in view of the sovereign status of the issuer.
2. **Interest - Rate Risk:** Bonds / Central Government securities which are fixed income securities, run price-risk like any other fixed income security. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The level of interest rates is determined by the rates at which government raises new money through RBI and the price levels at which the market is already dealing in existing securities, rate of inflation etc. The extent of fall or rise in the prices is a function of the prevailing coupon rate, number of days to maturity of a security and the increase or decrease in the level of interest rates. The prices of Bonds / Central Government securities are also influenced by the liquidity in the financial system and /or the open market operations (OMO) by RBI. Pressure on exchange rate of the Rupee may also affect security prices. Such rise and fall in price of bonds/central government securities in the portfolio of the scheme/plans may influence the NAVs of the scheme/plans as and when such changes occur.

3. **Liquidity Risk:** The Indian debt market is such that a large percentage of the total traded volumes on particular days might be concentrated in a few securities. Traded volumes for particular securities differ significantly on a daily basis. Consequently, the Scheme/plans might have to incur a significant "impact cost" while transacting large volumes in a particular security.

Securities Lending: It is one of the means of earning additional income for the scheme with a lesser degree of risk. The risk could be in the form of non-availability of ready securities for sale during the period the securities remain lent. The scheme could also be exposed to risk through the possibility of default by the borrower/intermediary in returning the securities. However, the risk would be adequately covered by taking of suitable collateral from the borrower by the intermediary involved in the process. The scheme will have a lien on such collateral. It will also have other suitable checks and controls to minimise any risk involved in the securities lending process.

Risks associated with Investing in Foreign Securities:

Investment in overseas market: The success of investment in overseas market depends upon the ability of the fund manager to understand conditions of those markets and analyse the information, which could be different from Indian markets. Operations in foreign markets would be subject to exchange rate fluctuation risk besides the market risks of those markets.

Risks associated with Investing in Derivatives:

Trading in debt derivatives involves certain specific risks like:

- a. **Settlement Risk:** This is the risk on default by the counter party. This is usually to the extent of difference between actual position and contracted position. This risk is substantially mitigated where derivative transactions happen through clearing corporation.
- b. **Market Risk:** Market movement may also adversely affect the pricing and settlement of derivative trades like cash trades.
- c. **Illiquidity Risk:** The risk that a derivative product may not be sold or purchased at a fair price due to lack of liquidity in the market.
- d. An exposure to derivatives can lead to losses. Success of dealing in derivatives depends on the ability of the fund manager to correctly assess the future market movement and in the event of incorrect assessment, if any, performance of the scheme could be lower.
- e. **Interest Rate Swaps (IRSs) and Forward Rate Agreements (FRAs)** do also have inherent credit and settlement risks. However, these risks are substantially less as they are limited to the interest stream and not for the notional principal amount.
- f. **Participating in derivatives is a highly specialised activity and entails greater than ordinary investment risks.** Notwithstanding such derivatives being used for limited purpose of hedging and portfolio balancing, the overall market in these segments could be highly speculative due to the action of other participants in the market.

Some of the risks associated with Interest Rate Swaps (IRS) and Forward Rate Agreements (FRAs) are as below:

- (i) **Counterparty Risk:** This refers to the risk of credit and settlement. Specifically it refers to the event that the counterparty in the IRS/FRA deal is unable to meet its commitment and defaults on its obligations.

- (ii) **Basis Risk:** Basis risk is the risk of mismatch i.e. the risk that arises when the underlying asset / liability is not perfectly correlated with the derivative position.
- (iii) **Liquidity Risk:** This refers to the risk associated with the ease with which a derivative position can be unwound.
- g. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. 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 involve 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.
- h. The risk associated with the use of derivatives are different from or possibly greater than, the risk associated with investing directly in securities and other traditional investments.

Different types of securities in which the scheme would invest as given in the scheme information document carry different levels and types of risk. Accordingly a scheme's risk may increase or decrease depending upon its investment pattern. For e.g. Corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.

Risk Analysis on underlying asset classes in Securitisation :

Securitisation – Features & Investment Strategy

Asset securitisation is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments. A typical process of asset securitisation 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 (e.g., promissory notes, pass through certificates or other debt instruments) to investors, such instruments evidencing the beneficial ownership of the investors in the Receivables. The financial instruments are rated by an independent credit rating agency. An Investor's Agent is normally appointed for providing trusteeship services for the transaction.

The Fund will predominantly invest only in those securitisation issuances, which have AAA rating indicating the highest level of safety from credit risk point of view at the time of making an investment.

Generally available Asset Classes for securitisation in India are:

- Commercial Vehicles
- Auto and Two wheeler pools
- Mortgage pools (residential housing loans)
- Personal Loan, credit card and other retail loans
- Corporate loans/receivables

The fund may invest in various type of securitisation issuances as contained in the above table, including but not limited to Asset Backed Securitisation, Mortgage Backed Securitisation, Personal Loan Backed Securitisation, Collateralized Loan Obligation/ Collateralized Bond Obligation and so on.

Risk Factors specific to investments in Securitised Papers:

Types of Securitised Debt vary and carry different levels and types of risks. Credit Risk on Securitised Bonds depends upon the Originator and varies depending on whether they are issued with Recourse to Originator or otherwise. A structure with Recourse will have a lower Credit Risk than a structure without Recourse. Underlying assets in Securitised Debt may assume different forms and the general types of receivables include Auto Finance, Credit Cards, Home Loans or any such receipts. Credit risks relating to these types of receivables depend upon various factors including macro economic factors of these industries and economies. Specific factors like nature and adequacy of property mortgaged against these borrowings, nature of loan agreement/ mortgage deed in case of Home Loan, adequacy of documentation in case of Auto Finance and Home Loans, capacity of borrower to meet its obligation on borrowings in case of Credit Cards and intentions of the borrower influence the risks relating to the asset borrowings underlying the securitised debt.

Holder of the securitised assets may have low credit risk with diversified retail base on underlying assets especially when securitised assets are created by high credit rated tranches, risk profiles of Planned Amortisation Class tranches (PAC), Principal Only Class Tranches (PO) and Interest Only class tranches (IO) will differ depending upon the interest rate movement and speed of prepayment. Various types of major risks pertaining to Securitised Papers are as below:

Liquidity & Price risk

Presently, secondary market for securitised papers is not very liquid. This could limit the ability of the investor to resell them. Even if a secondary market develops and sales were to take place, these secondary transactions may be at a discount to the initial issue price due to changes in the interest rate structure.

Delinquency and Credit Risk

Securitised transactions are normally backed by pool of receivables and credit enhancement as stipulated by the rating agency, which differ from issue to issue. The Credit Enhancement stipulated represents a limited loss cover to the Investors. These Certificates represent an undivided beneficial interest in the underlying receivables and there is no obligation of either the Issuer or the Seller or the originator, or the parent or any affiliate of the Seller, Issuer and Originator. No financial recourse is available to the Certificate Holders against the Investors' Representative. Delinquencies and credit losses may cause depletion of the amount available under the Credit Enhancement and thereby the Investor Payouts may get affected if the amount available in the Credit Enhancement facility is not enough to cover the shortfall. On persistent default of a Obligor to repay his obligation, the Servicer may repossess and sell the underlying Asset. However many factors may affect, delay or prevent the repossession of such Asset or the length of time required to realize the sale proceeds on such sales. In addition, the price at which such Asset may be sold may be lower than the amount due from that Obligor.

Prepayment Risk

Full prepayment of underlying loan contract may occur during the tenure of the paper. In the event of prepayments, investors may be exposed to changes in tenor and reinvestment risk.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme/plans shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plans. The two conditions shall be complied within each calendar quarter, 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. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. DEFINITIONS

In the scheme unless the context otherwise requires:

1. "Accounting Year" of UTI Mutual Fund is from April to March.
2. "Act" means the Securities and Exchange Board of India Act, 1992, (15 of 1992) as amended from time to time.
3. "AMFI" means Association of Mutual Funds in India.
4. "Applicant" means an investor who is eligible to participate in the scheme and who is not a minor and shall include the alternate applicant mentioned in the application form.
5. "Alternate applicant" in case of a minor means the parent/step-parent/court guardian who has made the application on behalf of the minor
6. "Asset Management Company/UTI AMC/AMC/Investment Manager" means the UTI Asset Management Company Limited incorporated under the Companies Act, 1956, (1 of 1956) [replaced by The Companies Act, 2013 (No.18 of 2013)] and approved as such by Securities Exchange Board of India (SEBI) under sub-regulation (2) of Regulation 21 to act as the investment manager to the schemes of UTI Mutual Fund.
7. "Body Corporate" or "Corporation" includes a company incorporated outside India but does not include (a) a corporation sole, (b) a co-operative society registered under any law relating to co-operative societies and (c) any other body corporate (not being a company as defined in this Act), which the Central Government may, by notification in the Official Gazette, specify in this behalf.
8. "Book Closure" is a period when the register of unit holders is closed for all transactions viz., purchase/redemption/changeover/switchover, change in particulars etc. Such Book Closure period will not exceed 7 days in a year.
9. "Business Day" means a day other than (i) Saturday and Sunday or (ii) a day on which the principal stock exchange with reference to which the valuation of securities under a plan/ scheme is done is closed, or the Reserve Bank of India or banks in Mumbai are closed for business, or (iii) a day on which the UTI AMC offices in Mumbai remain closed or (iv) a day on which purchase and redemption/ changeover / switchover of unit is suspended by the Trustee or (v) a day on which normal business could not be transacted due to storm, floods, bandhs, strikes or such other events as the AMC may specify from time to time.

Further, it is clarified that the day(s) on which the money markets are closed / not accessible, shall not be treated as business day(s) under the scheme.

The AMC reserves the right to declare any day as a Business Day or otherwise at any or all official Points of Acceptance.

10. "Custodian" means a person who has been granted a certificate of registration to carry on the business of custodian under the Securities and Exchange Board of India (Custodian of Securities) Regulations, 1996, and who may be appointed for rendering custodian services for the Scheme in accordance with the Regulations.
11. "Eligible Trust" means - (i) a trust created by or in pursuance of the provisions of any law which is for the time being in force in any State, or (ii) a trust, the properties of which are vested in a treasurer under the Charitable Endowments Act 1890 (Act 6 of 1890), or (iii) a religious or charitable trust which is administered or controlled or supervised by or under the provisions of any law, which is for the time being in force relating to religious or charitable trusts or, (iv) any other trust, being an irrevocable trust, which has been created for the purpose of or in connection with the endowment of any property or properties for the benefit or use of the public or any section thereof, or (v) a trust created by a will which is valid and has become effective, or (vi) any other trust, being an irrevocable trust, which has been created by an instrument in writing and includes 'depository' within the meaning of Clause(e) of Sub-section (1) of Section 2 of The Depositories Act, 1996.
12. "Firm", "partner" and "partnership" have the meanings assigned to them in the Indian Partnership Act, 1932 (9 of 1932), but the expression "partner" shall also include any person who being a minor is admitted to the benefits of the partnership.
13. "Fund Manager" means the manager appointed for the day-to-day management and administration of a scheme.
14. "Investment Management Agreement or IMA" means the Investment Management Agreement (IMA) dated December 9, 2002, executed between UTI Trustee Company Private Limited and UTI Asset Management Company Limited.
15. "Investor Service Centre" such offices as are designated as Investor Service Centre (ISC) by the AMC from time to time.
16. "Load" is a charge that may be levied as a percentage of NAV at the time of entry into a Scheme or at the time of exiting from a Scheme.
17. "Mutual Fund" or "Fund" or "UTIMF" means UTI Mutual Fund, a Trust under the Indian Trust Act, 1882 registered with SEBI under registration number MF/048/03/01 dated January 14, 2003.
18. "NAV" means Net Asset Value per unit of a Scheme and the Plans/Options therein, calculated in the manner provided in this Scheme Information Document and in conformity with the SEBI Regulations as prescribed from time to time.
19. "Non-Resident Indian (NRI)" shall have the meaning as defined under Foreign Exchange Management (Deposit) Regulations, 2000 (FEMA Regulation 2000) framed by Reserve Bank of India under Foreign Exchange Management Act, 1999 (42 of 1999). As per FEMA Regulation 2000, "Non-Resident Indian (NRI)" means a person resident outside India who is a citizen of India or is a person of Indian origin. A person shall be deemed to be a "person of Indian origin" if he is a citizen of any country other than Bangladesh or Pakistan and if (a) he at any time held Indian passport; or (b) he or either of his parents or any of his grand parents was a citizen of India by virtue of the Constitution of India or the Citizenship Act, 1955 (57 of 1955); or (c) the person is a spouse of an Indian citizen or a person referred to in sub-clause (a) or (b) herein.

20. "Number of units deemed to be in issue" means the aggregate of the number of units issued and still remaining outstanding.
21. "Official points of acceptance" UTI Financial Centers (UFCs), Offices of the Registrars of the Scheme and any other authorized center as may be notified by UTI AMC from time to time are the official points of acceptance of purchase/changeover/switchover and redemption applications of the scheme. The cut off time that is mentioned in the scheme information document will be applicable at these official points of acceptance. The list of official point of acceptance is attached with this document.

For purchase/redemption/changeover/switchover of units, applications received at any authorised collection center, which is not an official point of acceptance, the cut off time at the official point of acceptance, will be applicable for determination of NAV.

22. "RBI" means the Reserve Bank of India, constituted under the Reserve Bank of India Act, 1934.
23. "Record date" the date announced by the fund for any benefits like dividends etc. The person holding the units as per the records of UTI AMC/Registrars, on the record date shall be eligible for such benefits.
24. "Registrar" means a person whose services may be retained by UTI AMC to act as the Registrar under the scheme, from time to time.
25. "Regulations" or "SEBI Regulations" mean the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time.
26. "Scheme" means the UTI-Liquid Cash Plan.
27. "SEBI" means the Securities and Exchange Board of India set up under the Securities and Exchange Board of India Act, 1992 (15 of 1992).
28. "Society" means a society established under the Societies Registration Act of 1860 (21 of 1860) or any other society established under any State or Central law for the time being in force.
29. "Sponsors" are Bank of Baroda, Punjab National Bank, Life Insurance Corporation of India and State Bank of India.
30. "Switchover" means transfer of units of one scheme of UTI MF to another scheme of UTI MF wherever permissible.
31. "Time" all time referred to in the scheme information document stands for Indian Standard Time.
32. "Trustee" means UTI Trustee Company Private Limited, a company incorporated under the Companies Act, 1956 [replaced by The Companies Act, 2013 (No.18 of 2013)] and approved by SEBI to act as the Trustee to the schemes of UTI Mutual Fund.
33. "Trust Deed" means the Trust Deed dated December 9, 2002 of UTI Mutual Fund.

34. "Unit" means the interest of the unitholders in a scheme, which consists of each unit representing one undivided share in the assets of a scheme.
35. "Unit Capital" of a scheme/plan means the aggregate of the face value of units issued under that scheme/plan and outstanding for the time being.
36. "Unitholder" means a person holding units in a scheme of the Mutual Fund.
37. In this scheme information document, unless the context otherwise requires, (i) the singular includes the plural and vice versa, (ii) reference to any gender includes a reference to all other genders, (iii) heading and bold typeface are only for convenience and shall be ignored for the purposes of interpretation.
38. The words 'scheme' and 'plan' shall carry a meaning inter-alia depending on the context.

D. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

DUE DILIGENCE CERTIFICATE

**Due Diligence Certificate submitted to SEBI for
UTI-Liquid Cash Plan**

It is confirmed that:

- i. the Draft Scheme Information Document forwarded to Securities And Exchange Board of India 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 launching 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 scheme;
- iv. all 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.

Date:
Place: Mumbai

Vivek Maheshwari
Compliance Officer

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

UTI-Liquid Cash Plan is an open-ended Income Scheme.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

The investment objective of the Scheme is to generate steady and reasonable income, with low risk and high level of liquidity from a portfolio of money market securities and high quality debt.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

No investment will be made in equity instruments.

i) The scheme will invest in the following securities:

Securities/Instruments	Indicative Allocations (% of total assets)	
	Minimum	Maximum
Money market instruments	65	100
Debt Securities (including Central Govt. securities)	0	35

To minimize the credit risk investment would be made only in companies which have a rating of AA- or equivalent and above at the time of investment.

ii) The asset allocation of the portfolio is indicative and can be altered for short term periods on defensive consideration.

