



SCHEME INFORMATION DOCUMENT

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

Offer of Units of Rs.10/-each for cash during the New Fund Offer

New Fund Offer Opens on: _____

New Fund Offer Closes on: _____

UTI Mutual Fund

UTI Asset Management Company Limited

UTI Trustee Company Private Limited

Tower, Gn Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

Tel: (022) 6678 6666, **Email:**service@uti.co.in, **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 offered for public subscription have not been approved or disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / UTI Financial Centres (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 _____, 2008.

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HIGHLIGHTS OF THE SCHEME

1.	Investment Objective	The scheme aims to generate regular returns by investing in a portfolio of fixed income securities normally maturing in line with the maturity period of the respective scheme. However, the scheme does not guarantee / indicate any return. There is no assurance that the funds objective will be achieved.	
2.	Liquidity	During the new fund offer, the units of the fund will be sold at the face value of Rs.10/- per unit. The scheme will offer redemption of units at NAV based prices on an on-going basis commencing not later than 30 days from the closure of the New Fund Offer Period.	
3.	Benchmark	CRISIL Short Term Bond Fund Index	
4.	Net Asset Value (NAV) Disclosure	Declaration of NAV on a daily basis within 30 days from the date of closure of the New Fund Offer Period.	
5.	Loads	NFO & Post NFO	
		Type of Load	As % of applicable NAV
		Entry Load	Nil
		Exit Load	2% before maturity of the scheme or any other period stipulated before launch of the scheme.
6.	Minimum Application Amount	Rs.10,000/- for Dividend Sub-Option and Rs.5000/- for Growth Sub Option & in multiples of Re.1/- under Retail Option and Rs 50,00,000/- (Fifty Lakhs) & in multiples of Re 1/- under Institutional Option and Rs.1 Crore & in multiple of Re.1/- under Super Institutional Option.	

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 Sponsors/AMC/Mutual Fund does not guarantee future performance of the scheme.
4. UTI-Fixed Term Income Fund - Series VI (UTI-FTIF - Series VI) 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 Rs.10,000/- made by them towards setting up the Fund.
6. The present scheme is not a 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 and dividend, 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. The NAVs of the Scheme may be affected by changes in the general market conditions, factors and forces affecting capital market, in particular, level of interest rates, various market related factors and trading volumes, settlement periods and transfer procedures.
10. Mutual Funds and securities investments are subject to market risks and the NAVs of the units issued under the scheme may go up or down depending on the factors and forces affecting the capital markets.
11. **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.

- 12. 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 schemes may influence the NAVs of the schemes as and when such changes occur. For a fixed term scheme, where the maturity of the debt securities in the portfolio are in line with the maturity period of the respective schemes, the interest rate risk may not be there, if the investment is held upto maturity.
- 13. 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 schemes might have to incur a significant “impact cost” while transacting large volumes in a particular security.
- 14. Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme are reinvested. The additional income from reinvestment is the “interest on interest” component. The risk is that the rate at which interim cash flows can be reinvested may be lower than that originally assumed.
15. Money Market Securities are subject to the risk of an issuer’s inability to meet interest and principal payments on its obligations and market perception of the creditworthiness of the issuer.
- 16. 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 schemes 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.
- 17. 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.

18. 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

- 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 major Risks pertained to Securitised Paper 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

Asset securitisation is a process whereby commercial or consumer credits are packaged and sold in the form of financial instruments full prepayment of underlying loan contract may during the tenure of the paper. In the event of prepayments, investors may be exposed to changes in tenor and reinvestment risk.

19. Trading in derivatives involves certain specific risks like:

- a. **Credit 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 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 schemes 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 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.
- 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 possible greater than, the risk associated with investing directly in securities and other traditional investments.

20. Scheme Specific Risk Factors:

- a. The value of the Scheme's investments, may be affected generally by factors affecting securities markets, such as interest rates, currency exchange rates, changes in policies of the Government, taxation laws or policies of any appropriate authority and other political and economic developments , a specific sector or all sectors including debt markets. Consequently, the NAV of the Units of the Scheme may fluctuate and can go up or down.
- b. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances leading to delays in receipt of proceeds from sale of securities. The inability of the Scheme to make intended securities purchases due to settlement problems could also cause the Scheme to miss certain investment opportunities. By the same rationale, the inability

to sell securities held in the Scheme's portfolio due to the absence of a well developed and liquid secondary market for debt securities would result, at times, in potential losses to the Scheme, in case of a subsequent decline in the value of securities held in the Scheme's portfolio.

- c. Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. Within the regulatory limits, the AMC may choose to invest in unlisted securities that offer attractive yields. This may however increase the risk of the portfolio.
- d. The Scheme may use various derivative products as permitted by the Regulations. Use of derivatives requires an understanding of not only the underlying instrument but also of the derivative itself. Other risks include, the risk of mispricing or improper valuation and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Usage of derivatives will expose the Scheme to certain risks inherent to such derivatives
- e. The Scheme may also invest in foreign debt securities as permitted by Reserve Bank of India and Securities and Exchange Board of India. To the extent that some part of the assets of the Schemes may be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by the changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital also may be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.
- f. The scheme intends to deploy funds in money market instruments to maintain liquidity. To the extent that some assets/funds are deployed in money market instruments, the scheme will be subject to credit risk as well as settlement risk, which might effect the liquidity of the scheme.
- g. 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 the 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.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme(s) and individual Plan(s) under the Scheme(s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme(s)/Plan(s). These conditions will be complied with immediately after the close of the NFO itself i.e. at the time of allotment. In case of non-fulfillment with the

condition of minimum 20 investors, the Scheme(s)/Plan(s) shall be wound up in accordance with Regulation 39 (2) (c) of SEBI (MF) Regulations automatically without any reference from SEBI. In case of non-fulfillment with the condition of 25% holding by a single investor on the date of allotment, the application to the extent of exposure in excess of the stipulated 25% limit would be liable to be rejected and the allotment would be effective only to the extent of 25% of the corpus collected. Consequently, such exposure over 25% limits will lead to refund within 6 weeks of the date of closure of the New Fund Offer.

