RELIANCE RETIREMENT FUND

An open ended notified tax savings cum pension scheme with no assured returns

Lambi Innings Ki Taiyari

NFO Period : 22nd Jan – 05th Feb 2015

Offer for Sale of Units at Rs.10/- per unit during the new fund offer period and Continuous offer for Units at NAV based prices

1st Notified Retirement Fund Also Having Equity Oriented Scheme

Source: Internal. Currently no other scheme in the MF segment offers Equity oriented scheme with such nature of Central Govt. Notification

Positioning

RELIANCE

An open end notified tax savings cum pension scheme with no assured returns

Reliance Retirement Fund has 2 Schemes (with separate portfolios)

Wealth Creation Scheme & Income Generation Scheme

Reliance Retirement Fund – Wealth Creation Scheme

This product is suitable for investors who are seeking*:	
· Long term growth and capital appreciation	
. Investing primarily in Equity and equity related instruments and balance in fixed income securities so as to help the investor in achieving the retirement goals	
· High risk	(BROWN)

Reliance Retirement Fund – Income Generation Scheme

This product is suitable for investors who are seeking*:	
· Income over long term with capital growth	
. Investing primarily in fixed income securities and balance in equity and equity related instruments so as to help the investor in achieving the retirement goals	
· Medium risk	(YELLOW)

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.		
Note: Risk may be represented as:		
(BLUE) investors understand that their principal will be at low risk	**(YELLOW)** investors understand that their principal will be at medium risk	**(BROWN)** investors understand that their principal will be at high risk

RETIREMENT PLANNING

WHY?

30 years ago…the most sought after professionals of that time, earned a top income of..

Rs. 2500
per month

Source: RCAM Research

Looks like a
very small
amount today,
doesn't it?

The top income you earned at the peak of your career, will look very small too..

When you look back 30 years after your retirement

INFLATION IS A SILENT KILLER

TODAY

AFTER 30 YRS

*Assumed inflation rate of 7% p.a

If you retired with
Rs.1 crore today

30 years later it would be
as if you had Rs.13 lakh

A 7-FOLD EROSION IN VALUE!

*Assumed rate of inflation 7% p.a

You prepare for the first 30 working years

Acquiring knowledge, skill and attitude
So you earn sufficient income and live a good life

How well have
you prepared for
the next 30 years
into retirement?

WELL PREPARED!

AUSTRALIANS seem to have done quite well with retirement

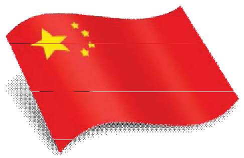
$43,000 of assets per citizen

UK - $35,000

US - $27,000

Source: McKinsey CEO Roundtable Report 2014

ILL PREPARED



CHINA - $141

INDIA - $128

That is about Rs.8000 of assets per person,
set aside to fall back on after retirement

Source: McKinsey CEO Roundtable Report 2014, USD/INR Exchange Rate is 62.5

Retirement assets are just 15% of India’s GDP and can’t go too far for a country with 1.4 billion people.

Retirement assets are 146% of Australia’s GDP!

Source: McKinsey CEO Roundtable Report 2014

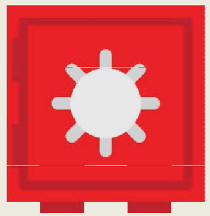
We all need retirement planning since we…

Should expect to live longer, thanks to science and medicine

Might not be living with our children, as our elders did

Do not have any government sponsored social security

May need a good cushion for health care as we age



RETIREMENT PLANNING

HOW?

Retirement planning involves two distinct phases:

Accumulation

The phase when you build retirement assets

Distribution

The phase when you use retirement assets

You build in the first 30 years

You enjoy the benefits in the next 30 years

Accumulation Challenge

- You can only save a part of your income

  You have expenses to take care of, don’t you?