Debt and Money Market in India

(i) Debt Instrument Characteristics:

A Debt Instrument is basically an obligation which the borrower has to service periodically and generally has the following features:

Face Value	: Stated value of the paper /Principal Amount
Coupon	: Zero, fixed or floating
Frequency	: Semi-annual, annual, sometimes quarterly
Maturity	: Bullet, staggered
Redemption	: FV, premium or discount
Options	: Call/Put
Issue Price	: Par (FV) or premium or discount

A debt instrument comprises of a unique series of cash flows for each paper, terms of which are decided at the time of issue. Discounting these cash flows to the present value at various applicable discount rates (market rates) provides the market price.

(ii) Debt Market Structure:

The Indian Debt market comprises of the Money Market and the Long Term Debt Market.

Money market instruments have a tenor of less than one year while debt market instruments typically have a tenor of more than one year.

Money market instruments are Commercial Papers (CPs), Certificates of Deposit (CDs), Treasury bills (T-bills), Repos, Inter-bank Call money deposit, CBLOs etc. They are mostly discounted instruments that are issued at a discount to face value.

Long Term Debt market in India comprises mainly of two segments *viz.*, the Government securities market and the corporate securities market.

Government securities includes central, state and local issues. The main instruments in this market are Dated securities (Fixed or Floating) and Treasury bills (Discounted Papers). The Central Government securities are generally issued through auctions on the basis of 'Uniform price' method or 'Multiple price' method while State Govt. are through on-tap sales.

Corporate debt segment on the other hand includes bonds/debentures issued by private corporates, public sector units (PSUs) and development financial institutions (DFIs). The debentures are rated by a rating agency and based on the feedback from the market, the issue is priced accordingly. The bonds issued may be fixed or floating. The floating rate debt market has emerged as an active market in the rising interest rate scenario. Benchmarks range from Overnight rates or Treasury benchmarks.

Debt derivatives market comprises mainly of Interest Rate Swaps linked to Overnight benchmarks called MIBOR (Mumbai Inter Bank Offered Rate) and is an active market. Banks and corporate are major players here and of late Mutual Funds have also started hedging their exposures through these products.

Securitised Debt Instruments – Asset securitisation is a process of transfer of risk whereby commercial or consumer receivables are pooled packaged and sold in the form of financial instruments. A typical process of asset securitisation 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 to investors, which are rated by an independent credit rating agency. Bank, Corporates, Housing and Finance companies generally issue securitised instruments. The underlying receivables generally comprise of loans of Commercial Vehicles, Auto and Two wheeler pools, Mortgage pools (residential housing loans), Personal Loan, credit card and Corporate receivables.

The instrument, which is issued, includes loans or receivables maturing only after all receivables are realised. However depending on timing of underlying receivables, the average tenure of the securitized paper gives a better indication of the maturity of the instrument.

(iii) Regulators:

The RBI operates both as the monetary authority and the debt manager to the government. In its role as a monetary authority, the RBI participates in the market through open-market operations as well as through Liquidity Adjustment Facility (LAF) to regulate the money supply. It also regulates the bank rate and repo rate, and uses these rates as indirect tools for its monetary policy. The RBI as the debt manager issues the securities at the cheapest possible rate. The SEBI regulates the debt instruments listed on the stock exchanges.

(iv) Market Participants:

Given the large size of the trades, the debt market has remained predominantly a wholesale market.

Primary Dealers

Primary dealers (PDs) act as underwriters in the primary market, and as market makers in the secondary market.

Brokers

Brokers bring together counterparties and negotiate terms of the trade.

Investors

Banks, Insurance Companies, Mutual Funds are important players in the debt market. Other player are Trusts, Provident and pension funds.

(v) Types of security issuance and eligible investors:

Issuer	Instruments	Yields (as on 18.07.2016)	Maturity	Investors
Central Government	Dated Securities	6.85% - 7.61%	1-30 years	Banks, Insurance Co, PFs, MFs, PDs, Individuals, FPI
Central Government	T-Bills	6.85% - 6.51%	364/91 days	Banks, Insurance Co, PFs, MFs, PDs, Individuals, FPI
State Government	Dated Securities	7.99% - 8.00%	10 years	Banks, Insurance Co, PFs, MFs, PDs, Individuals
PSUs Corporates	Bonds	7.88% - 8.01%	5-10 years	Banks, Insurance Co, PFs, MFs, PDs, Individuals, FPI
Corporates (AAA rated)	Bonds	7.50% - 8.50%	1-10 years	Banks, MFs, Corporates, Individuals, FPI
Corporates	Commercial Papers	6.80% - 8.06%	15 days to 1 yr	Banks, MFs, Fin Inst, Corporates, Individuals, FPIs
Banks	Certificates of Deposit	6.50% - 7.30%	15 days to 1 yr	Banks, Insurance Co, PFs, MFs, PDs, Individuals
Banks	Bonds	8.25% - 8.55%	10-15 years	Banks, Companies, MFs, PDs, Individuals

(vi) Trading Mechanism:

Government Securities and Money Market Instruments

Currently, Government Securities (G-Sec) trades are predominantly routed through NDS-OM which is a screen based anonymous order matching systems for secondary market trading in G Sec owned by RBI. Corporate Debt is basically a phone driven market where deals are concluded verbally over recorded lines. The reporting of trade is done on the NSE Wholesale Debt Market segment.

D. WHERE WILL THE SCHEME INVEST?

1. The mutual funds can invest in

- i. 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
- ii. Money market instruments rated not below investment grade

- iii. 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 (subject to the participation in repo in corporate debt securities as stated in paragraph 2 below)
- iv. Government securities where the countries are rated not below investment grade
- v. Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- vi. Short term deposits with banks overseas where the issuer is rated not below investment grade
- vii. 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).

The aggregate ceiling for overseas investments as per para 1 above is US \$ 7 bn. Within the overall limit of US \$ 7 bn, mutual funds can make overseas investments subject to a maximum of US \$ 300 mn. per mutual fund.

Investment in overseas securities shall be made in accordance with the requirements stipulated by SEBI and RBI from time to time.

The fund manager will consider the risk/reward ratio of the investments in these instruments. Risks may include fluctuating currency prices, relevant regulations of exchanges/countries, financial reporting standards, liquidity and political instability, among others. At the same time, these securities offer new investment and portfolio diversification opportunities into multi-market and multi-currency products.

2. Participation in repo in corporate debt securities

The scheme shall participate in repo transactions in Corporate Debt Securities within the following overall framework, as per the guidelines of Securities and Exchange Board of India and Boards of UTI Trustee Co P Ltd & UTI AMC Ltd.

(A) Gross Exposure Norms

- (i) The gross exposure of any scheme to 'corporate bonds repo transactions' shall not be more than 10% of the net assets of the concerned scheme.
- (ii) The cumulative gross exposure through 'corporate bonds repo transactions' along with equity, debt and derivatives shall not exceed 100% of the net assets of the concerned scheme.
- (iii) In addition to investment restrictions specified in SEBI (Mutual Funds) Regulations 1996, the counter-party exposure in a scheme, considering the investments held in the debt securities and value of collaterals held through repo transactions (as a lender), shall not be more than 30% in case of money market instruments (20% in other cases).

(B) Category of the counter-party to be considered for making investment

All entities eligible for transaction in corporate debt repos, as defined by Reserve Bank of India (RBI) and SEBI, shall be considered for repo transactions.

(C) Credit Rating of Counterparty to be considered for making investment

The scheme/s shall carry out repo transactions with only those counterparties, who have a credit rating of 'AA- and above' (Long term rating) or 'A1+' (Short term rating).

(D) Tenor of Repo

As a repo seller, the scheme/s can borrow for a period not more than six months as per the existing Regulation 44(2) of the SEBI (Mutual Funds) Regulations, 1996.

As a repo buyer, the scheme/s can lend for a maximum period of one year, subject to provision/s of the Scheme Information Document (SID).

(E) Tenor and Credit Rating of the Collateral

The scheme/s shall participate in repo transactions in Corporate `Bonds rated ‘AA’ and above (‘A1+’ in respect of money market instruments).

The tenor of the collateral shall not be more than 10 years.

(F) Minimum Haircut

In terms of RBI guidelines, repo transactions shall be subject to the following minimum haircuts:-

Rating of the Security	AAA	AA+	AA
Minimum Haircut	7.50%	8.50%	10%

The above are minimum stipulated haircuts where the repo period is overnight or where the re-margining frequency (in case of longer tenor repos) is daily. In all other cases, Fund Manager may adopt appropriate higher haircuts.

Depending on the market conditions and risk perceptions, the Fund Manager may seek higher haircut (while lending) or give a higher haircut (while borrowing).

(G) Risk factors and mitigation measures

1) Illiquidity Risk

The repo market for corporate debt securities is over the counter (OTC) and illiquid. Hence, repo obligations cannot be easily sold to other parties.

Therefore, to mitigate such risks, it has been stipulated that gross exposure to Repo in corporate bonds would be limited to 10% of net assets of the concerned scheme. Further, the tenor of repo would be taken based on nature and unit holders’ pattern of the scheme.

2) Counter-party risk

Credit risk would arise if the counter-party fails to repurchase the security as contracted or if counterparty fails to return the security or interest received on due date. To mitigate such risks, the scheme shall carry out repo transactions with only those counterparties, which has a credit rating of ‘A1+’ or ‘AA- and above’. In case of lending of funds as a repo buyer, minimum haircuts on the value of the collateral security have been stipulated, and we would receive the collateral security in the scheme’s account before the money is lent to the counter-party. Overall, we would have a limited number of counter-parties, primarily comprising of Mutual Funds, Scheduled Commercial banks, Financial Institutions and Primary dealers.

Similarly, in the event of the scheme being unable to pay back the money to the counterparty as contracted, the counter-party may hurriedly dispose of the assets (as they have sufficient margin) and the net proceeds may be refunded to the Scheme. Thus, the Scheme may suffer losses in such cases. Sufficient funds flow management systems are in place to mitigate such risks.

3) Collateral Risk (as a repo buyer)

Collateral risks arise due to fall in the value of the security (change in credit rating and/or interest rates) against which the money has been lent under the repo arrangement. To mitigate such risks, we have stipulated the minimum credit rating of the issuer of collateral security ('AA' for long-term instruments / A1+ for money market instruments), maximum duration of the collateral security (10 years) and minimum haircuts on the value of the security. For further details refer to SAI/Addendum No.7/2014-15 dated 7th July 2014.

3. Participating in Derivative Products:

Derivatives: A derivative instrument, broadly, is a financial contract whose payoff structure is determined by the value of an underlying security, index, interest rate etc. Thus a derivative instrument derives its value from some underlying variable.

Derivatives are further classified into

Futures

Options

Swaps

Futures: A futures contract is a standardized contract between two parties where one of the parties commits to sell, and the other to buy, a stipulated quantity of a security at an agreed price on or before a given date in future.

Options:

An option is a derivative instrument which gives its holder (buyer) the right but not the obligation to buy or sell the underlying security at the contracted price on or before the specified date. The purchase of an option requires an up-front payment (premium) to the seller of the option.

There are two basic types of options, call option and put option.

(a) Call option: A call option gives the buyer of the option the right but not the obligation to buy a given quantity of the underlying asset, at a given price (strike price), on or before a given future date.

(b) Put option: A put option gives the buyer of the option the right but not the obligation to sell a given quantity of the underlying asset, at a given price (strike price), on or before a given future date.

On expiry of a call option, if the market price of the underlying asset is lower than the strike price the call would expire unexercised. Likewise, if, on the expiry of a put option, the market price of the underlying asset is higher than that of the strike price the put option will expire unexercised.

The buyer/holder of an option can make loss of not more than the option premium paid to the seller/writer but the possible gain is unlimited. On the other hand, the option seller/writer's maximum gain is limited to the option premium charged by him from the buyer/holder but can make unlimited loss.

Swaps:

The exchange of a sequence of cash flows that derive from two different financial instruments. For example, the party receiving fixed in an ordinary Interest Rate Swap receives the excess of the fixed coupon payment over the floating rate payment. Of course, each payment depends on

the rate, the relevant day count convention, the length of the accrual period, and the notional amount.

Some of the derivative techniques/ strategies that may be used are:-

- (a) A scheme may use hedging techniques including dealing in derivative products - like interest rate swaps (IRS), forward rate agreement (FRA) as may be permissible under SEBI (MFs) Regulations from time to time.
- (b) The scheme intends to use derivatives mainly for the purpose of hedging and/or re-balancing of the portfolio against any anticipated move in the debt markets. A hedge is primarily designed to offset a loss on a portfolio with a gain in the hedge position.
- (c) The Fund Manager may use various strategies for trading in derivatives with a view to enhancing returns and taking cover against possible fluctuations in the market.
- (d) As per the current norms of UTI AMC, the value of derivative contracts outstanding at any point of time will be limited to 25% of the net assets of a scheme. The Board may, in future, revise the limits within the SEBI (MFs) Regulations in keeping with the investment objectives of the scheme

Exposure limits: As per SEBI Circular No. Cir/IMD/DF/11/2010 dated 8th August 2010.

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

- g. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point a.

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.

The AMC retains the right to enter into such derivative transactions as may be permitted by the Regulations from time to time. For risks associated with investments in derivatives investors are requested to refer to Risk Factors of this Scheme Information Document.

E. WHAT ARE THE INVESTMENT STRATEGIES?

The scheme is positioned as low-risk, low-volatility funds which aim at offering reasonable returns to investors looking to park short term surpluses. The funds attach importance to low credit risk, portfolio diversification and stability of returns. As per SEBI guidelines, the scheme can invest in/purchase debt and money market securities with maturity of up to 91 days.

Portfolio Turnover Policy

The portfolio management style of the scheme is conducive to a low portfolio turnover rate.

F: FUNDAMENTAL ATTRIBUTES

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

(i) **Type of Scheme:**

UTI-Liquid Cash Plan is an open-ended income scheme.

(ii) **Investment objective:**

Main Objective – As given in clause II B

Investment pattern – As given in Clause II (C) (i) while retaining the option to alter the asset allocation for a short term period on defensive consideration.

(iii) **Terms of issue:**

Liquidity provision of redemption: Only provisions relating to redemption as given in the Scheme Information Document.

Aggregate Expense and Fees [as given in clause IV (A) (2) and IV (A) (3)] charged to the scheme.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustee shall ensure that no change in the fundamental attributes of the scheme and the Plan(s) / Option(s) there under or the trust or fees and expenses payable or any other change which would modify the Scheme and Plan(s) / Option(s) there under and affect the interest of the unitholders, is carried out unless -

- (i) A written communication about the proposed change is sent to each unit holder 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 unit holders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

CRISIL Liquid Fund Index is the benchmark for UTI-Liquid Cash Plan.

Composition of the benchmark is Call Index 40% and CP Index 60%.

The benchmark for the scheme has been chosen on the basis of the investment pattern/objective of the scheme and the composition of the indices. UTI AMC reserves the right to change the benchmarks in future if benchmark better suited to the investment objective of the scheme is available.

H. WHO MANAGES THE SCHEME?

Shri Amandeep Chopra is the Fund Manager of UTI-Liquid Cash Plan (Managing the Scheme since October 2004)

Name and Age	Qualifications	Experience	Other Schemes Managed
Amandeep Chopra 45 yrs	BSc, MBA	He has over 26 years of total experience, with 22 years in Investment Management, having worked in the areas of Investment Research and Funds Management. As Head – Fixed Income and Fund Manager, he is handling various Income as well as Hybrid funds both open ended and closed ended, across tenors and duration buckets. Earlier, during 1994-98, he was in Securities Research – covering a wide range of industries and	UTI-Bond Fund; UTI-Children’s Career Balanced Plan (Debt Portfolio); UTI Unit Scheme for Charitable & Religious Trusts & Registered Societies (Debt Portfolio); UTI-Dynamic Bond Fund; UTI-G Sec Fund; UTI-Gilt Advantage Fund; UTI-Mahila Unit Scheme;(Debt Portfolio) UTI-Medium Term Fund; UTI-MIS-Advantage Plan;(Debt Portfolio) UTI-Money Market Fund; UTI-Monthly Income Scheme (Debt Portfolio); UTI Retirement Benefit Pension Fund

		corporates. Prior to erstwhile Unit Trust of India, he has worked as Production Coordinator with Aaina Exports Ltd. from May, 1990 to January 1991, as Quality Control Inspector with Stenay Ltd. from February, 1991 to August, 1992.	(Debt Portfolio); UTI-Unit Linked Insurance Plan.(Debt Portfolio)
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Shri Ritesh Rathod is the dedicated Fund Manager for investment in ADRs / GDRs / Foreign Securities (Managing the Scheme since October 2015)

Age (in yrs)	Qualifications	Experience	Other Schemes Managed if any
34	B.Com., MBA (Finance), CFA	He began his career in June 2006 with UTI AMC. He has 10 years experience in securities research. In addition to his current responsibilities he is dedicated Fund Manager for making overseas Investments.	Dedicated fund manager for investment in ADRs GDRs / Foreign securities of all domestic schemes launched or to be launched by the UTI Mutual Fund.