C. DEFINITIONS

In this scheme unless the context otherwise requires:

1. "Acceptance date" or "date of acceptance" with reference to an application made by an applicant to the UTI Asset Management Company Ltd. (UTI AMC) for purchase or redemption/changeover/switchover of units means the day on which the UTI Financial Centres (UFCs)/Registrars or the other official points of acceptance (as per the list attached with this Scheme Information Document) or notified hereafter, after being satisfied that such application is complete in all respects, accepts the same;
2. "Accounting Year" of UTI Mutual Fund is from April to March;
3. "Act" means the Securities and Exchange Board of India Act, 1992, (15 of 1992) as amended from time to time;
4. "AMFI" means Association of Mutual Funds in India;
5. "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;
6. "Alternate Applicant" in case of a minor means the parent other than the parent who has made the application on behalf of the minor;
7. "Asset Management Company/UTI AMC/AMC/Investment Manager" means the UTI Asset Management Company Limited incorporated under the Companies Act, 1956, (1 of 1956) and approved as such by Securities and 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;
8. "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;

9. "Bonus Unit" means and includes, where the context so requires, a unit issued as fully paid up bonus unit by capitalising a part of the amount standing to the credit of the account of the reserves formed or otherwise in respect of this scheme.
10. "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 15 days in a year;
11. "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 the 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.
The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Official Points of Acceptance;
12. "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 Depository Act, 1996;
13. "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;
14. "Fund Manager" means the manager appointed for the day-to-day management and administration of the scheme;
15. "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;
16. "Investor Service Centre" such offices as are designated as ISC by the AMC from time to time.

17. "Load" is a charge that may be levied as a percentage of NAV at the time of entry into the Scheme or at the time of exiting from the Scheme;
18. "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;
19. "NAV" means Net Asset Value of the Units of the 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;
20. "New Fund Offer or NFO or New Fund Offer Period " means offer of the units of the UTI-Fixed Term Fund - Series VI during the New Fund Offer Period.
21. "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;
22. "Number of units deemed to be in issue" means the aggregate of the number of units issued and still remaining outstanding;
23. "Official points of acceptance" - UTI Financial Centres (UFCs), Offices of the Registrars of the Scheme and any other authorised centre as may be notified by UTI AMC from time to time shall be the official points of acceptance of purchase/changeover/switchover and redemption applications of the scheme. The cut off time as mentioned in the scheme information document will be applicable at these official points of acceptance. At present in addition to UFC's and Registrars, the list of places as official points of acceptance is attached with this document.

For purchase, redemption, changeover or switchover of units applications received at any authorised collection centres (as per the list attached), which is not an official point of acceptance (as per list attached), the cut off time at the official point of acceptance alone, will be applicable for determination of NAV for purchase, redemption, changeover or switchover of units;

24. "RBI" means the Reserve Bank of India, constituted under the Reserve Bank of India Act, 1934;
25. "Record date" the date announced by the Fund for any benefits like dividends, bonus etc. The person holding the units as per the records of UTI AMC/Registrars, on the record date are eligible for such benefits;
26. "Registrars" means a person whose services may be retained by the UTI AMC to act as the Registrar under the scheme, from time to time;
27. "Regulations" or "SEBI Regulations" mean the SEBI (Mutual Funds) Regulations, 1996 as amended from time to time;
28. "Scheme" means the UTI-Fixed Term Income Fund – Series VI;
29. "SEBI" means the Securities and Exchange Board of India set up under the Securities and Exchange Board of India Act, 1992 (15 of 1992);
30. "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;
31. "Specified Maturity Date" is the date of completion of the Scheme period from the date of allotment;
32. "Sponsors" are Bank of Baroda, Punjab National Bank, Life Insurance Corporation of India and State Bank of India.
33. "Time" all time referred to in the scheme information document stands for Indian Standard Time;
34. "Trustee" means UTI Trustee Company Private Limited, a company incorporated under the Companies Act, 1956 and approved by SEBI to act as the Trustee to the schemes of UTI Mutual Fund;
35. "Trust Deed" means the Trust Deed dated December 9, 2002 of UTI Mutual Fund;
36. "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;
37. "Unit Capital" means the aggregate of the face value of units issued under the scheme and outstanding for the time being;
38. "Unitholder" means a person holding units in the scheme of the Mutual Fund;

39. "UTI-Fixed Term Income Fund" or "Series VI " means "UTI - Fixed Term Income Fund - Series VI".
40. 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.

D. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

DUE DILIGENCE CERTIFICATE

Due Diligence Certificate submitted to SEBI for UTI-Fixed Term Income Fund – Series VI

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. 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

A. Rama Mohan Rao
Compliance Officer

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

UTI-Fixed Term Income Fund – Series VI is a close-ended income scheme with scheme tenure from 12 months 1 day to 36 months.

B. WHAT IS THE INVESTMENT OBJECTIVE OF THE SCHEME?

Investment objective: The scheme aims to generate regular returns by investing in a portfolio of fixed income securities normally maturing in line with the maturity period of the respective scheme. However, the scheme does not guarantee / indicate any return. There is no assurance that the funds objective will be achieved.

C. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

1. (i) Asset allocation (% to NAV):

Instruments	Indicative Allocation (% of Net Assets)		Risk Profile
	Minimum	Maximum	
Debt Including Securitised debt*	5%	100%	Low to Medium
Money Market Instruments	0%	95%	Low

*The scheme may invest upto 100% of its debt portfolio in securitised debt.

The scheme will invest in a portfolio predominantly of fixed income securities that are maturing in line with duration of the schemes.

While no fixed allocation will normally be made for investment in money market instruments like Call Deposits, Commercial Papers, Treasury Bills etc. the same may be kept to the minimum generally to meet the liquidity needs of the scheme

2. Debt 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 include 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 players are Trusts, Provident and pension funds.

