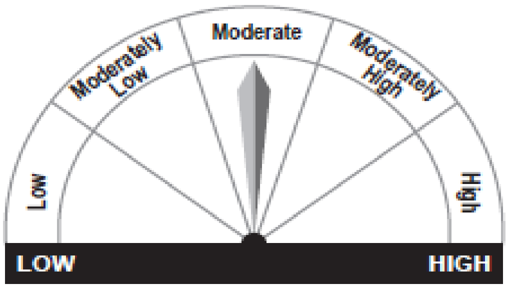
MUTUAL FUNDS Sahi Hai

UTI-Fixed Term Income Fund – Series XXVII - VI (1113 days)
(A Close-ended Income Scheme)

The product is suitable for investors who are seeking*:

- Regular income for fixed term
- Investment in Debt/Money Market Instrument/Govt. Securities

RISKOMETER



Investors understand that their principal will be at Moderate risk

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

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Flow of Presentation

- ✓What is UTI FTIF [Fixed Term Income Fund –Series XXVII - VI (1113 days)]
- ✓ Scheme Features
- ✓ Close – Ended advantage
- ✓ Advantages
- ✓ Ideally suited for
- ✓ Launch Schedule

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What is UTI Fixed Term Income Fund Series XXVII - VI (1113 days)

- ✓ A close ended income scheme with portfolio of 100% debt instruments.
- ✓ The Scheme aims to generate returns by investing in a portfolio of fixed income securities maturing on or before the date of maturity of the scheme.
- ✓ The scheme does not guarantee / indicate any returns.
- ✓ The scheme being launched is UTI FTIF Series XXVII – VI (1113 days) with tenure of 1113 days.
- ✓ The scheme will be listed on the National Stock Exchange (NSE).

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Scheme Features

Scheme Type	A close ended income scheme with tenure of 1113 days
Asset allocation	Min 80% & Max 100% in Debt Instruments and Min 0% & Max 20% in Money Market instruments.
Plans/ Option/ Sub-options	There will be two plans namely Regular Plan and Direct Plan. Each Plan offers the following Option(s): (i) Growth Option (ii) Quarterly Dividend Option with Payout facility (iii) Flexi Dividend Option with Payout facility (iv) Annual Dividend Option with Payout facility and (v) Maturity Dividend Option with Payout facility
Face value	Rs.10/-
Minimum Investment	Rs.5,000/- & in multiples of Re.10/- under all Plans / Options
Option available on Maturity of the scheme	On maturity of the Scheme, the outstanding Units shall either be redeemed and proceeds will be paid to the unitholder or will be switched-out to any existing open ended scheme / a Fixed Term Income Fund of UTI Mutual Fund open for sale on the date of maturity in the respective options, as opted by the unitholder, as the case may be.
Benchmark Index:	CRISIL Composite Bond Fund Index
Liquidity	As per SEBI guidelines, the scheme will be listed on the National Stock Exchange (NSE) & Redemption not permitted before maturity

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OTHER DISCLOSURES

Credit Evaluation Policy : Fund house follows a Credit Evaluation Process based on the objective assessment of the business risk, industry risk, financial risk, liquidity & funding risk and a subjective assessment of management quality, corporate governance, auditor comments, banker's feedback, risk management systems & processes. The Fund House also takes into account the external rating of the company by accredited rating agencies. It is an ongoing process that includes continuous monitoring and surveillance of companies to adjust for the latest developments within the sector & corporate actions within the group / company.

Sectors in which the Scheme shall not invest : The Scheme will not invest in the securities issued by the companies in the Aviation and Gems & Jewellery Sectors.

Type of instruments which the scheme propose to invest in : Please refer to "Section D – Where will the scheme invest" appearing in the Scheme Information Document of the scheme.

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Intended Portfolio Allocation

Instruments	A1	AAA	AA	A	BBB	Not Applicable
CDs	-	-	-	-	-	-
CPs	-	-	-	-	-	-
NCDs*	-	-	100%	-	-	-
Government Securities / Treasury Bills / Reverse Repos / CBLO	-	-	-	-	-	-
* Includes CDs issued by select All-India Financial Institutions permitted by RBI from time to time.						

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Continued….

- ✓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 the scheme at the time of investment. Such derivative position will comply with overall limits and norms of SEBI Circular No Cir / IMD / DF / 11 / 2010 dated August 18, 2010, DNPD/CIR-29/2005 dated September 14, 2005, SEBI/DNPD/Cir-31/2006 dated September 22, 2006 and DNPD/CIR-31/2006 dated January 20, 2006.
- ✓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 15% 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 Circular No SEBI/HO/IMD/DF2/CIR/P/2017/14 dated February 22, 2017.
- ✓The Scheme will not invest in repo in corporate debt securities, Securitised Debt, Foreign Securities, and will not engage in Securities Lending, Short Selling, Credit default swaps.