- You need that saving to become big enough

  To replace your regular income when you retire

- Your accumulated assets should cover your expenses

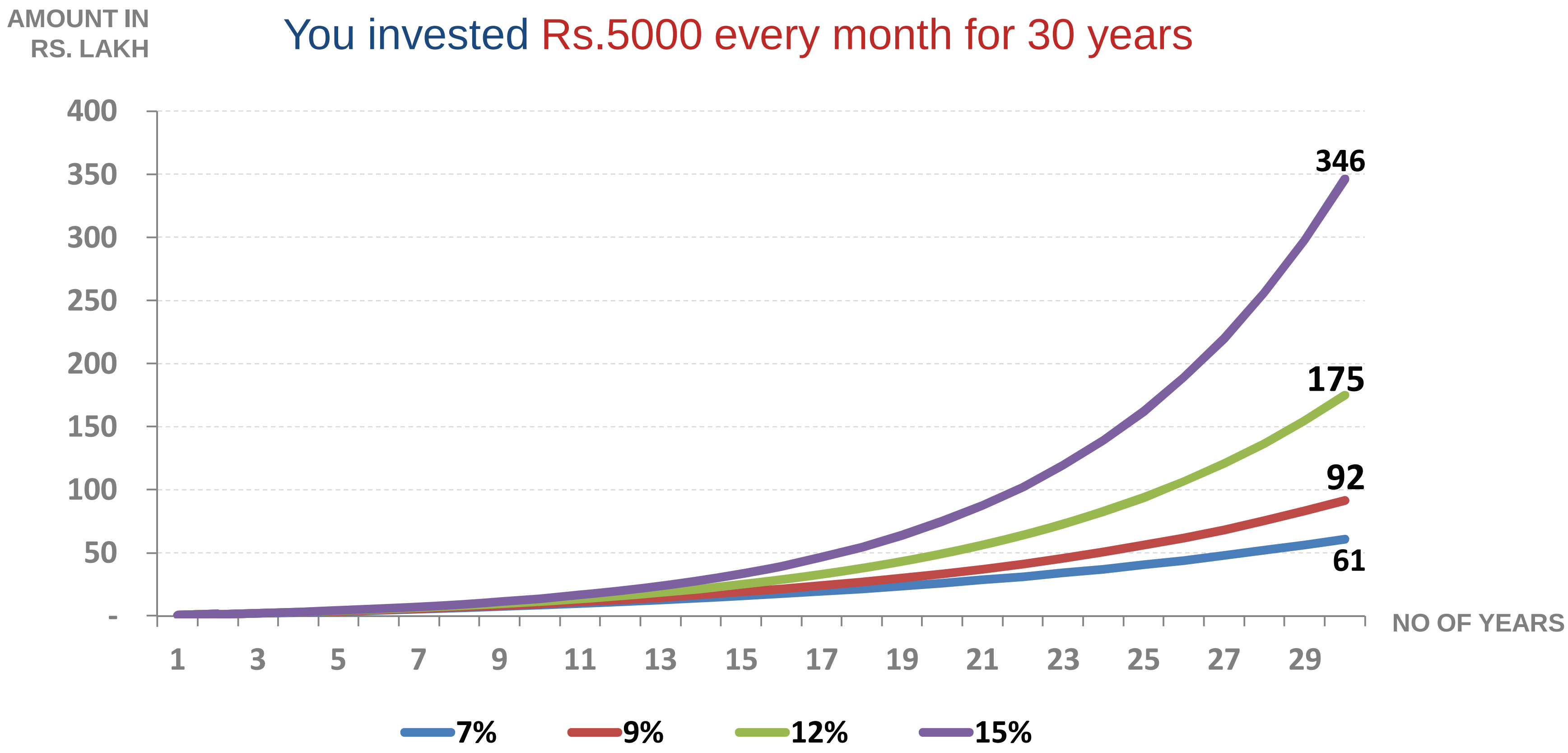
  Which will grow each year due to inflation

This is why you need an aggressive plan to accumulate retirement assets

- You do one part of the job by setting aside as much as you can

- Your investments do the other part of the job by appreciating in value over time

You invested Rs.5000 every month for 30 years



At 7% your retirement assets will grow into Rs.61 lakh

At 15% your assets would have grown to Rs.3.46 crore

Note –The above graph is only for illustration purposes, , purely to explain the concept of SIP and power of compounding and should not be taken as any indication of correlation with the scheme either by way of capital protection or equity market returns. RCAM does not recommend any action based on the above illustration. The investment decision of RCAM is based on several factors including research, market potential, future outlook etc. Investors are advised to refer to financial advisor / tax advisor independently before investment.