(v) Types of security issuance and eligible investors:

Issuer	Instruments	Yields	Maturity	Investors
Central Government	Dated Securities	7.5%-8.5%	1-30 years	RBI, Banks, Insurance Co, PFs, MFs, PDs, Individuals
Central Government	T-Bills	7.5%-8%	91/364 days	RBI, Banks, Insurance Co, PFs, MFs, PDs, Individuals

State Government	Dated Securities	8%-9%	5-13 years	Banks, Insurance Co, Provident Funds
PSUs	Bonds	9.5%-10.5%	5-10 years	Banks, Insurance Co, PFs, MFs
Corporates	Debentures	8% -10%	1-12 years	Banks, MFs, Corporates, Individuals
Corporates, PDs	Commercial Papers	8%-11%	15 days to 1 yr	Banks, MFs, Fin Inst, Corporates, Individuals, FIIs
Banks	Certificates of Deposit	8%-11%	15 days to 1 yr	Banks, Mutual Funds, Financial Institutions,
Banks	Bonds	8%-10%	5-15 years	Banks, Companies, MFs, PDs, Individuals

(vi) **Trading Mechanism:**

Government Securities and Money Market Instruments

Negotiated Dealing System (NDS) is an electronic platform for facilitating dealing and online reporting of transactions. Government Securities (including T-bills), call money, notice/term money, repos in eligible securities, etc. are available for negotiated dealing through NDS. Currently G-Sec deals are done telephonically and reported on NDS.

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 corpus of the scheme can be invested in any (but not exclusively) of the following instruments.
 - * Securities issued /guaranteed by the Central, State, and Local governments (including but not limited to coupon bearing bonds, Zero coupon bonds and treasury bills.)
 - * Corporate debt (Public & private sector)
 - * Debt obligations of domestic government agencies and statutory bodies which may or may not carry a central /state govt guarantee
 - * Debt obligation of banks (public & private sector) and financial institution
 - * Money market instruments as permitted by SEBI and or /RBI
 - * Certificate of deposit (CDs)
 - * Commercial paper (CPs)
 - * Bills of Exchange/ promissory notes
 - * Securitised Debt
 - * Call Money & Call

- * Securities with floating rate instruments
- * Derivative instruments as permitted by SEBI/RBI
- * Any other fixed income securities
- * any other instruments as may be permitted by RBI/SEBI other regulatory authorities from time to time

The securities as mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity. The securities may be acquired through initial public offers, private placements, secondary market transactions, rights offer or negotiated deals.

The scheme based on views on debt markets and other market conditions may review the above pattern of investment and rebalance the portfolio of the scheme. However, at all times the portfolio will adhere to the overall investment objective of the scheme.

UTI-Fixed Term Income Fund - Series VI retains the option to alter the asset allocation for short-term periods on defensive considerations.

2. 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
 - 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 mutual fund can invest in Foreign Securities within overall limit of US \$ 7 bn with the sub-ceiling for individual mutual funds which should not exceed 10% of the net assets managed by them as on March 31 of each relevant year, subject to 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.

3. Participating in Derivative Products:

(i) The scheme may use hedging techniques including dealing in derivative products - like futures and options, warrants, interest rate swaps (IRS), forward rate agreement (FRA) as may be permissible under SEBI (MFs) Regulations.

(ii) The scheme may take derivatives position based on the opportunities available and in line with the overall investment objective of the scheme. These may be taken to hedge the portfolio and rebalance the same.

(iii) The Fund Manager may sell the index forward by taking a short position in index futures to save on the cost of outflow of funds or in the event of negative view on the market.

(iv) 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. UTI AMC may in future revise the limits within the investment objective of the scheme.

SEBI has vide its circular DNP/31/2006 dated September 22nd, 2006 interalia specified the guidelines pertaining to trading by Mutual Funds in derivatives.

All derivative position taken in the portfolio would be guided by the following principles.

i. Position limit for Mutual Funds in index options contracts

a. The Mutual Fund position limit in all index options contracts on a particular underlying index shall be Rs.500 crore or 15% of the total open interest of the market in index options, whichever is higher.

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

ii. Position limit for Mutual Funds in index futures contracts:

a. The Mutual Fund position limit in all index futures contracts on a particular underlying index shall be Rs.500 crore or 15% of the total open interest of the market in index futures, whichever is higher.

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

iii. Additional position limit for hedging

In addition to the position limits at point (i) and (ii) above, Mutual Funds may take exposure in equity index derivatives subject to the following limits:

a. Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.

b. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.

iv. Position limit for Mutual Funds for stock based derivative contracts

The Mutual Fund position limit in a derivative contract on a particular underlying stock, i.e. stock option contracts and stock futures contracts, stand modified in the following manner:-

The market wide position limit shall be linked to the free float market capitalisation and shall be equal to 20% of the numbers of shares held by non-promoters in the relevant underlying security (i.e. free float holding).

The limit would be applicable on aggregate open positions in all futures and all option contracts on a particular underlying stock.

v. Position limit for each scheme of a Mutual Fund

The position limits for each scheme of mutual fund and disclosure requirements shall be identical to that prescribed for a sub-account of a FII. Therefore, the scheme-wise position limit / disclosure requirements shall be –

For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of a mutual fund shall not exceed the higher of :1% of the free float market capitalisation (in terms of number of shares).

Or

a. 5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).

b. This position limits shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.

c. For index based contracts, Mutual Funds shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

(vi) 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

(vii) **Futures:**

A futures contract is a standardised 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.

(viii) **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.

(ix) **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.

Illustration for Interest Rate Swap :

In a plain vanilla fixed-to-floating interest rate swap, party A makes periodic interest payments to party B based on a variable interest, say MIBOR plus 50 basis points. Party B in turn makes periodic interest payments based on a fixed

rate of say 6%. The payments are calculated over the notional amount. The first rate is called variable, because it is reset at the beginning of each interest calculation period to the then current reference rate, such as say MIBOR.