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Note

✓**Securities with rating A and AA shall include A+ and A- & AA+ and AA- respectively. Similarly Securities with ratings A1 shall include A1+**

✓**All investments shall be made based on rating prevalent at the time of investment. Where any paper is having dual rating (rated differently by more than one rating agency) then for the purpose of meeting intended range, the most conservative publicly available rating would be considered.**

✓**There will not be any deviation between the intended allocation and actual allocation except the following.**

i. There can be positive variation in the range w.r.t. rating i.e., scheme may invest in papers of higher rating in the same instrument than indicated.

ii. At the time of building the portfolio post NFO and towards the maturity of the scheme, there may be a higher allocation to cash and cash equivalents.

iii. The above allocation may vary during the duration of the Scheme. Some of these instances are (i) coupon inflow; (ii) the instrument is called or brought back by the issuer; (iii) in anticipation of any adverse credit event (iv) CPs/NCDs of desired credit quality are not available or the Fund Manager is of the view that the risk-reward analysis of such instruments are not in the best interest of the Unit holders . In case of such deviations, the Scheme may invest in Bank CDs having highest ratings (ie., A1+ or equivalent), CBLOs, Reverse Repos and T-Bills. Such deviations may exist till suitable CPs/NCDs of desired credit quality are not available.

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Note

✓**Change in Asset Allocation:** Further in the event of any deviations below the minimum limits or beyond the maximum limits as specified in the asset allocation table above and subject to the notes mentioned herein, the portfolio shall be rebalanced by the Fund Manager within 30 days from the date of the said deviation. In case the same is not aligned to the above asset allocation pattern in the period specified, justification shall be provided to the Investment Committee of the AMC and reasons for the same shall be recorded in writing. The Investment committee shall then decide on the course of action.

✓The scheme shall not invest in unrated debt instruments at the time of initial investment, however in due course of time if a rated debt instrument gets downgraded, the scheme may continue to hold the same till maturity. For this purpose, unrated debt securities shall exclude instruments such as CBLO, Reverse Repo and such similar instruments to which rating is not applicable.

✓Minimum Target Amount : The minimum target amount under the scheme is ₹20 Crores.

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The Close Ended advantage of FTIFs

- **Lower Expenses**: No regular inflows imply that **the buying and selling of instruments will be minimal** and hence the expense ratio of the scheme will tend to be low. The lower expense ratio will help in better returns from the portfolio.

- **No big fluctuations in the NAV: The NAV & corpus of the plan will tend to be stable** as redemption before maturity is not permitted in the scheme as per SEBI guidelines

Other Advantages

- ✓ **Higher Safety of capital:** Investment in diversified portfolio of various rated papers i.e. corporate bonds and debentures ensures higher safety of capital

- ✓ **Reasonable Returns:** The scheme being close ended would be favorable to the investors as there would be no regular inflow. The portfolio would be constructed in the beginning for a tenure in line with the period of the plan. The locked in portfolio provides a potential opportunity for better returns

- ✓ **Low Interest rate risk :** The yield on portfolio would not be affected by the interest rate changes / volatility, since the investor would remain invested till maturity

- ✓ **Indexation benefits:** One of the main attractiveness of this product is to help investor earn higher post tax returns compared to investment in bank deposits or bonds where the interest attracts tax at the highest rate. To put it more precisely – one can factor in inflation while computing capital gains, which could help in reducing your tax liability

Ideally suited for

- For all class of investors i.e. Corporates, HNIs , MNIs & Retail who have a pre decided investment horizon

- Conservative investors hesitant to enter into equity assets and looking for an avenue which yields better returns with minimum of risk

- Investors who are not satisfied with the returns from conventional fixed income avenues like Bank deposits , Bonds etc

- Those who wish to have tax efficient returns.

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Schedule of Launch

UTI FTIF - SERIES XXVII – VI (1113 days)

- NFO Opening Date : Monday, August 14, 2017
- NFO Closing Date : Monday, August 28, 2017
- Date of Allotment : Tuesday, August 29, 2017
- Maturity Date : Tuesday, September 15, 2020

Statutory Details

- **INVESTMENT OBJECTIVE** : The scheme aims to generate returns by investing in a portfolio of fixed income securities maturing on or before the date of maturity of the scheme. However, the scheme does not guarantee / indicate any return. There is no assurance that the fund's objective will be achieved.

- **REGISTERED OFFICE**: UTI Tower, 'Gn' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051. STATUTORY DETAILS: UTI Mutual Fund has been set up as a Trust under the Indian Trust Act, 1882. SPONSORS: The State Bank of India, Punjab National Bank, Bank of Baroda and Life Insurance Corporation of India (liability of sponsors limited to Rs 10,000**/-). INVESTMENT MANAGER:** UTI Asset Management Co. Ltd. (incorporated under the Companies Act, 1956). **TRUSTEE:** UTI Trustee Co. (P) Ltd. (incorporated under the Companies Act, 1956).

- **RISK FACTORS**: All investments in mutual funds and securities are subject to market risks and the NAV of the funds may go up or down depending on the factors and forces affecting the securities markets. There can be no assurance that the scheme's objectives will be achieved. Investors are not being offered a guaranteed or assured rate of return. Past performance of the Sponsors / Mutual Fund / Scheme(s) / AMC is not necessarily indicative of future results. UTI - Fixed Term Income Fund - Series XXVII – VI (1113 days) is only the name of the scheme and does not in any manner indicate the quality of the scheme, the future prospects or returns. There may be instances where no income distribution could be made. Realization of all the assurances and promises made, if any, are subject to the laws of the land as they exist at any relevant point of time. The scheme is subject to risks relating to Credit, Interest Rates, Liquidity, Trading in debt and equity derivatives (the specific risk could be Credit, Market, Illiquidity, Judgmental error, Interest rate swaps and Forward rate agreements). For information on general services offered, Entry / Exit load etc. please read the Scheme Information Document along with SAI carefully and consult your financial advisor / Tax consultant before investing.

Thank You

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