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

All investment restrictions are applicable at the time of making an investment. Subject to SEBI (MFs) Regulations, guidelines on investment from time to time:

- a. The 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 authorised to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of directors of the asset management company:

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

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

- b. The scheme shall not invest more than 10% of their NAVs 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 will be made with the prior approval of the Trustees and Board of the AMC.

UTI Mutual Fund may constitute committees who can approve proposals for investments in unrated instruments. However, the detailed parameters for such investments shall be approved by the AMC Board and the Trustee. The details of such investments shall be communicated by UTI AMC to the Trustees in their periodical reports. However, in case any security does not fall under the parameters, the prior approval of the Board of AMC and Trustee shall be required.

Prudential limits in sector exposure and group exposure in debt-oriented mutual fund schemes:

The exposure of the Scheme in a particular sector (excluding investments in Bank CDs, CBLO, G-Secs, TBills, short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 25% of the net assets of the Scheme;

Provided that an additional exposure to financial services sector (over and above the limit of 25%) not exceeding 5% of the net assets of the Scheme shall be allowed only by way of increase in exposure to Housing Finance Companies (HFCs).

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) and the total investment/exposure in HFCs shall not exceed 25% of the net assets of the Scheme as per SEBI Guideline contained in Circular No SEBI/HO/IMD/DF2/CIR/P/2016/35 dated February 15, 2016.

Group exposure –

- i. The total exposure of the Scheme 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 Board of Trustees.
- ii. For this purpose, a group means a group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 (Regulations) and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

UTI AMC has appropriate in-built systems control and continuous review mechanism to ensure that counterparty risk exposure arising out of all financial transactions including OTC derivative and repo transactions are within the limits as specified above. Internal control mechanisms ensure adherence to these limits and type of exposures i.e., the scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below AA- and the scheme shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total of such instruments shall not exceed 25% of the NAV of the scheme.

- c. Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments. It is further clarified that the investment limits are applicable to all debt securities, which are issued by public bodies/institutions such as electricity boards, municipal corporations, state transport corporations etc. guaranteed by either state or central government. Government securities issued by Central/State government or on its behalf by RBI are exempt from the above investment limits.
- d. Pending deployment of funds of the Scheme/s in securities in terms of the investment objective of the scheme as stated above, the funds of the Scheme/s may be invested in short term deposits of scheduled commercial banks in accordance with SEBI Circular No. SEBI/IMD/CIR No. 1/ 91171 /07 dated April 16, 2007, where the cash in the scheme is parked in short term deposits of Scheduled Commercial Banks and such deposits shall abide by the following guidelines:
 - “Short Term” for parking of funds shall be treated as a period not exceeding 91 days.
 - Such short-term deposits shall be held in the name of the Scheme.

- The scheme shall not park more than 15% of the net assets in short term deposit(s) of all the scheduled commercial banks put together. However, such limit may be raised to 20% with prior approval of the Trustee.
 - Parking of funds in short term deposits of associate and sponsor scheduled commercial banks together shall not exceed 20% of total deployment by the Mutual Fund in short term deposits.
 - The scheme shall not park more than 10% of the net assets in short term deposit(s), with any one scheduled commercial bank including its subsidiaries.
 - The scheme shall not park funds in short term deposit of a bank, which has invested in the Scheme.
 - Asset Management Company (AMC) shall not be permitted to charge any investment management and advisory fees for parking of funds in short term deposits of scheduled commercial banks in case of liquid and debt oriented schemes.
- e. No term loans will be advanced by the scheme for any purpose as per SEBI regulation 44(3) of SEBI (Mutual Fund) Regulations 1996.
- f. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relative securities and in all cases of sale, deliver the securities and shall in no case put itself in a position whereby it has to make short sale or carry forward transaction. Provided that the scheme may enter into derivatives transactions for the purpose of hedging and re-balancing the portfolio in accordance with the guidelines issued by SEBI.
- g. Mutual Fund under all its schemes taken together will not own more than 10% of any Company's paid up capital carrying voting rights.
- h. The Mutual Fund shall get the securities purchased by a scheme/plan transferred in the name of the scheme/plan, wherever investments are intended to be of long term nature.
- i. (i) The scheme may participate in the securities lending program, in accordance with the terms of securities lending scheme announced by SEBI. The activity shall be carried out through approved intermediary.
- (ii) The maximum exposure of a scheme to a single intermediary in the securities lending program at any point of time would be 10% of the market value of the security class of the scheme or such limit as may be specified by SEBI.
- (iii) If mutual funds are permitted to borrow securities the scheme may in appropriate circumstances borrow securities in accordance with SEBI guidelines in that regard.
- j. The scheme shall not make any investment in any unlisted security of an associate or group company of the sponsors; or any security issued by way of private placement by an associate or group company of the sponsors; or the listed securities of group companies of the sponsors which is in excess of 25% of the net assets.
- k. Investment in non-publicly offered debt: Depending upon the available yields the scheme would be investing in non-publicly offered debt securities.
- l. Based upon the liquidity needs, the scheme may invest in Government of India Securities without any restriction on the extent to which such investments can be made.

- m. Investment by the scheme in other Mutual Fund schemes will be in accordance with Regulation 44(1), Seventh Schedule of the SEBI (MFs) Regulations as under:

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.

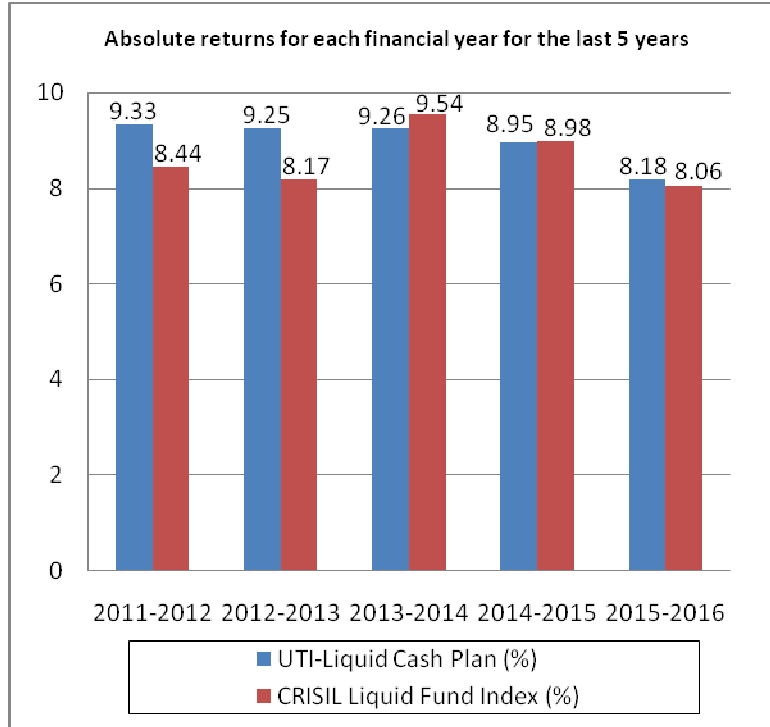
Such investment will be consistent with the investment objective of the schemes. No investment management fees will be charged by the AMC on such investments.

- n. The portfolio characteristics of UTI Liquid Cash Plan is as under:
1. "Liquid Fund Schemes and Plans" shall mean the scheme and plans of a mutual fund as specified in the guidelines issued by SEBI in this regard.
 2. The aforesaid scheme shall make investment in / purchase debt and money market securities with maturity of upto 91 days only.
 3. The requirements stated at paragraph 2 above shall apply to inter-se scheme transfers also.
- o. The Scheme shall not make any investment in any fund of fund scheme.

J. HOW HAS THE SCHEME PERFORMED?

UTI-Liquid Cash Plan (Growth)

Performance of the scheme as on 30th June 2016	Compounded Annualised Returns	Scheme Returns (%)	CRISIL Liquid Fund Index (%)
	Returns for the last 1 year	8.06	7.90
	Returns for the last 3 years	8.73	8.77
	Returns for the last 5 years	8.95	8.62
	Returns since inception	7.65	6.98



Past Performance may or may not be sustained in future

K. Additional Scheme related disclosures

1. Scheme’s portfolio holdings (top 10 holdings by issuer and fund allocation towards various sectors) (as on June 30, 2016)

UTI-Liquid Cash Plan - Top 10 holdings (Issuer wise)		
Serial No	Issuer Name	% of NAV
1	Government of India	9.56
2	Steel Authority Of India Ltd.	6.17
3	Small Indst. Dev. Bank Of India	4.95
4	JSW Steel Ltd.	4.91
5	Dewan Hsg Finance Corporation Ltd	4.9
6	Reliance Jio Infocomm Ltd	3.61
7	Dena Bank	3.29
8	Oriental Bank Of Commerce	3.27
9	HDFC Ltd.	3.26
10	Exim Bank	3.26
	Total	47.18

UTI-Liquid Cash Plan - Top 10 holdings - Sectoral Allocation		
Serial No	Issuer Name	% of NAV
1	Financial Services	49.72
2	NCA/Reverse Repo/CBLO/Others	14.52
3	Metals	12.06
4	Sovereign	9.56

5	Telecom	3.61
6	Pharma	2.64
7	Energy	1.95
8	Automobile	1.64
9	Fertilisers & Pesticides	1.48
10	Cement & Cement Products	1.31
	Total	98.49

2. **A website link to obtain scheme’s latest monthly portfolio holding**
<http://www.utimf.com/forms-downloads/Pages/portfoliodisclosure.aspx>
 (After following the above link, please expand “Portfolio Disclosure-Scheme wise” and select the desired scheme to view its portfolio)
3. Portfolio Turnover Ratio as on 30.06.2016: 3.84
4. The aggregate investment held in the scheme by the following categories of persons as on July 31, 2016:

Particulars	Aggregate Investments (Rs. in lakhs)
AMC’s Board of Directors	Nil
Fund Manager(s) of the UTI-Liquid Cash Plan	3.33
Other key managerial personnel	72.25

III. UNITS AND OFFER

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

A. ONGOING OFFER DETAILS

Plans / Options offered	<p>UTI-LIQUID CASH PLAN</p> <p>In addition to the Existing Plan (UTI-Liquid Cash Plan-Institutional), the scheme offers Direct Plan**. Both the Plans offer the following options:</p> <ul style="list-style-type: none"> (i) Growth Option (ii) Daily Dividend Reinvestment Option (iii) Weekly Dividend Reinvestment Option (iv) Fortnightly Dividend Payout Option (v) Fortnightly Dividend Reinvestment Option (vi) Monthly Dividend Payout Option (vii) Monthly Dividend Reinvestment Option (viii) Quarterly Dividend Payout Option (ix) Quarterly Dividend Reinvestment Option (x) Half Yearly Dividend Payout Option (xi) Half Yearly Dividend Reinvestment Option (xii) Annual Dividend Payout Option (xiii) Annual Dividend Reinvestment Option (xiv) Flexi Dividend Payout Option (xv) Flexi Dividend Reinvestment Option
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Default Option – Daily Dividend Reinvestment Option

It is proposed to declare dividend under the above options subject to the availability of distributable surplus and as computed in accordance with SEBI Regulations. However, there is no assurance or guarantee to the unit holders as to the rate and frequency of dividend.

The NAVs of the two plans (Existing and Direct Plan) will be different and separately declared, the portfolio of investment remaining the same.

****Direct Plan:**

Direct Plan is only for investors who purchase/subscribe units directly with the Fund and is not available for investors who route their investments through a Distributor.

All categories of Investors (whether existing or new Unitholders) as permitted under this SID are eligible to subscribe under Direct Plan. Investments under the Direct Plan can be made through various modes (except all Platform(s) where investor’s applications for subscription of units are routed through Distributors).

The Direct Plan will be a separate plan under the Fund/Scheme and shall have a lower expense ratio excluding distribution expenses, commission etc and will have a separate NAV. No commission shall be paid /charged from Direct Plan.

Portfolio of the Scheme under the existing plan and Direct Plan will be common

How to apply: Investors subscribing under Direct Plan of UTI-Liquid Cash Plan will have to indicate “Direct Plan” against the scheme name in the application form, as for example., “UTI-Liquid Cash Plan - Direct Plan”

Investors should also indicate “Direct” in the ARN column of the application form.

Treatment of applications under "Direct" / " Existing " Plans:

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	Existing	Direct Plan
4	Mentioned	Direct	Direct Plan
5	Direct	Not Mentioned	Direct Plan
6	Direct	Existing	Direct Plan
7	Mentioned	Existing	Existing Plan
8	Mentioned	Not Mentioned	Existing Plan

In cases of wrong/ invalid/ incomplete ARN codes mentioned in the application form under scenarios 7 or 8 above, the application shall be processed under ‘Regular / Existing Plan’. The AMC shall contact and obtain the correct ARN

	<p>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> <p>For further details on Direct Plan, please refer to SAI</p> <p>Scheme characteristics of Direct Plan: Scheme characteristics such as Investment Objective, Asset Allocation Pattern, Investment Strategy, risk factors, facilities offered and terms and conditions including load structure will be the same for the existing plan and the Direct Plan except that:</p> <p>(a) Switch of investments from existing plan through a distributor with ARN Code (whether the investments were made before or after January 1, 2013) to Direct Plan shall be subject to applicable exit load, if any. The holding period for applicability of load will be considered from the date of such switch to Direct Plan.</p> <p>(b) However, no exit load shall be levied for switch of investments from existing plan made directly without an ARN Code (whether the investments were made before or after January 1, 2013) to Direct Plan of the scheme (subject to statutory taxes and levies, if any). The holding period for applicability of load will be considered from the date of initial investment in the existing plan.</p> <p>(c) No exit load shall be levied in case of switches from Direct Plan to existing plan.</p> <p>Minimum Investment amount under the Direct Plan: In case of already existing investments under the Existing Plan, if the investor wants to further invest in the Direct Plan he/she will be required to invest the minimum investment amount of the scheme, as applicable for that Scheme/Plan/Option/facility etc.</p> <p>However, this minimum investment amount requirement is not applicable in case of switchover from Existing Plan to Direct Plan or vice versa under the same Scheme and same Option</p> <p>For further details please refer to SAI/relevant addenda.</p>		
<p>Details of Scheme / Plans / Options where Fresh Subscriptions has been discontinued with effect from 1st October 2012</p>	<p>Scheme Name</p> <p>UTI-Liquid Cash Plan</p>	<p>Discontinued Plans/Options</p> <p>Regular Plan- a) Daily Dividend Reinvestment Option b) Monthly Dividend Payout & Reinvestment Option c) Growth Option</p>	<p>Revised Plan/Option Name (for existing unit holders before 1st October 2012)</p> <p>Regular Plan- a) Periodic Dividend Option b) No Change c) No Change</p>