The Fund may use derivative instruments like Stock/ Index Futures, Interest Rate Swaps and Forward Rate Agreements or such other derivative instruments as may be introduced from time to time for the purpose of hedging and portfolio balancing, within a permissible limit of 50% of portfolio, which may be increased as permitted under the Regulations and guidelines from time to time.

E. WHAT ARE THE INVESTMENT STRATEGIES?

Portfolio Turnover Policy:

Portfolio Turnover is defined as the least of purchase or sales as a percentage of average size of a fund during any specified period of time. As sales and purchases of securities can be made on daily basis, it would be difficult to estimate with reasonable level of accuracy the likely turnover in portfolios. There could be instances of churning of portfolio to take advantage of trading opportunity existing in the market. But it would be difficult to set the target for the portfolio turnover as it would be a function of purchases/redemptions, general market conditions, trading opportunities, creation of liquidity to meet income distribution etc. The portfolio turnover shall be targeted so as to have return maximisation for the unitholders. At the same time, expenses such as brokerage and transaction cost shall be kept at low level so that it does not affect the earnings of the scheme. As the major portion of the portfolio of the Schemes are maturing in line with duration of the scheme, the portfolio turnover will be less.

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 a scheme

UTI-Fixed Term Income Fund – Series VI is a close-ended income scheme with scheme tenure from 12 months 1 day to 36 months.

(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 considerations.

(iii) Terms of Issue

- Liquidity provisions such as redemption.
- Aggregate fees [as given in clause IV (B) (3)] and expenses [as given in clause IV (B) (1)] charged to the scheme.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme or the trust or fee and expenses payable or any other change which would modify the Scheme and affect the interests of Unitholders is carried out unless:

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

G. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE ?

CRISIL Short Term Bond Fund Index is the benchmark. UTI AMC reserves the right to change the benchmark in future if a benchmark better suited to the investment objective of the schemes is available.

H. WHO MANAGES THE SCHEME?

Management of UTI-Fixed Term Income Fund – Series VI

Shri Manish Joshi and Shri Amandeep Chopra are the Fund Managers for the scheme and Shri Kausik Basu is the dedicated Fund Manager for investment in ADRs/GDRs/Foreign Securities.

Amandeep S Chopra	37	B.Sc., MBA	Joined UTI in May 1994 and was in the area of Investment Research till August 1998. Since August 1998 he has been in Funds Management. Currently his role is as Fund Manager and Head of Fixed Income.	UTI Liquid Cash Plan UTI Balanced Fund UTI Monthly Income Scheme UTI ULIP UTI Mahila Unit Scheme UTI Retirement Benefit Pension Fund UTI Childrens Career Balanced Plan* UTI MIS Advantage Plan*
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				<p>UTI CCP Advantage Fund* UTI Capital Protection Oriented Scheme* UTI CRTS* UTI Money Market Fund # UTI Floating Rate Fund STP # UTI Fixed Maturity Plan # UTI Fixed Term Income Fund – Series I # UTI Fixed Term Income Fund – Series II # UTI Fixed Term Income Fund – Series III # UTI Fixed Term Income Fund – Series IV # UTI Fixed Term Income Fund – Series V # UTI Fixed Income Interval Fund # UTI Fixed Income Interval Fund – Series II # UTI Short Term Fixed Maturity Plan – Series I #</p>
Manish Joshi	38	M.Sc (Physics), MFM,	Joined UTI in February 1997 and was in Department of International Finance. Since November 2003, has been in Funds Management / Dealing – Fixed Income / Money Market as Dealer / Assistant Fund Manager.	<p>UTI-Money Market Fund UTI-Floating Rate Fund - STP UTI-Fixed Maturity Plan UTI-Fixed Term Income Fund – Series I To V UTI-Fixed Income Interval Fund – Series I & II UTI Short Term Fixed Maturity Plan – Series I</p>
Kaushik Basu	47	B.Com (Hons), CAIIB (I), ICWA, LLB.	<p>Aug 1984 to Feb 1999 - Kolkatta Regional Office March 1999 to Aug 2005 - Dept of Dealing Aug 2005 till date - Dept of Funds Management.</p>	<p>Dedicated fund manager for investment in ADRs/GDRs/Foreign securities</p>

* alongwith Deb Bhattacharya

alongwith Manish Joshi

I. WHAT ARE THE INVESTMENT RESTRICTIONS?

Subject to SEBI (MFs) Regulations and guidelines on investment from time to time:

- (a) The Scheme/s shall not invest more than 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activity under SEBI. Such investment limit may be extended to 20% of the NAV of Scheme/s with the prior approval of the Trustees and Board of the AMC. Provided that such limit shall not be applicable for investments in government securities and money market instruments. 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 SEBI.
- (b) The Scheme/s shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme/s. All such investments shall 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 Boards and the Trustees. 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 Trustees shall be required.

- (c) Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments as specified under II (I) (a) and (b) above. It is further clarified that the investment limits at II (I) (a) and (b) above 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 the 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 guidelines.
- (e) No term loans will be advanced by the Scheme/s for any purpose as per SEBI Regulation 44(3) of SEBI (Mutual Funds) Regulations 1996.

- (f) UTI Mutual fund shall, get the securities purchased by a scheme transferred in the name of the concerned scheme, wherever investments are intended to be of long term nature.
- (g) The Scheme shall not make any investment in any fund of fund scheme.
- (h) 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.

However, the scheme may also enter into derivatives transactions as may be permissible under the guidelines issued by SEBI.

- (i) The Mutual Fund under all its schemes taken together will not own more than 10% of any Company's paid up capital carrying voting rights.
- (j)
 - (i) The Scheme may participate in the securities lending programme, 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 the scheme to a single intermediary in the securities lending programme 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.
- (k) 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.
- (l) Investment in non-publicly offered debt: Depending upon the available yields the scheme, may invest in non-publicly offered debt securities to the extent to which such investment can be made by the scheme.
- (m) Based upon the liquidity needs, the scheme may invest in Government of India Securities to the extent to which such investment can be made by the scheme.
- (n) Investment by this 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 scheme. No investment management fees will be charged by the AMC on such investments.