The Reality

In the initial years you earn less, save less

Invest as much as you can every month

Take the time advantage

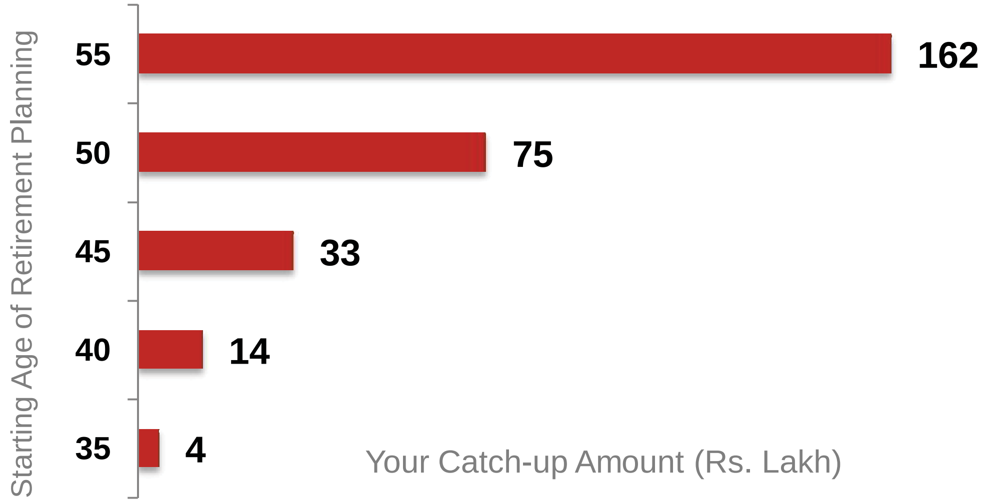
In the later years you earn more, save more

Add lump sums to your corpus

Take the wealth advantage

Catch up With the Corpus

Lump sum investment needed for a retirement corpus of Rs.3.46cr



HOW TO READ THE GRAPH :

Investor who start investing at age 35 instead of 30 have to catch up for the 5 years missed with a lump sum investment of Rs. 4 lakh along with a monthly SIP of 5000 for 25 yrs to accumulate a retirement corpus of Rs.3.46 Cr @15% p.a assumed rate of return

If you did not begin early, you have to add lump sums to catch up

Note –The above graph is only for illustration purposes, , purely to explain the concept of SIP and power of compounding and should not be taken as any indication of correlation with the scheme either by way of capital protection or equity market returns. RCAM does not recommend any action based on the above illustration. The investment decision of RCAM is based on several factors including research, market potential, future outlook etc. Investors are advised to refer to financial advisor / tax advisor independently before investment.

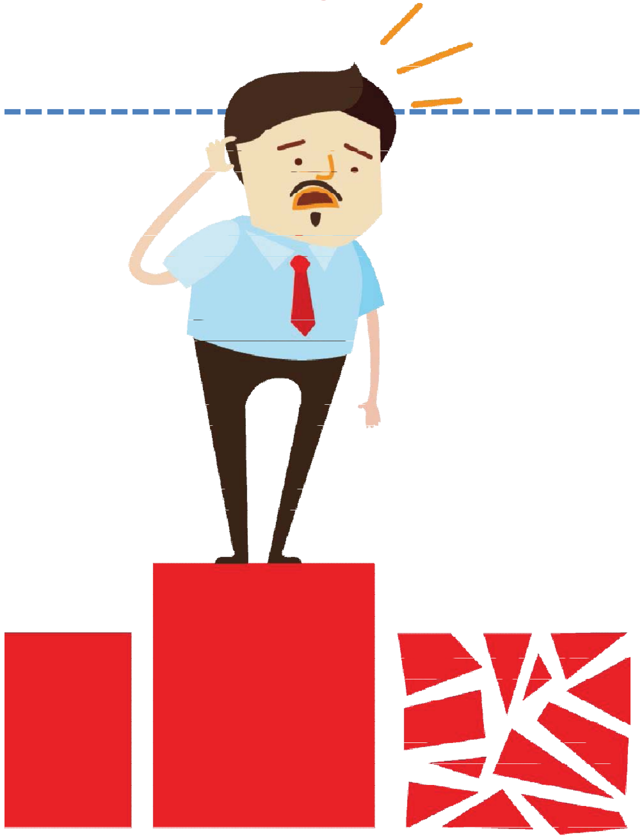
Distribution Phase

Change of attitude

From aggressive accumulation of assets

To cautious protection and use of assets

Key concerns in the distribution phase



Income should be adequate to maintain lifestyle

Inflation should not erode the income or corpus

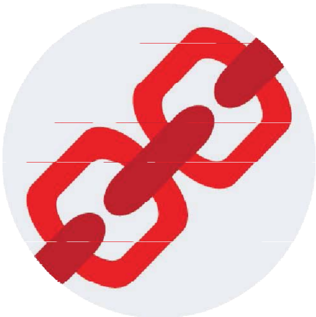
Corpus should not be subjected to high investment risks