	<p>The existing Investors under the aforesaid Scheme/Plans where Plans/Options are discontinued shall be allowed to continue in the discontinued Plan/Option till they exit.</p> <p>Further, the Dividend Reinvestment facility/option in respect of the above discontinued scheme & plans/options/sub-options/renamed/revised plans & options is withdrawn and the dividend as and when declared under these Plans etc will be compulsorily paid out in such cases even if it is under reinvestment facility/option.</p> <p>Further, under the above Plans & Options, the dividend is proposed to be declared once in a month, subject to availability of distributable surplus, as computed in accordance with SEBI (MF) Regulations 1996. However, there is no assurance or guarantee to the unit holders, as to the rate and frequency of dividend. UTI AMC reserves the right to declare dividend at any other frequency, as it may deem fit, under the above revised Plans & Options.</p>
<p>Dividend Policy</p>	<p>Under the Daily /Weekly / Fortnightly / Monthly / Quarterly / Half Yearly & Annual Dividend Options / Sub Options for scheme wherever applicable, it is envisaged to declare dividends on daily / weekly / fortnightly / monthly / quarterly / half yearly & annual basis respectively subject to availability of distributable surplus computed in accordance with SEBI Regulations. Under the Flexi Dividend Option / Sub Option for scheme wherever this option available, dividend is proposed be declared at such frequencies as may be decided by UTI AMC Ltd and approved by the Trustees from time to time, subject to availability of distributable surplus computed in accordance with SEBI Regulations. However, under all dividend options, there is no assurance or guarantee to the unit holders, as to the rate and frequency of declaration of dividend. UTI AMC Ltd. / Trustee reserves the right to declare or not to declare dividend at any frequency, as it may deem fit, under these Options/ Sub Options.</p> <p>Reinvestment facility: Under this the dividend distribution in respect of unit holders under the reinvestment facility will be reinvested in further units at NAV as on the record date less dividend per unit declared.</p> <p>Payout facility: Available under which, dividend can be paid out to the unitholder.</p> <p>Unit holder joining Dividend Option and maintaining a minimum balance as prescribed by UTI AMC from time to time in his folio on record date/s can choose to participate in Payout facility.</p> <p>Growth Option: ordinarily under this option no dividend distribution will be made and all accrued and earned income will be reflected through growth in the NAV.</p> <p>Rollover facility: The unitholders may be allowed to redeem full or part of his outstanding unit holding and simultaneously invest the entire proceeds or upto face value of units redeemed on the rollover date at the same NAV in the same option. This facility enables the unitholder to recognise the capital appreciation as income/gain in their books periodically in a tax efficient manner.</p>

<p>Who can invest</p> <p>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.</p>	<p>An Application for issue of units may be made by any resident or non-resident Indian as well as non-individuals as indicated below:</p> <ul style="list-style-type: none"> (a) a resident individual or a NRI or person of Indian origin residing abroad, either singly or jointly with another individual on joint/either or survivor basis. An individual may make an application in his personal capacity or in his capacity as an officer of a Government or of a Court, (b) a parent, step-parent or other lawful guardian on behalf of a resident or a NRI minor. Units can be held on ‘Joint’ or ‘Either or Survivor’ basis, (c) an association of persons or body of individuals whether incorporated or not, (d) a Hindu Undivided Family both resident and non-resident, (e) a body corporate including a company formed under the Companies Act, 1956 or established under State or Central Law for the time being in force, (f) a bank including a scheduled bank, a regional rural bank, a co-operative bank etc, (g) an eligible trust as defined under the scheme, (h) a society as defined under the scheme, (i) any other institution, (j) an Army/Navy/Air Force/Paramilitary Fund, (k) a partnership firm, (An application by a partnership firm shall be made by not more than two partners of the firm and the first named person shall be recognised by UTI AMC for all practical purposes as the unitholder. The first named person in the application form should either be authorised by all remaining partners to sign on behalf of them or the partnership deed submitted by the partnership firm should so provide.) (l) “Foreign Portfolio Investor” (FPI) as defined under Regulation 2(1)(h) of Security Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014), (m) a mutual fund including a mutual fund of UTI AMC, (n) Provident/Pension/Gratuity Fund as and when permitted, (o) Subject to the Regulations, the Sponsors, the Mutual Funds managed by them, their associates and the AMC may acquire units of the scheme. The AMC shall not be entitled to charge any fees on its investments in the scheme. <p>Investment by Individuals – Foreign Nationals</p> <p>For the purposes of carrying out the transactions by Foreign Nationals in the units of the Schemes of UTI Mutual Fund,</p> <ol style="list-style-type: none"> 1. Foreign Nationals shall be resident in India as per the provisions of the Foreign Exchange Management Act, 1999. 2. Foreign Nationals are required to comply (including taking necessary approvals) with all the laws, rules, regulations, guidelines and circulars, as may be issued/applicable from time to time, including but not limited to and pertaining to anti money laundering, know your customer (KYC), income tax, foreign exchange management (the Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder) including in all the applicable jurisdictions.
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	<p>UTI AMC reserves the right to amend/terminate this facility at any time, keeping in view business/operational exigencies.</p> <p>Holding Basis: In the event an account has more than one registered holder the first-named Unit holder shall receive the account statements, all notices and correspondence with respect to the account, as well as the proceeds of any Redemption requests or dividends or other distributions. In addition, such holder shall have the voting rights, as permitted, associated with such Units as per the applicable guidelines.</p> <p>Applicants can specify the ‘mode of holding’ in the prescribed application form as ‘Jointly’ or ‘Anyone or Survivor’. In the case of holding specified as ‘Jointly’, Redemption requests would have to be signed by all joint holders. However, in cases of holding specified as ‘Anyone or Survivor’, any one of the Unit holders will have the power / authority to make Redemption requests, without it being necessary for all the Unit holders to sign. However, in all cases, the proceeds of the Redemption will be paid to the first-named Unit holder.</p> <p>In case of death / insolvency of any one or more of the persons named in the Register of Unit holders as the joint holders of any Units, the AMC shall not be bound to recognise any person(s) other than the remaining holders. In all such cases, the proceeds of the Redemption will be paid to the first-named of such remaining Unit holders.</p> <p>Note: “Neither this Scheme Information Document nor the units have been registered in any jurisdiction including the United States of America. The distribution of this Scheme Information Document in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this Scheme Information Document are required to inform themselves about, and to observe any such restrictions. No persons receiving a copy of this Scheme Information Document or any accompanying application form in such jurisdiction may treat this Scheme Information Document 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 Scheme Information Document does not constitute an offer or solicitation by 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.</p> <p>It is the responsibility of any persons in possession of this Scheme Information Document and any persons wishing to apply for units pursuant to this Scheme Information Document to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction”.</p> <p>Subscription from Overseas Corporate Bodies (OCBs) in the Schemes of UTI MF will not be accepted.</p>
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	<p>Investments by Overseas Corporate Bodies (OCBs) Pursuant to the Foreign Exchange Management [Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)] Regulations, 2003, and the consequential amendments made in the Foreign Exchange Management (Transfer or issue of Security by a Person Resident outside India) Regulations, 2000, OCBs, cannot invest, inter alia, in Mutual Fund Schemes.</p> <p>‘Overseas Corporate Body’ (OCB) As per Regulation 2(xi) of the Foreign Exchange Management (Deposit) Regulations, 2000, 'Overseas Corporate Body' means a company, partnership firm, society and other corporate body owned directly or indirectly to the extent of at least sixty per cent by Non-Resident Indians (hereinafter referred to as 'NRIs') and includes overseas trust in which not less than sixty percent beneficial interest is held by Non-resident Indians (hereinafter referred to as 'Overseas Trust') directly or indirectly but irrevocably.</p>
<p>Uniform Procedure for Updation / Change of Address & Change / Updation of Bank details</p>	<p>A. Updation / Change of address Investors are requested to update their change of address within 30 days from the date of change.</p> <p>In case of Know Your Client (KYC) complied folios, Investors are required to submit the documents to the intermediaries of KYC Registration Agency (KRA), as may be specified by them, from time to time.</p> <p>For further details on list of documents to be submitted/acceptable etc, please refer to SAI.</p> <p>B. Updation/Change of Bank details Investors are requested to update/change their bank details using the Form for registration of multiple bank accounts separately and in future, it shall not be accompanied with redemption request. Such request shall be submitted prior to submission of the redemption request. Investors are required to submit self attested copy of the supporting documents, having validity at the time of submission, each towards Proof of Identity and proof of old and new bank accounts for updating /changing the bank details.</p> <p>For further details on documents to be submitted/acceptable in respect of old investments where bank details are not updated, procedural requirements to be completed in respect of investments made in the name of minor child on attaining majority, receiving of dividend/redemption payment in bank account etc, please refer to SAI.</p> <p>Non-submission of required documents In case of non-submission of required documents as required under A and B aforesaid, UTI Mutual Fund, at its sole and absolute discretion, may reject the transaction or may decide alternate method of processing such requests.</p> <p>C. Cooling Period In case the change of address and/or Updation /change of bank details are submitted together with the redemption request or standalone request within the period of 3 (Three) months prior to submission of redemption request, the</p>

	<p>redemption payment will be made after a cooling period of upto 8 business days and in any case within SEBI stipulated 10 business days from the date of such redemption request.</p> <p>However, in case of redemption requests received with a Change of Address and /or Change of Bank detail, which is not already registered with UTI MF, or change of address/bank details received lesser than 10 business days prior to dividend record date, such new/unregistered address /bank details may not be registered and will not be considered for payment of redemption / dividend proceeds. In such cases, the payment will be made to the last registered bank account, if any or sent to the last registered address.</p> <p>For further details regarding redemption requests in respect of folios not having registered bank details etc, please refer to SAI.</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>Face value is ₹1000/- for the scheme and plans under them.</p> <p>Purchase on all business days at the applicable NAV. No entry load will be charged for purchase/additional purchase / switch-in accepted by the Fund. Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/systematic transfer plans accepted by the Fund.</p> <p>The bank draft charges, if any, will have to be borne by the applicant.</p>
<p>Mode of Payment- Cash/ Transfer of funds through NEFT/RTGS</p>	<p>Cash payment to the extent of ₹50,000/- per investor, per Mutual Fund, per financial year through designated branches of Axis Bank will be accepted (even from such small investors who may not be tax payers and may not have Permanent Account Number (PAN) / bank accounts, subject to following the prescribed procedure.</p> <p>For further details regarding the procedure etc, refer to SAI.</p> <p>Transfer of funds through National Electronic Funds Transfer (NEFT) / Real Time Gross Settlement (RTGS) :</p> <p>Investor shall ensure that the payment is made from one of his/her registered bank accounts in the folio. If the name of the remitter/account number from where the amount is remitted is not matching with the registered / to be registered bank accounts details, such remittances shall be treated as third party payments and such applications are liable to be rejected. In such cases, UTI MF will refund the amount to the remitter within 30 calendar days from the date of receipt of the funds, as per the details made available to UTI MF by the remitting Bank.</p> <p>However, for transfer of funds through RTGS, the Investment amount shall be of ₹2 lacs and above.</p> <p>For further details, please refer to SAI.</p>

<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>Redemptions: Redemptions will be open on all business days at the applicable NAV subject to prevailing exit load without any lock-in-period subject to quantitative restrictions, if any. However, no redemption will be allowed during the book closure period/s, if any, that may be announced by UTI AMC.</p> <ul style="list-style-type: none"> Units under a folio shall be deemed to have been redeemed on a ‘First in First Out’ basis. i.e. the units that were issued first would be deemed to have been redeemed first. <p>In addition to restrictions on purchase and redemption of units mentioned in the SAI and in this SID, UTI AMC shall not be under any obligation to sell or redeem units under the scheme on such days on which due to unforeseen circumstances any collecting agent/registrars are unable to accept purchase/redemption applications.</p>		
<p>Cut off timing for subscriptions / redemptions / switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>Applicable NAV</p>		
	<p>Purchase \$\$:</p> <p>Operation</p>	<p>Cut-off Timing</p>	<p>Applicable NAV</p>
	<p>Valid applications received and funds are also available for utilization before cut off time on the same day.</p>	<p>Upto 2 p.m.</p>	<p>Closing NAV of the day immediately preceding the day of receipt of the application.</p>
	<p>Valid applications received and clear funds are available for utilisation on the same day.</p>	<p>After 2 p.m.</p>	<p>Closing NAV of the day immediately preceding the next business day.</p>
	<p>Irrespective of the time of receipt of application, where the funds are not available before cut off time for utilisation on the day of the application.</p>	<p>Within Business Hours</p>	<p>Closing NAV of the day immediately preceding the day on which the funds are available for utilisation.</p>
	<p>\$\$ Funds shall be available for the entire amount of subscription/purchase without availing any credit facility, whether intra day or otherwise.</p>		

Redemption :			
Operation	Cut-off Timing	Applicable NAV	
Valid applications received	Upto 3 p.m.	Closing NAV of the day immediately preceding the next business day.	
Valid applications received	After 3 p.m.	Closing NAV of the next business day.	
<p>a. For allotment of units in respect of purchase:</p> <p>(i) Application is received before the applicable cut-off time.</p> <p>(ii) Funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the scheme before the cut-off time. The time of credit to the scheme account will only be considered irrespective of time of debit to the investors account.</p> <p>(iii) The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the scheme.</p> <p>b. For allotment of units in respect of switch-in:</p> <p>(i) Application for switch-in is received before the applicable cut-off time.</p> <p>(ii) 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.</p> <p>(iii) The funds are available for utilization before the cut-off time without availing any credit facility whether intra-day or otherwise, by the scheme.</p> <p>Redemption requests: Where, under a scheme, units are held under both the Existing and Direct Plans, the redemption/switch request shall clearly mention the plan. If no Plan is mentioned, it would be processed on a first in first out (FIFO) basis considering both the Plans.</p> <p>Tax consequences: Switch / redemption may entail tax consequences. Investors should consult their professional tax advisor before initiating such requests and take an independent decision accordingly.</p>			
Where can the applications for purchase/redemption switches be submitted?	The details of official points of acceptance are given on the back cover page. It is mandatory for investors to mention their bank account particulars in their applications/requests for redemption.		
Acceptance/Rejection of applications	The Trustees/AMC shall have the absolute discretion to accept/reject any application for purchase of units, if in the opinion of the Trustees/AMC, increasing the size of the Scheme's Unit Capital is not in the general interest of the Unit holders, or the Trustee/AMC for any reason believes it would be in the best interest of the scheme or the unitholders to accept/reject such an application.		
How to Apply	Please refer to the SAI and Application form for the instructions.		
Minimum amount for purchase/redemption/switches	<p>1. Minimum amount of initial investment under both the Plans</p> <p>i) Growth Option - ₹500/-</p> <p>ii) All the other Options - ₹10,000/-</p>		

	<p>and in multiples of ₹1/- under both i & ii above.</p> <p>2.Subsequent minimum investment amount under both the Plans</p> <p>i) Growth Option - ₹500/- ii) All the other Options - ₹1000/- and in multiples of ₹1/- under both i & ii above.</p> <p>UTI AMC reserves the right to limit the amount that it would accept from a single investor on any business day.</p> <p>Minimum amount of redemption under the scheme Minimum amount for redemption under Growth Option is ₹10/- & for all the other options, it is ₹1000/-.</p> <p>Switchover Unit holders may be permitted to switchover their investment under UTI-Liquid Cash Plan partially or fully to any other scheme/s of UTI MF or vice versa as may be allowed from time to time on such terms as may be announced by UTI AMC from time to time. In case of partial switchover between the schemes or from one plan/scheme to the other plan/s/scheme/s, the condition of holding minimum investment prescribed under all the plans/schemes has to be satisfied. Similarly changeover between the options of the scheme may also be allowed.</p>
<p>Commercial Transactions (viz. Purchase / Redemption / Switches) through Designated E-mail / Fax</p>	<p>The facility of carrying out commercial transactions through Designated E-mail / Fax, in units of UTI Mutual Fund Schemes, is available for the following categories of Investors, subject to certain terms and conditions. UTI AMC declares its Designated E-mail / Fax server as one of the Officials Points of Acceptance.</p> <p>Following investors may transact through designated fax and email, who are KYC (Know Your Client) Compliant:</p> <p>(i) a body corporate including a company formed under the Companies Act, 1956/2013 or established under State or Central Law for the time being in force; (ii) a bank including a scheduled bank, a regional rural bank, a co-operative bank; (iii) an eligible trust; (iv) an eligible society; (v) any other institution; (vi) Army/Navy/Air Force/Paramilitary Fund and (vii) Any other category of investors, as may be decided by UTI AMC from time to time.</p> <p>Only Commercial transactions i.e. Purchase, Redemption and Switches shall be accepted through designated fax and email.</p> <p>For further details on terms and conditions and other particulars, please refer to SAI/Addendum No27/15-16 dated 12th August 2015.</p>
<p>Know Your Customer (KYC) Norms</p>	<p>Investors desiring to invest / transact in mutual fund schemes are required to comply with the KYC norms applicable from time to time.</p>

For this purpose, Investors have to fill up and sign the KYC application form (as applicable for individual investors or non-individual investors) available on the UTI Mutual Fund's website, www.utimf.com or the website of the KYC Registration Agencies (KRAs) M/s CVL, www.cvlkra.com; M/s NDML, www.ndml.in; M/s.DotEx, www.nseindia.com/supra_global/content/dotex/about_dotex.htm; M/s CAMS Investor Services Private Limited and M/s Karvy Data Management Services Ltd. Further details on filling up / submission of KYC Application form are available in SEBI Circular no. MIRSD/SE/Cir-21/2011 dated October 5, 2011.