J. HOW HAS THE SCHEME PERFORMED?

This scheme is a new scheme and does not have any performance track record.

III. UNITS AND OFFER

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

A. NEW FUND OFFER (NFO)

<p>New Fund Offer Period</p> <p>This is the period during which a new scheme sells its units to the investors.</p>	<p>NFO opens on:</p> <p>NFO closes on:</p>
<p>New Fund Offer Price:</p> <p>This is the price per unit that the investors have to pay to invest during the NFO.</p>	<p>During the New Fund Offer period, the units of the fund will be sold at face value i.e. Rs.10/- per unit.</p>
<p>Minimum Amount for Application in the NFO</p>	<p>Rs.10,000/- for Dividend Sub-Option and Rs.5000/- for Growth Sub Option & in multiples of Re.1/- under Retail Option; Rs 50,00,000/- (fifty lakhs) & in multiples of Re 1/- under Institutional Option and Rs.1 Crore & in multiple of Re.1/- under Super Institutional Option.</p>
<p>Minimum Target amount</p> <p>This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors</p>	<p>An amount of Rs.1 crore is targeted to be raised during the New Fund Offer Period of the respective Schemes. Over subscription above Rs.1 crore will be retained in full. If the targeted amount of Rs.1 crore is not subscribed to, UTI AMC shall refund the entire amount collected under the scheme by an account payee cheque/refund order or by any other mode of payment as may be decided by UTI AMC within 42 days from the close of the New Fund Offer period of the scheme. In the event of any failure to refund such amount within 42 days from the close of the New Fund</p>

<p>would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of six weeks from the date of closure of the subscription period.</p>	<p>Offer period of the scheme, UTI AMC shall be liable to pay to the concerned applicant interest @ 15% p.a. or such rate as may be prescribed by SEBI from time to time from the 43rd day of the date of closure of the New Fund Offer period of the scheme till the date of despatch of refund order.</p>
<p>Maximum Amount to be raised (if any)</p> <p>This is the maximum amount which can be collected during the NFO period, as decided by the AMC</p>	<p>No maximum limit. Over subscription above Rs 1 crore will be retained in full.</p>
<p>Pre Closure & Extension of the Offer</p>	<p>The AMC /Trustee reserves the right to launch or defer the launch depending upon appetite for such products. The AMC/Trustees reserve the right to extend the closing date of the New Fund Offer period, subject to the condition that the subscription to the New Fund Offer shall not be kept open for more than 45 days. Similarly the AMC/Trustee may close the New Fund Offer earlier by giving one day's notice in one daily newspaper.</p>
<p>Option(s) / Sub-Option(s) offered</p>	<p>Retail Option, Institutional Option and Super Institutional Option with</p> <ul style="list-style-type: none"> (i) Growth Sub-Option (ii) Dividend Sub-Option with Payout and Reinvestment facilities. <p>In case no sub-option is indicated in the application form, then the default sub-option will be the growth sub-option.</p>
<p>Dividend Policy</p>	<p>The unitholder shall have a choice to join either the Growth Sub-Option or the Dividend Sub-Option.</p> <p>(i) Growth Sub-Option Ordinarily no dividend distribution will be made under this sub-option.</p> <p>All income generated and profits booked will be ploughed back and returns shall be reflected through the NAV.</p>

	<p>(ii) Dividend Sub-Option</p> <p>(a) Dividend distribution, if any, under the scheme will be made subject to availability of distributable surplus and other factors and a decision is taken by the Trustee to make dividend distribution.</p> <p>(b) There is no assurance or guarantee to the unitholders as to the rate of dividend distribution.</p> <p>(c) Though it is the intention of the scheme to make periodical dividend distribution, there may be instances when no dividend distribution could be made.</p> <p>(d) Such of the unitholders whose names appear in the register of unitholders as at the record date fixed for each dividend distribution shall be entitled to receive the dividend so distributed.</p> <p>(e) Presently, dividend distribution will be made through ECS or direct credit to the unitholders account where such facility is available and at other places by issue of a dividend distribution warrant.</p> <p>(f) Dividend distribution warrants, when issued, shall have validity for a period of two months, or such other period as may be decided by UTI AMC from time to time.</p> <p>(g) Despatch of the dividend distribution warrants or payment through other modes shall be made not later than 30 days from the date of each distribution/ or within such number of days as may be prescribed by SEBI. UTI AMC shall not be bound to pay interest in the event of any of the warrant(s) reaching the unitholders after the expiry of its validity period or in the event of that becoming stale.</p> <p>(h) Dividend Distribution to NRI and FII unitholders: Payment of dividend distribution to NRI and FII unitholders will be made in the manner indicated under clause III of SAI subject to compliance with the requirements prescribed by RBI from time to time.</p> <p>(i) Dividend Reinvestment will be made in the manner indicated under clause VI (C) of SAI.</p> <p>(iii) Capitalisation and issue of bonus units</p> <p>(a) The Trustee may utilise any sums from reserves, unit premium or any such reserves including the amount of distributable</p>
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	<p>surpluses of the scheme for issue of Bonus units.</p> <p>(b) Bonus units may be issued under the scheme, as may be decided by the Trustee from time to time.</p> <p>(c) Bonus units, when issued, will be in proportion to the unit holding of the unitholder as on the record date to be fixed for that purpose. No entry load is charged at the time of issue and on exit load will be charged on the bonus units at the time of redemption irrespective of the period of holding.</p> <p>(d) The Trustee may accordingly make appropriations and applications of the sum decided by it to be so capitalised by allotment and issue of fully paid-up units as bonus units, and generally do all acts and things required to give effect thereto.</p> <p>(e) The bonus units so allotted and issued as aforesaid will as regards rights and entitlements rank pari passu with the units in existence on the record date in respect of which they are allotted and issued to all intents and purposes.</p> <p>(f) Interest created / sub options exercised by a unitholder on the units under a folio by way of nomination, if any, will automatically apply to the bonus units.</p> <p>(g) Pursuant to allotment of bonus units the NAV of the scheme would fall in proportion to the bonus units allotted and as a result the total value of units held by the unitholder would remain the same.</p> <p>No entry and exit load shall be charged on bonus units issued.</p>
<p>Allotment</p>	<p>(a) At the time of joining the scheme the UTI AMC shall arrange to issue to the applicant, a statement of account indicating his admission to the scheme and other relevant details within a period not later than 30 days from the date of acceptance.</p> <p>(b) Every unitholder will be given a membership/folio number, which will be appearing in SOA for his initial investment. Further investments in the same name(s) and in the same order would be registered under the same folio, if folio number is mentioned by the unitholder. In all future correspondence with the UTI AMC the unitholder shall have to quote the membership/folio number.</p> <p>(c) SOA will be valid evidence of admission of the applicant into</p>