Traditional Approach

Deposit the corpus and earn interest income

Earn fixed annuity income from corpus

Limitations



Taxable income

No growth in corpus

Low ability to fight inflation

Modern Approach

Invest the corpus in an income-oriented fund

Draw down as required during retirement

Advantages

Tax efficient SWP *

Has the potential to grow corpus over time

Scope for better return

***Note** : SWP is a facility which enables an investor to withdraw home made regular income from the accumulated corpus. Tax benefits applicable will be in conjunction to the Current SEBI Regulations applicable to Mutual Funds.

Role of Investment

Primary focus on income generation

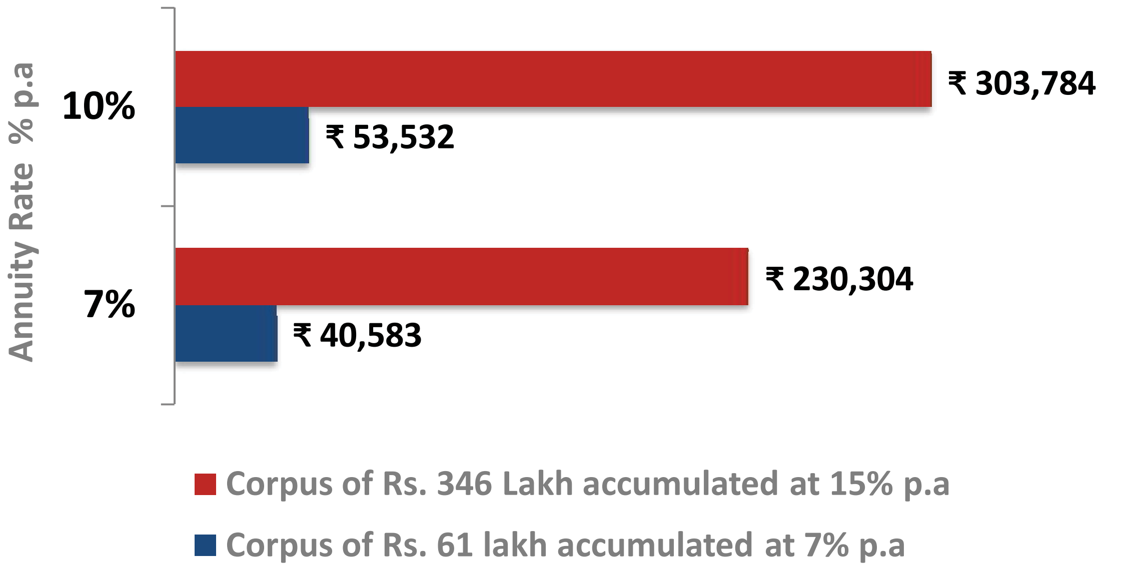
Growth assets for fighting inflation

Enable drawdown without depleting corpus

Monthly Retirement Annuity

Higher the corpus, greater the income

Higher the return, better the annuity



HOW TO READ THE GRAPH :

If over a 30 year period, the accumulated retirement corpus was Rs. 3.46 cr from a monthly SIP of Rs. 5000 at an assumed rate of 15%, then one can withdraw an annuity of Rs. 3 Lakh per month over next 30 yrs assuming that the corpus would grow at 10% post retirement

Note –The above graph is only for illustration purposes, purely to explain the concept of annuity and should not be taken as any indication of correlation with the scheme either by way of capital protection or equity market returns. RCAM does not recommend any action based on the above illustration. The investment decision of RCAM is based on several factors including research, market potential, future outlook etc. Investors are advised to refer to financial advisor / tax advisor independently before investment.S