KYC done once with a SEBI registered intermediary will be valid with another intermediary. Intermediaries shall carry out In-Person Verification (IPV) of their clients.

Existing investors in mutual funds who have already complied with the KYC requirement are exempt from following the new KYC procedure effective January 01, 2012 but only for the purpose of making additional investment in the Scheme(s) / Plan(s) of any Mutual Fund registered with SEBI.

However, existing investors who are KYC compliant before 1st January 2012 will have to complete the new KYC requirements and get the IPV done if they wish to deal with any other SEBI registered intermediary other than a Mutual Fund.

For 'KYC-On-Hold' cases investor need to submit missing information or update pending KYC related information so as to enable AMC to process purchase transaction (whether fresh or additional) and switches..

In terms of AMFI guidelines, with effect from January 1, 2016,

- (a) to make additional subscription (including switches), it shall be mandatory for all existing investors to provide additional KYC information such as Income details, Occupation, association with politically exposed person, net worth etc. where such information was not provided to KRAs earlier.
- (b) It shall be mandatory for existing investors to complete the IPV and provide the missing KYC information for additional subscription (including switches) in their existing folios.
- (c) However, SIP and STP already registered till December 31, 2015 in such existing folios are exempted from the above stipulations.

Aadhar based e KYC process

Investors can also avail the Aadhaar based e-KYC service offered by UIDAI for KYC verification.

For this purpose, Investors/clients, on voluntary basis, can authorize the Intermediaries registered as KYC User Agency (KUA) with UIDAI to access the client identification and authentication details from UIDAI.

For entering into account based relationship, the Investor/client may provide the following information to the intermediary electronically including through any

	<p>web enabled device.</p> <p>i. Name ii. Aadhaar number iii. Permanent Account Number (PAN)</p> <p>The Intermediary shall perform verification of the client with UIDAI through biometric authentication (fingerprint or iris scanning). Mutual Funds can also perform verification of the client with UIDAI through One Time password (OTP) received on client’s mobile number or on e-mail address registered with UIDAI provided, the amount invested by the client does not exceed Rs. 50,000 per financial year per Mutual Fund and payment for the same is made through electronic transfer from the client’s bank account registered with that Mutual Fund.</p> <p>After due validation of Aadhaar number provided by the client, the intermediary (acting as KUA) shall receive the KYC information about the client from UIDAI through KSA.</p> <p>For further details on e KYC process, refer to SAI/SEBI circular dated 22nd January 2016</p> <p>PAN-Exemption for micro financial products Only individual Investors (including NRIs, Minors & Sole proprietary firms) who do not have a PAN, and who wish to invest upto ₹50000/- in a financial year under any Scheme including investments, if any, under SIPs shall be exempted from the requirement of PAN on submission of duly filled in purchase application forms with payment along with KYC application form with other prescribed documents towards proof of identity as specified by SEBI. For all other categories of investors, this exemption is not applicable</p> <p><u>Non-Applicability of KYC guidelines</u> The new KYC guidelines shall not be applicable to the following categories / transactions:</p> <ul style="list-style-type: none"> - The investors falling under the category of Micro Pension (as per the arrangement between UTI AMC with the respective organization/s), who are exempt from the requirement of PAN. - Investments received from Government bodies/authorities/Departments in favour of beneficiaries identified by them. - Bonus/dividend reinvestment - Existing Systematic Investment Plan (SIP) / Systematic Transfer Investment Plan (STRIP) / Dividend Transfer Plan (DTP) registrations (and similar facilities) including those received till 31st December 2011. - Renewal Contribution received under UTI Unit Linked Insurance Plan (UTI-ULIP) of Investors registered under UTI ULIP upto 31st December 2011. <p>For further details on KYC requirements to be complied with by the Investors, please refer to SAI</p>
Details	under FATCA is United States (US) Federal Law, aimed at prevention of tax evasion

<p>Foreign Account Tax Compliance provisions (commonly known as FATCA) / Foreign Tax Laws and Common Reporting Standard (CRS)</p>	<p>by US citizens and residents (“US persons” as defined in the applicable extant laws of the United States of America) through use of offshore accounts. FATCA provisions are part of Hiring Incentives to Restore Employment (HIRE) Act, enacted by US Legislature. Under FATCA, withholding tax may be levied on certain US source income/receipt of the Schemes of the Mutual Fund, unless they are FATCA compliant.</p> <p>FATCA obligates foreign financial institutions (FFIs), including Indian financial institutions to provide the US Internal Revenue Service (IRS) with information and to report on the accounts held by specified US Persons as well as passive NFFEs in which controlling interest is held by specified US person. The term FFI is defined widely to cover a large number of non-US based financial service providers, such as mutual funds, depository participants, brokers, custodians, as well as banks. FATCA requires enhanced due diligence processes by the FFI so as to identify US reportable accounts.</p> <p>The identification of US person will be based on one or more of following “US indicia”-</p> <ul style="list-style-type: none"> • Identification of the Account Holder as a US citizen or resident; • Unambiguous indication of a US place of birth; • Current US mailing or residence address (including a US post office box); • Current US telephone number; • Standing instructions to transfer funds to an account maintained in USA; • Current effective power of attorney or signing authority granted to a person with a US address; or • An “in-care of” or “hold mail” address that is the sole address that the Indian Financial Institution has on the file for the Account Holder. <p>FATCA due diligence will be applicable to each unit holder (including joint holders) irrespective of the country of residence/citizenship, and on being identified as reportable person/specified US person, all folios/accounts will be reported. Such information may include (not limited to) their identity, direct or indirect beneficiaries, beneficial owners and controlling persons. Unit holders will therefore be required to comply with the request of the AMC / Fund to furnish such information as and when deemed necessary by the AMC / Fund in accordance with the Applicable Laws.</p> <p>FATCA provisions are relevant not only at on-boarding stage of unit holders but also throughout the life cycle of investment with the Mutual Fund. Unit holders therefore should immediately intimate to the Fund/the AMC, any change in their status with respect to FATCA related declaration provided by them previously.</p> <p>In case unit holder / investor fails to furnish the relevant information and/or documentation in accordance with the Applicable Laws, the AMC / Fund reserves the right to reject the application or redeem the units held directly or beneficially and may also require reporting of such accounts/levy of withholding tax on payments made to investors. Prospective investors / Unit holders should consult their own advisors to understand the implications of</p>
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	<p>FATCA provisions/requirements. The AMC reserves the right to change/modify the provisions mentioned at a later date.</p> <p>Common Reporting Standard (CRS) – The New Global Standard for Automatic Exchange of Information</p> <p>On similar lines as FATCA, the Organisation of Economic Development (OECD), along with the G20 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, requiring cooperation amongst tax authorities. The G20 and OECD countries have together developed a Common Reporting Standard (CRS) on Automatic Exchange of Information (AEOI).</p> <p>All Applicants whose country of tax residence is not India shall fill in the prescribed FATCA & CRS Form.</p> <p>AMC reserves right to reject the application in case the applicant / investor fails to submit information /documentation for any of the above.</p> <p>Please refer to Instructions given in the FATCA/CRS Form before filling in the particulars and for further details relating to FATCA/CRS, refer to AMFI India’s Circular No.135/BP/63/2015-16 dated 18th September 2015 and SEBI Circular Nos. CIR/MIRSD/2/2015 dated 26th August 2015 & CIR/MIRSD/3/2015 dated 10th September 2015.</p>
<p>Risk Mitigation process against Third Party Cheques</p>	<p>Restriction on Third Party Payments Third party payments are not accepted in any of the schemes of UTI Mutual Fund subject to certain exceptions.</p> <p>“Third Party Payments” means the payment made through instruments issued from an account other than that of the beneficiary investor mentioned in the application form. However, in case of payments from a joint bank account, the first named applicant/investor has to be one of the joint holders of the bank account from which payment is made.</p> <p><u>Bank Mandate registration as part of the new folio creation</u> In order to reduce the risk of frauds and operational risks and thereby protect the interests of the Unit holders/Investors from fraudulent encashment of redemption/dividend proceeds, Investors are required to submit any of the prescribed documents (along with original document for verification) in support of the bank mandate mentioned in the application form for subscription under a new folio, in case these details are not the same as the bank account from which the investment is made.</p> <p>In case, the application for subscription does not comply with the above requirements, UTI AMC, at its sole and absolute discretion, may reject/not process such application and may refund the subscription amount to the bank account from where the investment was made and shall not be liable for any such rejection/refund.</p>

	<p>For further details on documents to be submitted under the process to identify third party payments etc, please refer to SAI/relevant Addenda.</p>
<p>Minimum balance to be maintained and consequences of non maintenance.</p>	<p>Partial redemption will be allowed, provided that such redemption does not result in the unitholder having investment less than the minimum investment amount in his folio to be reckoned at prevailing NAV. If the application for partial redemption is for an amount which leaves a balance of less than the required minimum investment amount, UTI AMC may redeem the entire outstanding holding of the unitholder without requiring the unitholder to make any fresh application for redemption of the balance holding.</p> <p>The Minimum Account Balance to be maintained under UTI-Liquid Cash Plan-Institutional Plan is Nil.</p>
<p>Special Products /Facilities</p>	<p>Demat facility is available.</p> <p>Systematic Transfer Investment Plan (STRIP): UTI-Liquid Cash Plan is source scheme under STRIP.</p> <p>UTI-STRIP Advantage: UTI-Liquid Cash Plan is source scheme under UTI-STRIP Advantage.</p> <p>Dividend Transfer Plan (DTP): UTI-Liquid Cash Plan is Source / Target scheme under DTP.</p> <p>Please refer to Statement of Additional Information (SAI) and the respective Form for further details relating to STRIP, UTI-STRIP Advantage & DTP.</p>
<p>MF Utility for Investors</p>	<p>UTI AMC Ltd has entered into an agreement with MF Utilities India Private Ltd (MFUI) for usage of MF Utility (MFU), a shared service initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument through a Common Account Number (CAN)</p> <p>Accordingly, all financial and non-financial transactions pertaining to Schemes of UTI Mutual Fund excluding UTI Nifty, UTI Children’s Career Balanced Plan, UTI Children’s career Advantage Fund and UTI ULIP are available through MFU either electronically on www.mfuonline.com as and when such a facility is made available by MFUI or physically through authorised Points Of Service (“POS) of MFUI with effect from the respective dates as published on MFUI website against the POS locations. However, all such transactions shall be subject to the eligibility of investors, any terms and conditions and compliance with the submission of documents and procedural requirements as stipulated by UTI MF/UTI AMC from time to time in addition to the conditions specified by MFU, if any.</p> <p>The online portal of MFUI i.e. www.mfuonline.com and the POS locations aforesaid shall act as Official Points of Acceptance (OPAs) in addition to the existing OPAs of the UTI AMC Ltd and any transaction submitted at such POS will be routed through MFUI or as may be decided by UTI AMC. Investors not registered with MFUI also can submit their transactions request by giving</p>

	<p>reference to their existing folio number. All valid applications received for any other scheme apart from eligible schemes as stated above may be accepted by UTI AMC at its own discretion</p> <p>The uniform cut off time as prescribed by SEBI and as mentioned in the SID/KIM of the Scheme shall be applicable for applications received by MFUI. However, in case of investment of any amount in liquid funds and Rs 2 lacs and above for other Schemes, the applicability of NAV will be subject to the date and time of receipt of credit of amount to the specified bank account of AMC.</p> <p>For further details regarding procedures for obtaining CAN and other particulars about MFU etc, please refer to Addendum No 50/2014-15 dated 5th February 2015/SAI. Investors may also contact the nearest POS aforesaid for procedures to be complied with in this regard.</p>
<p>Statement of Account (SoA)</p>	<p>(a) SoA will be a valid evidence of admission of the applicant into the scheme. However, where the units are issued subject to realisation of cheque/ draft any issue of units to such unitholders will be cancelled and treated having not been issued if the cheque/draft is returned unpaid.</p> <p>(b) Every unitholder will be given a folio number which will be appearing in SoA for his initial investment. Further investments in the same name(s) would come under the same folio, if the folio number is indicated by the applicant at the time of subsequent investment. The folio number is provided for better record keeping by the unitholder as well as by UTI AMC.</p> <p>(c) The AMC shall issue to the investor whose application has been accepted, an SoA specifying the number of units allotted. UTI AMC shall issue a SoA within 5 business days from the date of acceptance of an application.</p> <p>(d) The AMC will issue a Consolidated Account Statement (CAS) for each calendar month to the investor in whose folios transactions has taken place during that month and such statement will be issued on or before the 10th day of the succeeding month detailing all the transactions and holding at the end of month including transaction charges paid to the distributor, if any, across all schemes of all mutual funds.</p> <p>Further, CAS as above, will also be issued to investors (where PAN details of 1st holder are available) every half yearly (September/March), on or before the 10th day of succeeding month detailing holding at the end of the sixth month, across all schemes of all mutual funds, to all such investors in whose folios no transactions has taken place during that period.</p> <p>The word “transaction” for the purposes of CAS would include purchase, redemption, switch, dividend payout, dividend reinvestment, Systematic Investment Plan (SIP), Systematic Withdrawal Plan (SWP), Systematic Transfer of Investment Plan (STRIP), bonus transactions and merger, if any.</p> <p>However, Folios under Micro pension arrangement shall be exempted from the issuance of CAS.</p>

For further details on other Folios exempted from issuance of CAS, PAN related matters of CAS etc, please refer to SAI.

CAS for Demat accounts

- (e) Pursuant to SEBI Circular no. CIR /MRD /DP /31/2014 dated November 12, 2014 requiring Depositories to generate and dispatch a single consolidated account statement for investors having mutual fund investments and holding demat accounts, the following modifications are made to the existing guidelines on issuance of CAS -
- a. Such Investors shall receive a single Consolidated Account Statement (CAS) from the Depository.
 - b. Consolidation shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding.
 - c. In case an investor has multiple accounts across two depositories, the depository with whom the Demat account has been opened earlier will be the default depository which will consolidate the details across depositories and MF investments and dispatch the CAS to the investor.
 - d. The CAS will be generated on monthly basis.
 - e. If there is any transaction in any of the Demat accounts of the investor or in any of his mutual fund folios, depositories shall send the CAS within ten days from the month end. In case, there is no transaction in any of the mutual fund folios and demat accounts, then CAS with holding details shall be sent to the investor on half yearly basis.
 - f. The dispatch of CAS by the depositories shall constitute compliance by UTI AMC/ UTI Mutual Fund with the requirements under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996.

For further details on other Folios exempted from issuance of CAS, PAN related matters of CAS etc, please refer to SAI.

- (f) For those unit holders who have provided an e-mail address/mobile number:-

The AMC shall continue to allot the units to the unit holders whose application has been accepted and also send confirmation specifying the number of units allotted to the unit holders by way of e-mail and/or SMS to the unitholder's registered e-mail address and/or mobile number as soon as possible but not later than five business days from the date of receipt of the request from the unit holders.