	<p>the scheme. However, where the units are issued subject to realization of cheque/draft such issue of units will be cancelled if the cheque/draft is returned unpaid and treated having not been issued.</p> <p>(d) The NRI applicant may choose to receive the SOA at his/her Indian/foreign address or at the address of his/her relative resident in India.</p> <p>(e) UTI AMC shall send the SOA at the address mentioned in the application form and recorded with UTI AMC and shall not incur any liability for loss, damage, mis-delivery or non-delivery of the SOA.</p> <p>(d) If a unitholder desires to have a unit certificate (UC) in lieu of SOA the same would be issued to him within 30 days from the date of receipt of such request.</p> <p>(e) In case the unit certificate or SOA is mutilated/defaced/lost, UTI AMC may issue a duplicate SOA on receipt of a request to that effect from the unitholder on a plain paper or in the manner as may be prescribed from time to time.</p>
<p>Refund</p>	<p>If application is rejected, full amount will be refunded within 6 weeks of closure of NFO. If refunded later than 6 weeks, interest @ 15% p.a. for delay period will be paid and charged to the AMC.</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>Applicants:</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> <p>(a) a resident individual or a NRI or person of Indian origin residing abroad either singly or jointly with another or upto two other individuals on joint/anyone 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;</p> <p>(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 ‘Anyone or Survivor’ basis.</p> <p>(c) an association of persons or body of individuals whether incorporated or not;</p> <p>(d) a Hindu Undivided Family both resident and non-resident;</p> <p>(e) a body corporate including a company formed under the</p>

	<p>Companies Act, 1956 or established under State or Central Law for the time being in force;</p> <p>(f) a bank including a scheduled bank, a regional rural bank, a co-operative bank etc;</p> <p>(g) an eligible trust including Private Trust being irrevocable trust and created by an instrument in writing;</p> <p>(h) a society as defined under the scheme;</p> <p>(i) a Financial Institution;</p> <p>(j) an Army/Navy/Air Force/Paramilitary Fund;</p> <p>(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.)</p> <p>(l) FIIs registered with SEBI;</p> <p>(m) Mutual Funds registered with SEBI;</p> <p>(n) Scientific and Industrial Research Organisation;</p> <p>(o) Any other category of investors.</p> <p>Note: Neither this SID nor the Units have been registered in any jurisdiction including the United States of America. The distribution of this SID in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this SID are required to inform themselves about, and to observe any such restrictions. No persons receiving a copy of this SID or any accompanying application form in such jurisdiction may treat this SID or such application form as constituting an invitation to them to subscribe for Units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly this SID does not constitute an offer or solicitation by anyone in any jurisdiction in which such</p>
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	<p>offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this SID and any persons wishing to apply for Units pursuant to this SID to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction.</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>Where can you submit the filled up applications.</p>	<p>Name and Address of Registrar:</p> <p>M/s. Karvy Computershare Pvt. Ltd. Narayani Mansion, H. No. 1-90-2/10/E, Vittalrao Nagar, Madhapur, Hyderabad - 500 081.</p> <p>Tel.: 040 – 23421944 to 47, Fax: 040 - 23115503, Email:customercare@karvy.com</p> <p>The details of official points of acceptance are given on the back cover page. It is mandatory for investors to mention their bank</p>

	account particulars in their applications/request for redemption.
Custodian of the Scheme	The Trustees have appointed HDFC Bank Ltd, having its office at Kamala Mills Compound, Senapati Bapat Marg, Mumbai – 400 013, as the Custodian of the scheme. The registration number of the Custodian is IN/CUS/001 dated February 2, 1998.
How to Apply	Please refer to the SAI and Application form for the instructions.
Listing and transfer	<p>Regulation require that every close-ended scheme shall be listed in a recognised stock exchange within six months of the closure of the subscription period unless the scheme provides for periodic redemption facility to all the unitholders with restriction, if any, on the extent of redemption; or if the details of such redemption facility are clearly disclosed in the Scheme Information Document; or if the scheme opens for redemption within a period of six months from the closure of the subscription period.</p> <p>Units of the scheme shall not be listed in view of a redemption facility being offered to investors.</p> <p>As the Fund will be repurchasing the Units on an ongoing basis, no transfer facility is required. However, if a transferee becomes a holder of the Units by operation of law or upon enforcement of a pledge, then UTI AMC subject to production of such evidence, which in its opinion is sufficient, effect the transfer, if the intended transferee is otherwise eligible to hold the Units, within 30 days from the date of receipt of all relevant documents, as specified in Regulation 37(2) of SEBI (Mutual Funds) Regulations, 1996.</p> <p>A person becoming entitled to hold the Units in consequence of the death, insolvency, or winding up of a sole holder or the last survivor of the joint holders, upon producing evidence to the satisfaction of the Fund shall be registered as the holder.</p> <p>Any addition, deletion of name from the folio of the Unit holder is deemed as transfer of Units. In view of the same, additions /deletions of names will not be allowed under any folio of the Scheme. The said provisions in respect of deletion of names will not be applicable in case of death of a Unit holder (in respect of joint holdings) as this is treated as transmission of Unit and not transfer.</p>
Special Products / facilities available during the NFO	<p>Systematic Investment Plan - Not Available</p> <p>Systematic Withdrawal Plan – Not Available</p> <p>Systematic Transfer Plan – Not Available</p>
Restrictions, if any, on the right to freely retain or dispose	(a) In the event of the death of the unitholder, the joint holder(s)/nominee/legal representative of the unitholder may, if he is otherwise eligible for joining the scheme as unitholder, be permitted to hold the units and become a unitholder. In that event a fresh SOA will be issued in his name in respect of units so desired to be held by him subject to his complying with the