RCAM Launches

RELIANCE RETIREMENT FUND

An open ended notified tax savings cum pension scheme with no assured returns

A one stop

Equity & Debt Oriented Retirement Solution

Please refer slide 1 and 2 for NFO and Product Label Details

Key Features

Two schemes with distinct portfolios

WEALTH CREATION SCHEME

- Equity-oriented for accumulation
- 65 - 100% in Equity & equity related instruments
- 0 - 35% in debt and money market securities

INCOME GENERATION SCHEME

- Debt-oriented for distribution
- 70 - 95% in debt and money market securities
- 5 - 30% in Equity & equity related instruments

Please refer Scheme information document for detailed information on Asset Allocation of the respective scheme.

KEY FEATURES

Flexibility To Manage Investments

Auto transfer to move from accumulation to distribution

- Unlimited switch between schemes
- Exit load of 1% on redemption before age 60, subject to lock in period of 5 Yrs
- Auto Transfer Facility *

Note: Switch of investments made with ARN code, from Other than Direct Plan to Direct Plan of a Scheme shall be subject to applicable exit load, if any. Please refer Scheme Information Document for details of the above mentioned features

***** Auto Transfer is an optional facility wherein investors' entire investment (Lump sum/SIP) shall be switched automatically from Wealth Creation Plan to Income Generation Plan (with nil exit load) at any date as specified by the investor (which is within or after the lock-in period) or upon completion of 50 years of age.

KEY FEATURES

Systematic Transactions

- Accumulate using both SIP and lump sum over the earning years
  - *Step up Facility **
- Use systematic withdrawal plan (SWP) to use only what is needed after retirement
  - *Auto SWP**
  - *Manual SWP*

***Note:** Step UP Facility is available only during ongoing basis and not during NFO. A facility wherein an investor who has enrolled for SIP, has an option to increase the amount of the SIP Installment by a fixed amount at pre-defined intervals.

Auto SWP : This optional facility aims to provide a regular inflow of money to investors (monthly/quarterly/annual) by automatic redemption of units on or after 60 years of age.

Please refer Scheme Information Document for details of the above mentioned features

KEY FEATURES

Tax Benefits

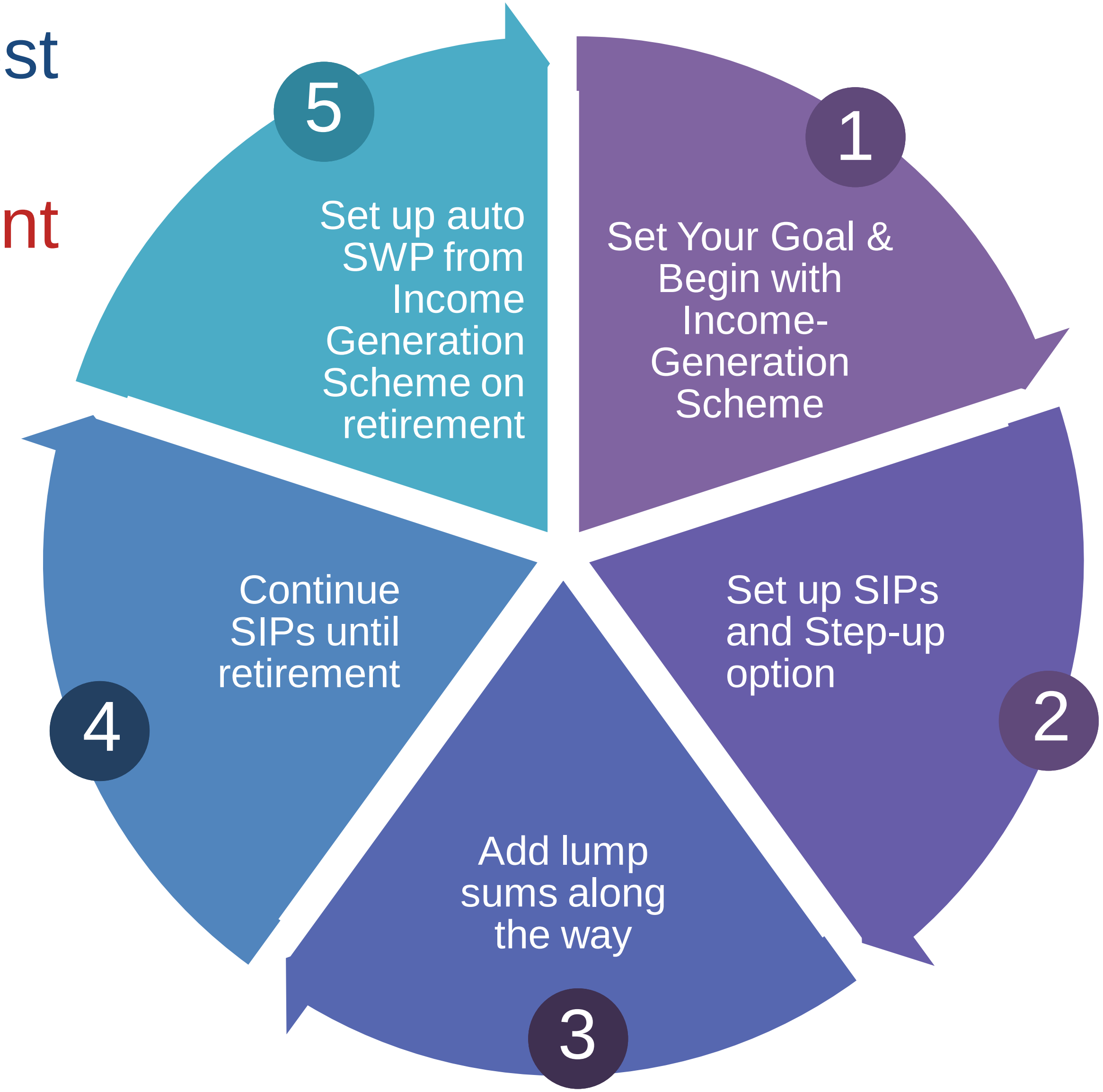
- As per the clause (xiv) of sub-section (2) of Section 80C of the Income Tax Act, 1961, individual investor will get tax deductions for investments up to Rs.1.5 lakh in a Financial Year