The unit holder will be required to download and print the SoA/other

	<p>correspondences after receiving e-mail from the Mutual Fund. Should the Unit holder experience any difficulty in accessing the electronically delivered SoA/other correspondences, the Unit holder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. Failure to advise UTI Mutual Fund of such difficulty within 24 hours after receiving the e-mail, will serve as an affirmation regarding the acceptance by the Unit holder of the SoA/other correspondences.</p> <p>It is deemed that the Unit holder is aware of all securities risks including possible third party interception of the SoA/other correspondences and the content therein becoming known to third parties.</p> <p>Under no circumstances, including negligence of the Unitholder, shall the Mutual Fund or anyone involved in creating, producing, delivering or managing the SoA of the Unit Holder, be liable for any direct, indirect, incidental, special or consequential damages that may result from the use of or inability to use the service or out of the breach of any warranty. The use and storage of any information including, without limitation, the password, account information, transaction activity, account balances and any other information available on the Unit holder's personal computer is at risk and sole responsibility of the Unit holder.</p> <p>The unitholder may request for a physical account statement by writing/calling the AMC/R&T.</p>
<p>Friend in Need</p>	<p>“Friend in Need” facility is introduced for the Individual investors (Resident as well as Non-resident) of UTI MF under all the schemes, whereby there is an option to furnish the contact details including name, address, relationship, telephone number and email ID of any person other than the applicant/s and nominee. This will facilitate obtaining the latest contact details of the investors, if UTI MF is unable to establish contact with the investors.</p> <p>For further details, please refer to SAI.</p>
<p>Dividend</p>	<p>The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.</p> <p>In case of funds received through Cash Payment mode, the dividend proceeds shall be remitted only to the designated bank account.</p> <p>Threshold Limit for ‘Dividend Payout’ Option</p> <p>a. In case of Dividend Payout under a folio is less than or equal to ₹1,500/- and where complete bank account details are not available or facility of electronic credit is not available with Investor's Bank/Bank Branch, then such amount will be compulsorily reinvested wherever reinvestment option is available under the scheme and an Account Statement (SoA) will be sent to the Investors at their Registered Address.</p> <p>b. For folios where dividend warrants are returned undelivered and/or the dividend warrant remains unencashed / unclaimed on 3 consecutive occasions, future dividend amount will be reinvested, wherein reinvestment</p>

	<p>option is available and an Account Statement (SoA) would be sent to the Investors at their Registered Address.</p> <p>In the event of failure of despatch of dividend within the stipulated 30 day period, the AMC shall be liable to pay interest at such rate as may be specified by SEBI to the unit holders (presently @ 15 per cent per annum).</p>
<p>Redemption</p>	<p>The redemption proceeds shall be dispatched to the unitholders within 10 business days from the date of redemption.</p> <p>UTI AMC shall endeavour to send the redemption cheque not later than 2 business days from the date of acceptance of an application on the prescribed form at the centre where the redemption requests are processed for requests which are complete in all respects.</p> <p>In case of funds received through cash payment mode, the redemption or repurchase proceeds shall only be to the designated bank account.</p> <p><u>Restriction on redemption of units</u></p> <p>Further to the possibility of delays in redemption of units under certain circumstances as stated in the aforesaid paragraphs relating to “Risk factors”, the following points relating to restrictions on redemption of units may be noted:-</p> <ol style="list-style-type: none"> 1. Restrictions on redemption of units may be imposed when there are circumstances leading to a systemic crisis or event that severely constricts market liquidity or the efficient functioning of markets such as: <ol style="list-style-type: none"> (i) Liquidity issues - when market at large becomes illiquid affecting almost all securities rather than any issuer specific security (ii) Market failures, exchange closures etc (iii) Operational issues – when exceptional circumstances are caused by force majeure, unpredictable operational problems and technical failures (e.g. a black out). 2. Restriction on redemption may be imposed for a specified period of time not exceeding 10 working days in any 90 days period. 3. Restriction will be imposed after obtaining the approvals of the Boards of AMC and the Trustees 4. When restriction on redemption is imposed, the following procedure shall be applied:- <ol style="list-style-type: none"> (i) No redemption requests upto INR 2 lakh shall be subject to such restriction. (ii) Where redemption requests are above INR 2 lakh, AMCs shall redeem the first INR 2 lakh without such restriction and remaining part over and above INR 2 lakh shall be subject to such restriction. <p>For further details in this regard, please refer to SAI/Addendum No. 05 /2015-16 dated June 30, 2016.</p>

	<p>Exit load on death of an unitholder: In the case of the death of an unitholder, no exit load (if applicable) will be charged for redemption of units by the claimant under certain circumstances and subject to fulfilling of prescribed procedural requirements. For further details refer to SAI.</p>
<p>Delay in payment of redemption proceeds</p>	<p>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).</p>
<p>Transfer/Pledge/Assignment of Units</p>	<p>The facility of Pledge/Assignment of units issued in both dematerialized (Demat) and Physical form and Transfer of Units held under Physical mode for lien marked cases is available for all Plans/Options of the Scheme.</p> <p>The Unit holders may transfer units of the scheme held under Physical form and pledge/assign units issued both under Demat and Physical form, only in favour of scheduled banks, financial institutions or any other body approved by the UTI Mutual Fund.</p> <p>Units can be pledged/assigned by completing the requisite forms and formalities, as may be required from time to time.</p> <p>However, if a person becomes a holder of units under a scheme by operation of law or due to death, insolvency or winding up of the affairs of a unitholder or survivor of a unitholder then subject to production of such evidence which in the opinion of UTI AMC is sufficient, UTI AMC may effect the transfer if the intended transferee is otherwise eligible to hold units. Transfer of units in such cases will be subject to compliance of operational requirements as may be specified by UTI AMC from time to time.</p> <p>Units issued in the official capacity, shall be deemed to be transferred without any instrument of transfer from each holder of the office to succeeding holder of the office on and from the date on which the latter takes charge of the office.</p> <p>Units held in demat form Units of the scheme held in dematerialised form shall be freely transferable from one demat account to another demat account. For details of terms and conditions governing such transferability of units, kindly refer to SAI</p> <p>The facility of conversion of units held in Dematerialisation (Demat) mode into physical by way of Rematerialisation (Remat) for investments held under various options of the Scheme(s) / Plan(s) of the UTI Mutual Fund is allowed wherever Demat facility is available. For further details please refer to SAI.</p> <p>In addition to the existing facilities, the facility to transact in units of Schemes is extended for investors having demat account through clearing members of National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) for accepting Purchase and Redemption transactions and through Depository Participants of National Securities Depository Ltd. (NSDL) and Central Depository Services Ltd. (CDSL) for accepting Redemption Transactions. For details of terms and conditions, kindly refer to the Statement of Additional Information.</p> <p>For further details on Transfer/Pledge/Assignment of Units, please refer to SAI.</p>

B. PERIODIC DISCLOSURES

<p>Net Asset Value This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The Mutual Fund shall declare the Net asset value separately for both the Plans by 9 p.m. on every business day on the website of UTI Mutual Fund, www.utimf.com. and on AMFI’s website www.amfiindia.com.</p> <p>The NAV shall be calculated for all business days.</p> <p>The NAV shall be published in atleast two daily newspapers having nationwide circulation on every business day.</p>
<p>Monthly Portfolio Disclosure</p>	<p>The Mutual Fund shall disclose portfolio (along with ISIN) as on the last day of the month for all its schemes on its website on or before the tenth day of the succeeding month in a user-friendly and downloadable format.</p> <p>The format for monthly portfolio disclosure shall be the same as that of half yearly portfolio disclosures.</p> <p>The Mutual Fund shall also disclose additional information (such as ratios etc) subject to compliance with the SEBI Advertisement Code.</p>
<p>Disclosure of Assets Under Management</p>	<p>The Mutual Fund shall disclose the following on monthly basis, in the prescribed format, on its website and also share the same with Association of Mutual Funds in India (AMFI):</p> <ul style="list-style-type: none"> (a) AUM from different categories of schemes such as equity schemes, debt schemes, etc. (b) Contribution to AUM from B-15 cities (i.e. other than top 15 cities as identified by AMFI) and T-15 cities (Top 15 cities). (c) Contribution to AUM from sponsor and its associates. (d) Contribution to AUM from entities other than sponsor and its associates. (e) Contribution to AUM from investors type (retail, corporate, etc.) in different scheme type (equity, debt, ETF, etc.). <p>In order to have a holistic picture, Mutual Fund wise and consolidated data on the above parameters shall also be disclosed on AMFI website in the prescribed format.</p>
<p>Half Yearly Disclosure: Portfolio / Financial Results</p>	<p>The Mutual Fund shall within one month from the close of each half year, (i.e. 31st March and 30th September), host a soft copy of its unaudited financial results on its website.</p> <p>The Mutual Fund shall publish an advertisement disclosing the hosting of such financial results on the website, in atleast two newspaper one national English daily newspaper having nationwide circulation and one in a newspaper having wide circulation published in the language of the region where the Head Office of UTI MF is situated.</p> <p>The Mutual Fund shall also, within one month from the close of each half year, (i.e. 31st March and 30th September), publish by way of an advertisement a complete statement of its scheme portfolio in one English daily circulating in the whole of India and in a newspaper published in the language of the region where the head office of UTI MF is situated.</p>
<p>Additional Disclosure:</p>	<p>The Mutual Fund shall, in addition to the total commission and expenses paid</p>

	<p>to distributors, make additional disclosures regarding distributor-wise gross inflows, net inflows, AAUM and ratio of AUM to gross inflows on its website on an yearly basis.</p> <p>In case, the data mentioned above suggests that a distributor has an excessive portfolio turnover ratio, i.e., more than two times the industry average, the AMC shall conduct additional due-diligence of such distributors.</p> <p>The Mutual Fund shall also submit the data to AMFI and the consolidated data in this regard shall be disclosed on AMFI website.</p>
Annual Report	<p>An abridged annual report in respect of the scheme shall be mailed to the unitholders not later than four months from the date of closure of the relevant accounting year and the full annual report shall be made available for inspection at UTI Tower, Gn Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051. A copy of the full annual report shall also be made available to the unitholders on request on payment of nominal fee, if any.</p>
Disclosures of Votes Cast by the Mutual Funds	<p>a. The AMC shall record and disclose in the prescribed format specific rationale supporting its voting decision (for, against or abstain) with respect to each vote proposal (SEBI Circular SEBI/IMD/CIR No 18/198647/2010 dated March 15, 2010).</p> <p>b. The AMC shall additionally publish in the prescribed format summary of the votes cast across all its investee company and its break-up in terms of total number of votes cast in favor, against or abstained from.</p> <p>c. AMCs shall disclose votes cast on their website on a quarterly basis, within 10 working days from the end of the quarter. The AMC shall continue to disclose voting details in their annual report.</p>
Associate Transactions	<p>Please refer to Statement of Additional Information (SAI).</p>
Taxation	<p>The information given below is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax/legal advisors with respect to the specific tax and other implications arising out of his or her participation in the schemes.</p> <p>For further details on taxation please refer to the clause on Taxation in the SAI.</p>

<p>Mutual Fund</p> <p>Tax on Dividend and Dividend Distribution – applicable for other than equity schemes</p>	<p>UTI Mutual Fund is a Mutual Fund registered with SEBI and as such is eligible for benefits under section 10 (23D) of the Income Tax Act, 1961 (the Act) to have its entire income exempt from income tax. The Mutual Fund will receive income without any deduction of tax at source under the provisions of Section 196(iv) of the Act.</p> <p>As per the section 10(35) of the Act, dividend received by investors under the schemes of UTI MF is exempt from income tax in the hands of the recipient unit holders.</p> <p>As per section 115R of the Act, the dividend distribution tax is</p> <p>a) 25% plus surcharge on distribution made to any person being an individual or a HUF,</p> <p>b) 30% plus surcharge on income distributed to any other person.</p> <p>The rate of surcharge on income distribution tax is increased from 10% to 12% w.e.f. 01st April 2015.</p> <p>As per the Finance (No.2) Act 2014, with effect from 01st October 2014, for determining the dividend distribution tax payable, the amount of distributed income be increased to such amount as would, after reduction of the dividend distribution tax from such increased amount, be equal to the income distributed by the Mutual Fund (dividend distribution tax will be payable after grossing up).</p> <p>Education cess @ 2% and secondary and higher education cess @ 1% would also be charged on amount of tax plus surcharge.</p>
<p>For other than equity oriented schemes:</p> <p>Long Term Capital Gains</p> <p>Short Term Capital Gains</p>	<p>Resident Investors:</p> <p>As per the Finance Act 2014, with effect from 11th July 2014, for other than equity oriented schemes, long term capital gains arising on redemption of units by residents is subject to treatment indicated under Section 48 and 112 of the Act. Long term capital gains in respect of units held for more than 36 months is chargeable to tax @ 20% after factoring the benefit of cost inflation index. The said tax rate is to be increased by surcharge, if applicable.</p> <p>Units held for not more than thirty six months preceding the date of their transfer are short term capital assets. Capital gains arising from the transfer of short term capital assets for other than equity schemes will be subject to tax at the normal rates of tax applicable to such assessee.</p>

<p>Merger/Consolidation of Schemes of MFs: Changes made by the Finance Act 2015</p>	<p>Tax neutrality has been provided to unit holders upon consolidation or merger of mutual fund schemes provided that the consolidation is of two or more schemes of an equity oriented fund or two or more schemes of a fund other than equity oriented fund. For such purposes section 2(42A), section 47 and section 49 have been amended. Due to the amendments:</p> <p>Pursuant to mergers/consolidations of the Schemes, units of consolidating scheme surrendered by unitholders in lieu of receipt of units of the consolidated scheme shall not be treated as transfer and capital gains tax will not be imposed on unitholders under the Income-tax Act.</p> <p>However, it may be noted that when the unitholders transfers the units of the consolidated scheme, such transfer will attract applicable capital gains tax and STT.</p> <p><u>Cost of Acquisition:</u> The cost of acquisition of the units of consolidated scheme shall be the cost of units in the consolidating scheme.</p> <p><u>Period of holding:</u> The period of holding of the units of the consolidated scheme shall include the period for which the units in consolidating schemes were held by the unitholder.</p> <p><u>Consolidating Scheme and Consolidated Scheme:</u> Consolidating Scheme will be the scheme of a mutual fund which merges under the process of consolidation of the schemes of mutual fund in accordance with the SEBI (Mutual Funds) Regulations, 1996 and consolidated scheme will be the scheme with which the consolidating scheme merges or which is formed as a result of such merger.</p> <p>Investors are advised to refer to the Statement of Additional Information for the detailed tax provisions.</p>
<p>Investor services</p>	<p>All investors could refer their grievances giving full particulars of investment at the following address: Shri G S Arora Vice President – Dept. of Operations UTI AMC Ltd. UTI Tower, Gn Block, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051. Tel : 022-6678 6666, Fax: 022-2652 3031</p> <p>Investors may post their grievances at our website: www.utimf.com or Email us at service@uti.co.in.</p>

C. COMPUTATION OF NAV

- (a) The Net Asset Value (NAV) of the scheme shall be calculated by determining the value of the scheme's assets and subtracting therefrom the liabilities of the scheme taking into consideration the

accruals and provisions. NAV shall be declared separately for the different Plans and Options of the scheme.

- (b) The NAV per unit of a scheme shall be calculated by dividing the NAV of the scheme by the total number of units issued and outstanding on the date of calculation under the scheme. The NAV shall be rounded off upto four decimal places for the scheme.

NAV of the Units under the Scheme shall be calculated as shown below:-

$$\text{NAV} = \frac{\text{Market or Fair Value of Scheme's investments} + \text{Current Assets} - \text{Current Liabilities and Provision}}{\text{No of Units outstanding under Scheme on the Valuation Date}}$$

The NAV under the Scheme would be rounded off to 4 decimals and Units will be allotted upto four decimal places or such other formula as may be prescribed by SEBI from time to time.

- (c) A valuation day is a day other than (i) Saturday and Sunday (ii) a day on which both the stock exchanges (BSE and NSE) and the banks in Mumbai are closed (iii) A day on which the purchase and redemption of units is suspended. If any business day in UTI AMC, Mumbai is not a valuation day as defined above then the NAV will be calculated on the next valuation day and the same will be applicable for the previous business day's transactions including all intervening holidays.
- (d) The NAVs shall be published atleast in two daily newspapers having nationwide circulation on every business day and will also be available by 9 p.m. on every business day on website of UTI Mutual Fund www.utimf.com and website of AMFI www.amfindia.com.

IV. FEES AND EXPENSES

This section outlines the expenses that will be charged to the scheme.

A. ANNUAL SCHEME RECURRING EXPENSES:

1. 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 that upto 2.25% of the daily net assets of a scheme will be charged to a scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of UTI Mutual Fund.

Particulars	% of Net Assets
	UTI-Liquid Cash Plan
Investment Management and Advisory Fees	
Trustee Fee	
Audit Fees	
Custodian Fees	
RTA Fees	
Marketing and Selling expense including agent commission	

Cost related to investor communications	Up to 2.25%
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 and awareness (at least 2 bps)	
Brokerage and transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
Service tax on expenses other than investment and advisory fees	
Service tax on brokerage and transaction cost	
Other Expenses	
Maximum total expense ratio (TER) permissible under Regulations 52 (6) (c)	Up to 2.25%
Additional expenses under regulation 52(6A) (c)	Up to 0.20%
Additional expenses for gross new inflows from specified cities under Regulation 52(6A)(b)	Up to 0.30%

Note: Direct Plan (investment not routed through a distributor) shall have a lower expense ratio excluding distribution expenses, commission etc. and no commission shall be paid from such Plan. Portfolio of the Scheme under the Existing Plan and Direct Plan will be common.

The purpose of the table is to assist the investor in understanding the various costs and expenses that an investor in the scheme will bear directly or indirectly. These estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se. Types of expenses charged shall be as per the SEBI (MF) Regulations.