	<p>condition of minimum holding and the required procedure as may be prescribed by UTI AMC from time to time.</p> <p>(b) If the joint holder/nominee/ legal representative of the unitholder is not eligible to join the scheme or he though eligible, opts for redemption and also in cases where no nomination has been made, the claimant (i.e. joint holder/nominee/legal representative of the unitholder, as the case may be) on surrender of Unit Certificate / the latest SOA or any such other document, as may be prescribed from time to time, issued to the deceased unitholder and on due compliance with the procedural requirements, as may be prescribed by UTI AMC for recognition of such claims, he shall be paid redemption proceeds of the units outstanding to the credit of the deceased unitholder as on the date of such acceptance.</p> <p>Refer to Statement of Additional Information (SAI) on Settlement of claims under Clause III</p>
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B. ONGOING OFFER DETAILS

<p><u>Ongoing Offer Period</u> This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>UTI-Fixed Term Income Fund - Series VI is the name of the scheme which contains schemes with schemes tenure from 12 months 1 day to 36 months. The scheme proposes to launch Ten schemes, namely I to X, with tenure from 12 months 1 day to 36 months within 6 months from _____ i.e. the date of SEBI clearance letter for Scheme Information Document. The exact tenure of each of the Scheme will be communicated to the prospective investors prior to launch of the respective schemes. However, the AMC reserves the right to launch or defer the launch depending upon appetite for such products. Each scheme will have a fixed term with a separate portfolio.</p> <p>UTI-Fixed Term Income Fund – Series VI will offer redemption of units at NAV based prices on an on going basis commencing not later than 30 days from the closure of the New Fund Offer period.</p>
<p><u>Ongoing price for subscription (purchase) / switch-in (from other schemes/plans of the mutual fund) by investors.</u> This is the price you need to pay for purchase/switch-in.</p>	<p>Subscription (purchase): Units can be purchased only during the New Fund Offer (NFO) period. During the New Fund Offer period the units will be sold at face value i.e. Rs.10/-.</p> <p>Switchover: Unitholders may be permitted to switchover their investment partially or fully between the schemes and also 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 scheme/option/sub-option to the other scheme/s/option /s /sub-option/s , the condition of holding minimum investment prescribed under all the schemes/option /sub-option has to be satisfied. Similarly changeover between the sub-options of the scheme may also be allowed.</p>
<p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors. This is the price you will receive for redemptions/switch outs. <i>Example: If the</i></p>	<p>The Scheme will offer redemption facility after the closure of the issue at NAV based prices throughout the year except during the book closure period/s not exceeding 15 days in a year or such period as may be decided by SEBI from time to time.</p> <p>Please note that if the maturity date/stipulated date for redemption falls on a non business day, then the units will be redeemed or scheme will mature as the case may be, on the following / next business day.</p> <p>The Fund reserves the right to change the purchase load or redemption load or have a combination of purchases and redemption load, with prospective effect subject to the maximum</p>

<p><i>applicable NAV is Rs.10, exit load is 2% then redemption price will be:</i> $Rs.10 * (1-0.02) = Rs.9.80$</p>	<p>limits as prescribed by the SEBI (MFs) Regulations. Currently as per the SEBI (MFs) Regulations the purchase price will not be higher than 107% of the NAV and the redemption price will not be lower than 95% of the NAV. The difference between the redemption price and the purchase price of the unit shall not exceed 7% calculated on the purchase price or as per the limit prescribed by SEBI from time to time.</p>
<p>Maturity / Redemption of units</p>	<p>The respective Schemes will have a specific Maturity Date / Final Redemption Date. At the time of maturity of the scheme, the unitholder shall have the following choices as indicated at the time of making an application for units under the scheme.</p> <p>(a) Units under the scheme will be compulsorily and without any further act by the unitholder be redeemed on the specified Maturity date / Final Redemption Date at applicable NAV.</p> <p>(b) For Redemptions made on the Specified Maturity Date / Final Redemption Date, presently there is no exit load charged.</p> <p>(c) If the Specified Maturity Date / Final redemption Date is a day on which is a non-business day for the scheme, the redemption requests shall be accepted or the scheme will mature, as the case may be, on the next business day for the scheme.</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>Purchase:</p> <p>1. Valid applications with local cheques / demand drafts payable at par at the place where the application is received. Cut off time: Upto 3 p.m. Applicable NAV: Closing NAV of the day of receipt of the application</p> <p>2. Valid applications received with local cheques /demand drafts payable at par at the place where the application is received. Cut-off Timing: After 3 p.m Applicable NAV: Closing NAV of the next business day.</p> <p>3. Valid applications received with outstation cheques/demand drafts (for the schemes/ investors as permitted in the Scheme Information Documents) not payable at par at the place where the application is received. Cut-off Timing: Within business hours Applicable NAV: Closing NAV of the day on which cheque/demand draft is credited to the Scheme.</p> <p>Redemption:</p> <p>1. Valid application received</p>