Note: Please refer Scheme Information Document for details of the above mentioned features

Ideal Way To Invest For Youngsters

Note –The above mentioned ideal way to invest is purely a recommendation from RCAM. However, we advise investors to make investment decisions based on their risk/return profile and to take independent opinions from their tax and financial advisor before making actual investments.

Ideal Way To Invest For Investors Nearing Retirement



Note –The above mentioned ideal way to invest is purely a recommendation from RCAM. However, we advise investors to make investment decisions based on their risk/return profile and to take independent opinions from their tax and financial advisor before making actual investments.

Salary ADDvantage Facility

Advantage

Employees:
Systematic Financial Savings for Retirement

Employer:
Facilitating Financial Goals of Employees

- Employers can sign up to offer employees a convenient way to invest in **Reliance Retirement Fund** systematically by opting for deduction from their salary

- Employer transfers a monthly single credit to Reliance Mutual Fund of participating employees

"Salary Addvantage is a special facility available in the select Schemes of Reliance Mutual Fund (RMF) to deduct the desired amount from the salary of the employees and remit the same to RMF on any date (working day) of the month or the quarter. Entry load will be nil and Exit load as applicable in the respective Scheme at the time of registration.". The facility is not available during NFO

Note –The above mentioned ideal way to invest is purely a recommendation from RCAM. However, we advise investors to make investment decisions based on their risk/return profile and to take independent opinions from their tax and financial advisor before making actual investments.

Scheme Attributes

RELIANCE

		Wealth Creation Scheme	Income Generation Scheme
Asset Allocation	Equity & Equity Related Instruments	65 - 100%	5 - 30%
	Debt & Money Market Securities	0 - 35%	70 - 95%
Benchmark		S&P BSE 100 Index	Crisil MIP Blended Index
Fund Managers	Sanjay Parekh (Equity), Anju Chajjer (Debt), Jahnvee Shah (Overseas Investments)		
Plans and Options	Growth Plan : Growth Option & Bonus Option		
	Dividend Plan : Dividend Payout Option		
	Direct Plan - Growth Plan: Growth Option & Bonus Option		
	Direct Plan - Dividend Plan: Dividend Payout Option		
Minimum Application Amount	Lumpsum – Rs.5,000 & in multiples of Rs. 500 thereafter		
	Monthly SIP – Rs. 500 & in multiples of Rs.500 thereafter for minimum of 12 months		
	Quarterly SIP – Rs.1,500 & in multiples of Rs.500 thereafter for minimum of 4 quarters		
	Annual SIP – Rs. 5,000 & in multiples of Rs.500 thereafter for minimum of 2 years		
	Additional Minimum Application Amount (Lumpsum) – Rs. 1,000 & in multiples of Rs.500 thereafter		
Minimum Amount for Auto SWP	Monthly Frequency – Rs. 500 & in multiples of Rs.500 thereafter		
	Quarterly Frequency – Rs.1,500 & in multiples of Rs.500 thereafter		
	Annual Frequency – Rs. 5,000 & in multiples of Rs.500 thereafter		