2. UTI AMC seeks to maintain high overall expense efficiency in managing the scheme. The total annual recurring expenses of the scheme excluding redemption expenses but including the investment management and advisory fees shall be subject to the following limits:
 - (i) On the first ₹100 crore of the daily net assets of the scheme - 2.25%
 - (ii) On the next ₹300 crore of the daily net assets of the scheme - 2.00%
 - (iii) On the next ₹300 crore of the daily net assets of the scheme - 1.75%
 - (iv) On the balance of the assets of the scheme - 1.50%

(3) Total Expense ratio (TER) and Additional Total Expenses:

(i) Charging of additional expenses based on new inflows from beyond top 15 cities

1. Additional TER shall be charged upto 30 bps on daily net assets of the scheme if the new inflows from beyond top 15 cities (as per SEBI Regulations/Circulars/AMFI data) are at least (a) 30% of gross new inflows in the scheme or (b) 15% of the Average Assets under Management (AAUM) (year to date) of the scheme, whichever is higher. The additional TER on account of inflows from beyond top 15 cities so charged shall be clawed back in case the same is redeemed within a period of 1 year from the date of investment. The same can be used only for distribution expenses on account of new inflows from beyond top 15 cities.

2. In case inflows from beyond top 15 cities is less than the higher of (a) or (b) above, additional TER on daily net assets of the scheme shall be charged as follows:

$$\frac{\text{Daily net assets} \times 30 \text{ basis points} \times \text{New inflows from beyond top 15 cities}}{365^* \times \text{Higher of (a) or (b) above}}$$

* 366, wherever applicable.

3. Additional expenses, not exceeding 0.20 per cent of daily net assets of the scheme, shall be charged towards Investment Management and Advisory fees charged by the AMC ('AMC fees') and for recurring expenses (like custodian fees, audit fees, expenses for Registrars services etc) charged under different heads as mentioned under SEBI Regulations.
4. The 'AMC fees' charged to the scheme(s) with no sub-limits will be within the TER as prescribed by SEBI Regulations.
5. In addition to the limits indicated above, brokerage and transaction costs not exceeding
 1. 0.12% in case of cash market transactions, and
 2. 0.05% in case of derivatives transactions

shall also be charged to the scheme/plans. Aforesaid brokerage and transaction costs are included in the cost of investment which are incurred for the purpose of execution of trade. Any payment towards brokerage and transaction cost, over and above the aforesaid brokerage and transaction costs shall be charged to the scheme/plans within the maximum limit of TER as prescribed under regulation 52 of the SEBI (Mutual Funds) Regulations, 1996. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC or by the Trustee or Sponsors

6. For further details on TER, please refer to SAI.

(ii) Service Tax

1. UTI AMC shall charge service tax on investment and advisory fees to the scheme in addition to the maximum limit of TER.
2. Service Tax on other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit of TER.
3. Service Tax on entry/exit load, if any, shall be paid out of the load proceeds. Exit load, net of service tax, if any, shall be credited to the scheme.
4. Service Tax on brokerage and transaction cost paid for asset purchases, if any, shall be within the limit prescribed under SEBI Regulations.

(iii) Investor Education and Awareness

UTI Mutual Fund (UTI MF) shall annually set apart atleast 2 bps on daily net assets within the maximum limit of TER for investor education and awareness initiatives.

(iv) Illustration of impact of expense ratio on scheme’s returns

Simple illustration to describe the impact of the expense ratio on returns of the scheme.

A	Amount invested (Rs.)	10,000
B	Gross returns - assumed	14%
C	Closing NAV before expenses (Rs.)	11400
D	Expenses (Rs.)	200
E	Total NAV after charging expenses (C-D)	11200
F	Net returns to investor	12%

- As per SEBI Regulation expenses are charged to the scheme on daily basis on daily net assets and as per percentage limits specified by SEBI.
- The illustration is to simply describe the impact of expenses charged to the Scheme on schemes returns and should not be construed as providing any kind of investment advice or guarantee of returns on investments.
- The above calculations are based on assumed NAVs, and actual returns on investment would be different.

B. LOAD STRUCTURE FOR ALL CLASSES OF INVESTORS

- (1) Exit Load is an amount which is paid by the investor to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC www.utimf.com or may call at 1800 22 1230 (toll free number) or at 022-26546200 (non toll free number) or your distributor.

Load Structure for all plans under the scheme:

Entry Load (As % of NAV): NIL

In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009 no entry load will be charged for purchase/additional purchase /switch-in accepted by the Fund. Similarly, no entry load will be charged with respect to applications for registrations under Systematic Investment Plans/Micro SIP/Systematic Transfer Investment Plans accepted by the Fund.

Type of Load	(As % of NAV)
*Entry Load	NIL
*Exit Load	NIL

* Switch in/out, Systematic Transfer Plan (STRIP), UTI-STRIP Advantage and Systematic Withdrawal Plan (SWP) will also attract Load like regular Purchases and Redemption.

The investor is requested to check the prevailing load structure of the scheme before investing.

For any change in load structure AMC will issue an addendum and display it on the website/UTI Financial Centres.

(2) Transaction charges

Pursuant to SEBI circular no. CIR/IMD/DF/13/2011 dated August 22, 2011, a transaction charge of ₹100/- for existing investors and ₹150/- in the case of first time investor in Mutual Funds, per subscription of ₹10,000/- and above, respectively, is to be paid to the distributors of UTI Mutual Fund products. However, there shall be no transaction charges on direct investment/s not made through the distributor/financial advisor etc.

There shall be no transaction charge on subscription below ₹10,000/-.

In case of SIPs, the transaction charge shall be applicable only if the total commitment through SIPs amounts to ₹10,000/- and above. In such cases, the transaction charge shall be recovered in 3-4 instalments.

The transaction charge, if any, shall be deducted by UTI AMC from the subscription amount and paid to the distributor and the balance shall be invested. Allocation of Units under the scheme will be Net of Transaction Charges. The Statement of Account (SoA) would also reflect the same.

If the investor has not ticked in the Application form whether he/she is an existing/new investor, then by default, the investor will be treated as an existing investor and transaction charges of ₹100/- will be deducted for investments of ₹10,000/- and above and paid to distributor/financial advisor etc., whose information is provided by the investor in the Application form. However, where the investor has mentioned 'Direct Plan' against the scheme name, the Distributor code will be ignored and the Application will be processed under 'Direct Plan' in which case no transaction charges will be paid to the distributor.

Opt in/Opt out by Distributors:

Distributors shall be able to choose to opt out of charging the transaction charge. However the 'opt out' shall be at distributor level and not at investor level i.e., a distributor shall not charge one investor and choose not to charge another investor.

Distributors shall also have the option to either opt in or opt out of levying transaction charge based on category of the product. The various category of product are as given below:

Sr. No.	Category of product
1	Liquid/ Money Market Schemes
2	Gilt Schemes
3	Debt Schemes
4	Infrastructure Debt Fund Schemes
5	Equity Linked Saving Schemes (ELSS)
6	Other Equity Schemes
7	Balanced Schemes
8	Gold Exchange Traded Funds
9	Other Exchange Traded Funds
10	Fund of Funds investing Overseas
11	Fund of Funds – Domestic

Where a distributor does not exercise the option, the default Option will be Opt-out for all above categories of product. The option exercised for a particular product category will be valid across all Mutual Funds.

The ARN holders, if they so desire, can change their option during the special two half yearly windows available viz. March 1st to March 25th and September 1st to September 25th and the new option status change will be applicable from the immediately succeeding month.

Upfront commission, if any, on investment made by the investor, shall be paid directly by the investor to the AMFI registered Distributors based on the investors' assessment of various factors including the service rendered by the distributor.

- (3) Any imposition or enhancement of exit load shall be applicable on prospective investments only. The AMC shall not charge any load on units allotted on reinvestment of dividend for existing as well as prospective investors.

At the time of changing the exit load structure, the Mutual Fund shall consider the following measures to avoid complaints from investors about investment in the scheme without knowing the exit load:

- (i) The addendum detailing the changes shall be attached to the scheme information documents and key information memorandum. The addendum shall be circulated to all the distributors/brokers so that the same can be attached to all scheme information documents and key information memoranda already in stock.
- (ii) Arrangements shall be made to display the addendum in the scheme information document in the form of a notice in all the official points of acceptance and distributors/brokers office.
- (iii) The introduction of the exit load alongwith the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and shall also be disclosed in the statement of accounts issued after the introduction of such load.
- (iv) A public notice shall be given in respect of such changes 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.
- (v) Any other measures which the Mutual Fund may feel necessary.

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

Status of the information in this regard as furnished by the respective sponsors mentioned below is provided as under:

1. 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.

(a) Penalties imposed against Life Insurance Corporation of India (Amount in ₹):-
Penalties imposed by IRDA

A. The following penalties were imposed by IRDA against LIC for the year 2014-15 on its Inspection as per the following details:-

Particulars of Inspection observations	Penalty levied by IRDA-Amount	Status of payment of penalty
<ul style="list-style-type: none"> • Instances were noticed wherein filled in proposal forms were altered without necessary authentication from the proposers • Policies issued with terms and conditions other than as applied by the Proposers • Policies are split and more than one policy issued under a single proposal 	Penalty of Rs 5 Lacs under S.102(b) of the Act imposed	Paid
All equity investment in a single Investee company (from all funds of the corporation) cannot be more than 10% of outstanding shares (face value) of the Investee company	Penalty of Rs 5 lacs imposed on the Insurer under S.102(b) of the Act	Paid

B. Service Tax

Financial Year	Particulars	Amount	Status
2010-2011	Service Tax	1018.00	Paid
2011-2012	Service Tax	14986.00	Paid
2012-2013	Service Tax	799268.00	Paid

No penalties have been imposed during the last four years by the Income Tax Authorities.

(b) Penalties and Proceedings against Bank of Baroda:-

Zone: Maharashtra & Goa

(i) Sponsor and Branch: Bank of Baroda, Laxmi Road, Pune City

Name of Complainant: Pune Municipal Corporation (PMC)

Court/Tribunal / Case No. & Year: Supreme court SLP (C) No. 23299/2010

Amount involved: Octroi penalty of ₹ 94.22 lacs

Nature of Case/Type of offence & section: Bank filed a writ petition before Bombay HC challenging the arbitrary demand of the PMC & the provisions under Pune Municipal Corporation

(Octroi) Rules 2008 imposing penalty being contrary to the provisions of Section 398 of the Bombay Provincial Municipal Corporation Act, 1949. The Bombay HC allowed the appeal holding corporation does not have power to impose penalty equivalent to 10 times the Octroi without following the due process of law as envisaged under section 398 of Act of 1949.

Bank's reply/defence: Bank paid the amount of octroi of ₹9,42,200/- but refused to pay penalty amounting to ₹94,22,000/- (10 times of octroi amount).

Present Status & Remarks: Against the order of the HC, PMC filed SLP in SC. The Hon'ble SC after hearing the Counsels was of the view that there is conflicting judgments on the issue and the same requires some time for hearing. On 13/10/2011 the Hon'ble SC said since bank has already paid the Octroi and matter involved herein is only about penalty imposed by corporation, let the matter come up for hearing in regular course. Matter has not come in the regular board till date.

(ii) Sponsor and Branch: Bank of Baroda, Nasik City

Name of Complainant: Nasik Municipal Corporation

Court / Tribunal / Case No. & Year: Supreme Court SLP (C) No. 9706/2010

Amount involved: Octroi penalty of ₹ 5.95 lacs

Nature of Case/Type of offence & section: Bank filed a writ petition before Bombay HC challenging the arbitrary demand of the NMC & the provisions under Nashik Municipal Corporation (Octroi) Rule 2005 imposing penalty being contrary to the provisions of Section 398 of the Bombay Provincial Municipal Corporation Act, 1949. The Bombay HC allowed the appeal holding corporation does not have power to impose penalty equivalent to 10 times the Octroi without following the due process of law as envisaged under section 398 of Act of 1949.

Bank's reply/defence: Bank paid the amount of octroi, but refused to pay penalty amounting to ₹ 59.50 lacs (10 times of Octroi amount).

Present Status & Remarks: Against the order of the HC, NMC filed SLP in SC. The Hon'ble SC after hearing the Counsels was of the view that there is conflicting judgments on the issue and the same requires some time for hearing. On 13/10/2011 the Hon'ble SC said since bank has already paid the Octroi and matter involved herein is only about penalty imposed by corporation, let the matter come up for hearing in regular course. Matter has not come in the regular board till date.

Total no. of cases: 2

Total amount involved/claimed amount: ₹ 100.17 lacs

Region-DMR-1 (NZ):

(iii) Sponsor and Branch: Bank of Baroda, IBB branch

Name of the party/complainant: Special Directorate of Enforcement

Name of the Court/Forum & Case no.: CRL Appeal No. 256/2009 before HC, Delhi in Comp/ u/s 8(1), 64(2) and also read with sections 6(4), 6(5), 49 and 73(3) of FERA, 1973.

Amount involved: ₹ 10 lacs

Advocate Name: Pramod Agarwala

Nature of the case/type of offences and Section: Complaint u/s 6(4), 6(5), 8(1), 64(2) and 73(3) of FERA Act 1973.

Details/brief nature of the case: Allegations of violation of FERA regarding Deposit of Foreign Currency Notes in NRE A/c of Mr. Gurcharan Singh Sethi and Smt. Surinder Kaur. The Directorate of Enforcement in order dated 11.08.04 held that Bank has failed to ensure the genuineness of the transactions and has contravened the provisions of FERA. Penalty of ₹ 10 lacs was imposed. Bank has denied the allegations on the ground that individual transactions were of less than ₹ 10 lacs.

Bank's Reply/defence: Bank's contention is that each time deposits are made of the amount of less than 10000 USD, hence there is no violation of provisions of FERA Act, 1973.

Present Status and remarks: On 03.03.2010 interim stay orders have been made absolute. Matter will be listed in due course in regular matters.

(iv) Sponsor and Branch: Bank of Baroda, IBB branch

Name of the party/complainant: Special Directorate of Enforcement

Name of the Court/Forum & Case no.: CRL Appeal No. 325/2008 before HC Delhi in Comp/ u/s 8(1), 64(2) and also read with sections 6(4), 6(5), 49 and 73(3) of FERA, 1973.

Amount involved: ₹ 5 lacs

Advocate Name: Pramod Agarwala

Nature of the case/type of offences and Section: Complaint u/s 6(4), 6(5), 8(1), 64(2) and 73(3) of FERA Act 1973.

Details/brief nature of the case: Allegations of violation of FERA regarding Deposit of Foreign Currency Notes in NRE A/c of one Mr. Sarbir Singh, from 25.01.92 to 31.01.92. The Directorate Enforcement in order dated 11.08.04 held that Bank has failed to ensure the genuineness of the transactions and has contravened the provisions of FERA. Penalty of ₹ 5 lacs was imposed. Appeal filed with Appellate Authority, which has been dismissed on 07.12.2007. Criminal Appeal before the Delhi High Court has been filed, which is pending.

Bank's Reply/defense: Bank's contention is that each time deposits are made of the amount of less than 10000 USD, hence there is no violation of provisions of FERA Act, 1973.

Present Status and remarks: On 03.03.2010 interim stay orders have been made absolute. Matter will be listed in due course in regular matters.

Total No. of Cases: 2

Total amount involved: ₹ 15 lacs

(v) Sponsor and Branch: Bank of Baroda, Eastern Zone, Camac Street

Name of the party: Special Director of Enforcement Directorate

Court/Tribunal & Case no./Year: Enforcement Directorate

Amount involved/claimed: ₹ 10 Lacs

Nature of the case/type of offences and Section: Breach of provisions of FERA

Details/brief nature of the case: Bank had given loan of ₹ 2.55 crores to M/s Corpus Credit & Leasing Ltd., against FCNR FDR of \$1 million (US) belonging to Mrs. And Mr. Bhagwandas & Devbala Pawani held with Camac Street Branch. The then Chief Manager procured the said FDR of Pawanis from their International Branch and handed over the same to borrower. Investigations conducted under provisions of FERA revealed that the signatures of Mrs. and Mr. Pawani on the account opening form did not match with those on the consent letter, discharged FCNR FDR. Chief Manager had not verified the genuineness of the documents collected from Notice No. 4 either from the Pawanis or from International Branch, Bank of Baroda, Dubai.

Bank's Reply/defence: Bank followed all the directions of RBI and remittance of \$ 1 million (US) was received by Bank through authorized banking channel and was genuine. Further, the proceeds of the FCNR FDR, along with interest thereon, was paid by the Bank to the Pawanis on maturity, in accordance with established remittance. Hence, there was no violation of FERA. The loan granted to the borrower company M/s Corpus Credit & Leasing Ltd. was a rupee loan and involved no outgo of foreign exchange.

Present Status and remarks: Special Director has imposed a penalty of ₹ 10,00,000 (Rupees Ten Lakhs) on the Bank for violation of FERA. Bank filed an appeal against the same before the Appellate Authority for Foreign Exchange, Ministry of Law, Justice & Company Affairs. LDH 6.03.2014 no hearing took place as opposite party did not appear. NDH 17.07.2014.

Region – Bihar, Patna

Zone – Bihar, Jharkhand & Orissa, Patna:

(vi) Sponsor and Branch: Bank of Baroda, Patna Main branch

Name of the party/Litigant/Complainant: Assessing Officer, Income Tax Department, Patna

Court/Tribunal & Case No./Yr.: High Court, Patna. Appeal No. MA-632/2013

Amount involved/claimed: ₹ 96.96 Lacs

Nature of case/type of offence and section: TDS claim by Assessing Officer, Income Tax, Patna

Details/brief nature of case: Patna Main branch has not deducted TDS from the FDRs held in different organisations for the F.Y. 2007-08 and 2008-09.

Bank's reply/defence: Appeal filed by bank before the Income Tax Appellate Tribunal was dismissed. Against the order of the ITAT bank has filed Misc. Appeal in the Hon'ble High Court, Patna which is pending.

Present Status and remarks: The appeal in the High Court was last listed on 03.03.2014 for hearing. The oral order has been passed on 03.03.2014 wherein it is directed that notify the case for admission hearing. The matter is not listed in the cause list of the cases for hearing after 03.03.2014.

Total No. of Cases: 01

Total amount involved/claimed amount: ₹ 96.96 Lacs

(c) Penalties and Proceedings against Punjab National Bank:-

As informed by the Punjab National Bank, no penalties /strictures were imposed on the bank by SEBI/Stock Exchange in respect of matters related to Capital Market during last three years.

(d) Penalties imposed on foreign offices and foreign subsidiaries of State Bank of India during 2013-14

Period	Name of Office/Branch / Subsidiary	Penalty imposed by	Brief details	Penalty imposed/Rupee equivalent	Date of payment of penalty
April 2013	Jeddah Branch	Saudi Arabia Monetary Agency (SAMA)	delayed submission of financial statement as at the end of December 2012	SAR 19,000 (Rs.2.68 lac)	07.04.2013
April 2013	Jeddah	--do-	Non adherence to the requirement of incorporating National ID/Civil Register Number of the drawer of the cheque in the slip of all dishonoured cheques	SAR 11,700 (1.64 lacs)	27.04.2013
June 2013	Regional Representative Office, Manila	Securities Exchange Commission of Manila (SEC)	delayed submission of General Information Sheet and proof of Inward Remittance (for Manila Representative office	PHP 8,561.79 (Rs.0.39 lacs)	24.07.2013
April 2013	Bank SBI Indonesia	Bank Indonesia	delayed submission of Commercial Bank Daily Report,	IDR 2,000,000 (Rs.0.13 lacs)	10.04.2013
December 2013	Bank SBI Indonesia	Bank Indonesia	error in reported data for calculation of minimum statutory reserve	IDR 17,712,377 (Rs.0.87 lacs)	12.12.2013
December 2013	Bank SBI Indonesia	Bank Indonesia	25 forex purchase transactions done by a customer were considered to be in violation of Bank Indonesia's regulation	IDR 250,000,000 (Rs.12.23 lacs)	30.12.2013

			concerning foreign exchange purchases against IDR		
June 2013	SBI Mauritius* (SBIML)	Bank of Mauritius	This was due to Bank of Mauritius found that SBI Mauritius has failed to comply with the guidelines of Anti-Money Laundering and Combating the Financing of Terrorism.	MUR 500,000 (Rs.9.96 lacs)	17.07.2013

*Bank of Mauritius imposed a penalty of MUR 100,000/- i.e. equivalent of Rs.1.75 lacs for a violation reported in December 2012. This was due to non-adherence of guidelines on advertisement by Bank of Mauritius.

Penalties imposed on State Bank of India during 2013-14 on Domestic Operations

Period	Name of Office/Branch / Subsidiary	Penalty imposed by	Brief details	Penalty imposed (Rupees in lacs)	Date of Payment
July 2013	State Bank of India	Reserve Bank of India	Penalty under Section 47A (1)(c) read with Section 46(4) of the Banking Regulation Act 1949, for alleged violation of its guidelines/statutory provisions on issue/sale of drafts/gold coins against cash, non capturing of beneficial owner details in CBS and non-availability of a scenario for generating alerts for monitoring transactions in accounts with high turnover but low end day balance.	Rs. 300.00 lacs	15.07.2013
March 2014	CAG New Delhi Branch	Income Tax Authorities	Late remittance of TDS pertaining to CAG New Delhi branch.	Rs.12.57 lacs	31.03.2014
FY 2013-14	All the Circles of SBI: penalties relating to the Agency Banking & Reconciliati	Reserve Bank of India	Reasons such as non conduct of surprise verification of Currency Chest (CC) branches, shortage in soiled note remittances and CC balance, detection of	Rs.237.06 lacs	Penalties paid on various dates in Circles of SBI. (Dates of payment

	on Department		mutilated/ counterfeit notes in reissuable packets etc.(detailed in the annexure)		for penalties of Rs.1.00 lacs and above are furnished in the list annexed)
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Penalties above one lac and nature of penalty thereof (Rs. in lacs)

Circle	Nature of penalty	Penal Amount	RBI DR Date of Penalty Amount
Ahmedabad	Non conduct of surprise verification of CC balance	1.00	22-Oct-13
Bengal	Shortage in Soiled Note Remittance and CC balance	20.00	22-Oct-13
Bhubaneshwar	Shortage in Soiled Note Remittance and CC balance	2.10	27-Nov-13
Chandigarh	Detection of mutilated/counterfeit notes in re-issuable packets	3.75	27-Sep-13
New Delhi	Denial of facilities/services to linked branch of other banks	5.00	16-Jan-14
New Delhi	Detection of mutilated/counterfeit notes in re-issuable packets	5.00	16-Jan-14
New Delhi	Detection of mutilated/counterfeit notes in re-issuable packets and soiled note remittance	4.74	11-Jul-13
New Delhi	Wrong reporting of Remittance to RBI (as withdrawal)	45.00	04-Jul-13
New Delhi	Non conduct of surprise verification of cc balance	4.97	25-Jul-13
Hyderabad	Non conduct of surprise verification of cc balance	5.00	12-Jul-13
Hyderabad	Shortage in Soiled Note Remittance in CC balance	1.00	24-Jan-14
Lucknow	Shortage in SNR and Currency Chest balance	2.60	16-Sep-13
Mumbai	Shortage in SNR and Currency Chest balance	1.13	27-Mar-14
North East	Shortage in SNR and Currency Chest balance	1.56	25-Jul-13
Patna	Detection of mutilated/counterfeit notes in re-issuable packets and Soiled note remittance	3.22	05-Jun-13

2. 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. –

Bank of Baroda

- (a) Bank of Baroda was one of the bankers to the public issue of shares of Jaltarang Motels Limited (“Jaltarang”). The issue opened for public subscription on December 21, 1995 and closed on December 26, 1995.

The prospectus issued by the Company categorically stated that the company’s shares would be listed on the stock exchanges at Ahmedabad and Bombay but permission for listing could be obtained only from Ahmedabad Stock Exchange (ASE).

While ASE accorded approval on March 4, 1996, Bombay Stock Exchange (BSE) rejected the request of the company (Jaltarang) for listing of shares. However, the Bank (Bank of Baroda), on March 25, 1996 transferred a sum of Rs.38,89,218/- collected from the public, to the company's (Jaltarang) account.

Since BSE had refused to list the company's shares, the public issue became void in terms of section 73 of the Companies Act necessitating refund of the application money forthwith to the applicants.

The matter came to the notice of SEBI. To protect the interest of applicants SEBI, after holding an inquiry, by its order dated January 19, 2000 directed the bank to refund the sum of Rs.4,031,018/- being the application money with interest at 15% from March 25, 1996 i.e. the day the bank allowed withdrawal of the funds by Jaltarang in respect of funds collected from the public issue.

The Bank preferred an appeal before the Securities Appellate Tribunal against the aforesaid order of SEBI. The tribunal, by its order dated July 27, 2000, rejected the appeal of the Bank. On which the bank filed an appeal (Appeal No.2 of 2000) before the High Court, Mumbai against the said order of the Tribunal. The High Court, Mumbai, on November 13, 2000, granted interim relief of stay of the operation of the orders dated July 27, 2000 of the Securities Appellate Tribunal and January 19, 2000 of SEBI and has further directed that the matter be placed on the board for final hearing.

Present Status: The matter is still pending with High Court Mumbai.

There are no further communication/queries from any regulatory authority to BOBCAPS in the matter.

- (b) The merchant banking division of the Bank of Baroda was the pre-issue lead manager for the public issue of shares of Trident Steels Limited ("Trident") in November, 1993.

SEBI issued a show cause notice dated April 29, 2004 calling upon the merchant banking division of the Bank to show cause why action should not be taken against it for failing in its duty to exercise due diligence in the above mentioned public issue. SEBI alleged that the merchant banking division of the Bank did not disclose the material fact that 750,000 shares out of the pre issue capital of Trident had been pledged by the directors and shareholders of those shares to the Industrial Finance Branch of the Bank towards enhancement of various credit facilities extended by the Bank to Trident.

In October 1989, the directors and holders of those shares have given an undertaking that as long as the dues of Trident to the Bank are not paid in full, they will not transfer, deal with or dispose off equity or preference shares held by them in the company or any shares that might be acquired in future, without prior written consent of the Bank.

BOBCAPS, in its reply to the show cause notice of SEBI, has submitted that it was the obligation of Trident to give true disclosures and that any punitive action will lie solely against Trident Steels Ltd., its promoters and directors.

Present Status: There are no further communication/queries from SEBI to BOBCAPS in the matter.

The enquiry has been dropped by SEBI.

- (c) The Bank of Baroda had acted as lead managers to the public issue of Kraft Industries Limited (“Kraft”) in May 1995. It is alleged that the Managing Director and Promoter of Kraft Industries Ltd. did not possess the qualifications as mentioned in the prospectus filed for raising the funds.

SEBI required from the Bank being merchant banker to the issue, the copies of qualification certificates of the company’s Managing Director.

On enquiring, the Managing Director of Kraft Industries Ltd. informed the Bank of having lost the certificates in transit. The bank has replied accordingly to SEBI.

The inquiry is still pending.

Present Status: There are no further communication/queries from SEBI to BOBCAPS in the matter.

- (d) M. S .Shoes East Limited (MS Shoes) came out with a public issue of 17,584,800 zero interest unsecured fully convertible debentures in February 1995. The Bank of Baroda was one of the Lead Managers to the issue with responsibility for post issue management and had underwritten the issue up to Rs.150,000,000.

After the closure of the issue, MS Shoes complained to the underwriters that some of the cheques accompanying the application for subscription were returned unpaid resulting in the collected amount falling short of the minimum subscription amount. Therefore MS Shoes called upon the underwriters to discharge their underwriting liability to the extent of proportionate devolution and raised a claim on the bank for Rs.116,665,043 towards devolution of underwriting liability.

The bank declined the claim on the ground that since the issue was declared oversubscribed by the Registrars to the issue no liability can devolve on the Bank under its underwriting commitment.

SEBI has issued an enquiry notice dated July 20, 1995 to the bank, but closed the matter without imposing any penalty on the bank.

Complaint was filed on behalf of MS Shoes, at Vikaspuri Police Station against SBI Capital Markets Limited, the bank, its principal officers including the then CMD and others alleging cheating and breach of trust. The High Court, New Delhi, by order dated December 11, 2000 ordered transfer of the case to Central Bureau of Investigation (CBI).

The investigation by the CBI is still pending.

Present Status: There are no further communication/queries from CBI or SEBI to BOBCAPS in the matter.

The enquiry has been dropped by SEBI.

State Bank of India

Against Sponsor:

SEBI served show cause notice dated 08.11.2012 under rule 4 of the adjudication Rules for the deficiencies observed in Debenture Trustee operations during their inspection conducted from 26.07.2010 to 30.07.2010 at State Bank of India, Mumbai Main branch. Bank has made payment of Rs. 6.80 lacs towards the settlement charges to SEBI on 13.01.2015 for the same. The settlement order was passed on 28.01.2015 by the Adjudicating Officer thus disposing of the said Adjudication Proceedings pending in respect of SBI.

3. 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.

UTI AMC Ltd.

- a) A writ petition has been filed by UTI Asset Management Company Ltd., UTI Mutual Fund and UTI Trustee Company Private Ltd. challenging the order dated 06.08.2008 passed by the Central Information Commission on the applicability of the Right to Information Act, 2005, which has been stayed by the Honourable High Court, Bombay. The writ has been admitted and stay will continue pending the hearing and final disposal of the petition. The matter will come up for hearing in due course.
- b) There are 9 criminal cases pending related to normal operations of the schemes of UTI MF such as non-transfer of units, non-receipt of unit certificates, non-receipt of redemption proceeds or income distribution, closure of scheme/plan. These cases are not maintainable and judging from our experience such cases are generally dismissed by Courts or withdrawn by the complainant.

All the cases were filed in the name of the then Manager/Branch Manager/Chairman (Key personnel) of the erstwhile Unit Trust of India. We have already settled all these cases by paying the amount/issuing certificate to the complainant. However, cases are continuing due to procedural aspect as final orders of the Courts are to be pronounced. All the cases filed before 2003, stood transferred to the successor of UTI i.e., UTI MF due to transfer of scheme after passing of The Unit Trust of India (Transfer of Undertaking & Repeal Act) 2002.

- c) There are 32 cases pending at different courts related to suits/petitions filed by a) contract workmen, b) employees association, c) employees/ex-employees etc. These cases are pending at different levels for adjudication.
- d) A Special Leave Petition has been filed by Bajaj Auto Ltd. before the Honourable Supreme Court of India against the final judgement and order dated 09.10.2006 of the Honourable High Court of Bombay in the matter of the winding up of UTI Growth & Value Fund- Bonus Plan with effect from 01.02.2005 in pursuance to circular dated 12.12.2003 of SEBI. The matter is admitted on 10.07.2008 and will be heard in due course.
- e) One Writ Petition filed by Shri. R K Sanghi pending before High Court of Madhya Pradesh Principal Seat at Jabalpur challenging termination of Senior Citizens Unit Plan (SCUP). We have already filed affidavit in reply in the matter and now petition will be heard in due course.

- f) The Maharashtra Sales Tax authorities have disallowed refund claim and raised tax demand under the Maharashtra Value Added Tax Act 2002 for UTI GETF for a sum of Rs. 2,23,38,170/- plus interest and penalty for the years 2007-08 to 2011-12. Part relief has been granted by setting aside the penalty for some years. The matter is being contested, Appeals have been filed/are being filed with the appellate authorities against the denial of the refund claim and raising of demand.

Income Tax Related Matter

The company has filed appeals with CIT (A) in respect of Assessment Years 2009-10 & AY 2010-11 against Demand of ₹ 6.42 & ₹ 2.27 Cr respectively. The matter is pending for hearing.

The Commissioner has passed order u/s 263 for the Assessment Year 2006-07 directing the assessing officer to do a fresh assessment in respect of scheme expenses. The company has filed an appeal before Hon'ble Tribunal against the order of the commissioner. Subsequently the assessing officer has passed the reassessment order raising demand of ₹ 2.39 Cr, against which based on the stay order obtained, Company has paid ₹1.19 Cr. The company has again filed an appeal before CIT (A) against such order.

On all the above issues the company does not expect the demand to crystalise into liability.

UTI GETF:

The Maharashtra Sales Tax authorities have disallowed refund claim and raised tax demand under the Maharashtra Value Added Tax Act 2002 for UTI GETF for a sum of Rs. 2,23,38,170/- plus interest and penalty for the years 2007-08 to 2011-12. The matter is being contested, Appeals have been filed/are being filed with the appellate authorities against the denial of the refund claim and raising of demand.

4. Any deficiency in the systems and operations of the Sponsor and/or the AMC or the Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency. - NIL

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.