Additional Tax Benefit	The Central Government has specified Reliance Retirement Fund as a pension fund for the purpose of clause (xiv) of sub-section (2) of section 80C of the Income Tax Act, 1961 (the "Act") for the assessment year 2015-16 and subsequent assessment years vide notification No. 90/214/F.No.178/63/2012-ITA-I dated 23/12/2014.
	Units offered under the present Scheme to the Investors, enable them to avail the benefits under clause (xiv) of Sub-section (2) of Section 80C of the Act
	Accordingly, Investment made in the scheme will qualify for a deduction from Gross Total Income up to Rs.150,000/- in a Financial Year (along with other prescribed investments) under section 80C of the Act

Tax deduction up to Rs. 1.5 Lakh per year u/s 80C (2) on the amount invested in the Fund.

Scheme Attributes Cont'd..

Attribute	Details
Exit Load	1% if redeemed/switched out from Reliance Retirement Fund before attainment of 60 years of age.
	Nil in case of Auto SWP/Redemption/Switch out from Reliance Retirement Fund on or after attainment of 60 years of age or after completion of 5 year lock in period, whichever is later.
	Nil in case of switch made from Wealth Creation Scheme to Income Generation Scheme or vice versa
	Nil in case of Auto Transfer from Wealth Creation Scheme to Income Generation Scheme
	Note: Age will be computed with reference to years completed on the date of transaction)
	The Fund allows unlimited switches from Wealth Creation Scheme to Income Generation Scheme or vice versa, within and after the lock-in period, without any exit load subject to (point no a). However, investors should note that taxes (such as Capital Gains tax, STT, etc.) would be applicable for such transactions as per the prevailing Income Tax Laws.
Who can Invest	The following persons (subject, wherever relevant, to purchase of units being permitted under their respective constitutions and relevant State Regulations) are eligible to subscribe to the units:
	Adult Resident Indian Individuals, either single or jointly (not exceeding three).
	Non – resident Indians and persons of Indian origin residing abroad, on a full repatriation basis
	Parents / Lawful guardians on behalf of Minors
	The Fund reserves the right to include / exclude new / existing categories of investors to invest in the Schemes, subject to SEBI Regulations and other prevailing statutory regulations, if any.
	Currently, Individuals qualify for tax benefits U/S 80C of Income Tax Act, 1961.

Point No a: Switch of investments made with ARN code, from Other than Direct Plan to Direct Plan of a Scheme shall be subject to applicable exit load, if any.

Kindly refer SID for further details

Disclaimers

RELIANCE

The information herein mentioned in the presentation is meant only for general reading purposes and the views being expressed only constitute opinions and therefore cannot be considered as guidelines, recommendations or as a professional guide for the readers. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision.

None of the Sponsor, the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

Scheme Specific Risk Factors: Trading volumes and settlement periods may restrict liquidity in equity and debt investments. Investment in Debt is subject to price, credit, and interest rate risk. The NAV of the Scheme may be affected, inter alia, by changes in the market conditions, interest rates, trading volumes, settlement periods and transfer procedures. The NAV may also be subjected to risk associated with investment in derivatives, foreign securities or script lending as may be permissible by the Scheme Information Document.

The views being expressed only constitute opinions and therefore cannot be considered as guidelines, recommendations or as a professional guide for the readers. Before making any investments, the readers are advised to seek independent professional advice, verify the contents in order to arrive at an informed investment decision. None of the Sponsor, the Investment Manager, the Trustee, their respective directors, employees, affiliates or representatives shall be liable in any way for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including on account of lost profits arising from the information contained in this material.

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

THANK YOU