	<p>Cut off time: Upto 3 p.m. Applicable NAV: Closing NAV of the day of receipt of the application</p> <p>2. Valid application received Cut off time: After 3 p.m. Applicable NAV: Closing NAV of the next business day.</p>
<p>Where can the applications for purchase/redemption switches be submitted?</p>	<p>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.</p>
<p>Minimum amount for purchase/redemption/switches</p>	<p>(a) Minimum amount for purchase: Retail Option: Minimum amount of investment is Rs.10000/- under Dividend sub-option and Rs.5000/- under Growth sub-option and in multiple of Re.1 /-.</p> <p>Institutional Option: Minimum amount of investment is Rs.50,00,000/- (Rupees Fifty Lakhs) and in multiple of Re.1 /-.</p> <p>Super Institutional Option: Minimum amount of investment is Rs.1,00,00,000/- (Rupees One Crore) and in multiple of Re.1 /-.</p> <p>(b) Minimum amount of redemption/switches: Minimum redemption amount: Rs.1000/- and in multiples of Re.1/- thereafter. Maximum redemption amount: No limit.</p> <p>Unitholders may be permitted to switchover their investment partially or fully between the schemes and also 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 scheme/option/sub-option to the other scheme/s/option/s/sub-option/s, the condition of holding minimum investment prescribed under all the schemes/option/sub-option has to be satisfied.</p>
<p>Minimum balance to be maintained and consequences of non maintenance.</p>	<p>Partial redemption under a folio shall be permitted subject to the unitholder maintaining the prescribed minimum balance to be reckoned with reference to the redemption price applicable as on the date of acceptance of the redemption application. Where the balance amount so calculated is found to be less than the prescribed minimum balance, UTI AMC may compulsorily redeem the entire outstanding holding of the unitholder without any fresh application for redemption of the balance holding and pay the proceeds to the</p>

	unitholder.
Special Products available	As indicated in clause III (A) New Fund Offer.
Statement of Account (SOA)	<p>(a) For each purchase, reinvestment of dividend distribution and redemption UTI AMC will issue a Statement of Account (SOA) indicating, among other particulars, the date of accepted, amount of investment, number of units issued/ rate of allotment/redemption of units and the outstanding balance.</p> <p>(b) 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 such issue of units will be cancelled if the cheque/ draft is returned unpaid and treated having not been issued.</p> <p>(c) UTI AMC shall endeavour to send the SOA within 15 business days from the date of acceptance of an application but in any case, not later than 30 days therefrom.</p> <p>(d) For those unitholders who have provided an e-mail address, the AMC will send the account statement by e-mail.</p> <p>(e) The unitholder may request for a physical account statement by writing/calling the AMC/R&T.</p> <p>(f) Should the unitholder experience any difficulty in accessing the electronically delivered SOA, the unitholder should advise the Registrars immediately to enable UTI AMC to send the same through alternate means. In case of non-receipt of any such intimation of difficulty within 24 hours from receiving the e-mail, it will be regarded as receipt of e-mail by the unitholder.</p>
Dividend	<p>Dispatch of the dividend distribution warrants or payment through other modes shall be made not later than 30 days from the date of each distribution/ or within such number of days as may be prescribed by SEBI. UTI AMC shall not be bound to pay interest in the event of any of the warrant(s) reaching the unitholders after the expiry of its validity period or in the event of that becoming stale.</p> <p>The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.</p>
Redemption	The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 business days from the date of redemption or repurchase.
Delay in payment of redemption / repurchase	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).

proceeds	
Book Closure Period/Record Date	The redemption of units shall remain open throughout the year except during book closure period/s not exceeding 15 days in a year for Scheme. Besides, record date/s may be announced if dividend is distributed.
Transfer/Pledge/Assignment of Units	<p>1. Lien on Units: On an ongoing basis, when existing and new investors make subscriptions, a lien on units allotted will be created, and such units shall not be available for redemption until the payment proceeds are realised by the Fund. In case a unitholder redeems units soon after making purchases, the redemption cheque will not be despatched until sufficient time has elapsed to provide reasonable assurance that cheques or drafts for units purchased have been cleared.</p> <p>In case the cheque / draft is dishonoured by the bank, the transaction shall be reversed and the units allotted earlier shall be cancelled, and a fresh Account Statement shall be despatched to the Unitholder.</p> <p>For NRIs, the Fund may mark a lien on units in case documents which need to be submitted, are not given in addition to the application form and before the submission of the redemption request. However, UTI AMC reserves the right to change operational guidelines for lien on units from time to time.</p> <p>2. Pledge of Units : The Units under the Scheme may be offered by the unitholder as security by way of a pledge in favour of scheduled banks, financial institutions, NBFC's or any other body, all specifically approved by the Mutual Fund. Upon a specific authorisation request made by a unitholder and upon completing necessary formalities by the unitholder, the Fund will instruct the Registrar to mark a lien for a specific period on the Units standing to the credit of the unit holders account in consideration of the unitholder availing of any special service offered by the AMC or any other body.</p> <p>However, the disbursement of such loans will be at the entire discretion of the concerned bank/financial institution/ any other body and the Mutual Fund assumes no responsibility thereof. If by enforcing the pledge /charge, the scheduled bank/financial institution any other approved body seeks to transfer the units and have them registered in its name, then the AMC shall comply with the request, if the necessary documentary evidence is made available. No Pledge or charge shall be recognised by the AMC unless it is registered with the Registrar and the acknowledgement has been received.</p>

	<p>However, it is the right to change operational guidelines for pledge on units, from time to time.</p> <p>The Pledgor will not be able to redeem units that are pledged until the entity to which the units are pledged provides written authorisation to the mutual fund that the pledge/lien charge may be removed. As long as units are pledged , the Pledgee will have complete authority to redeem such units.</p>
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C. 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 of the scheme on every business on day on AMFI's web-site www.amfiindia.com and also on www.utimf.com.</p> <p>The NAV shall be calculated for all business days and released to the Press.</p>
<p>Half yearly Disclosures: Portfolio / Financial Results This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>Full portfolio in the prescribed format shall be disclosed either by publishing it in the newspapers or by sending to the unitholders within one month from the end of each half-year and it shall also be displayed on the website of UTI Mutual Fund.</p>
<p>Half Yearly Results</p>	<p>Before expiry of one month from the date of close of each half year that is as on 31st March and 30th September UTI Mutual Fund will publish unaudited financial results in prescribed format by SEBI in one national English daily and one Marathi daily. The same would also be made available on websites of UTI Mutual Fund & AMFI.</p>
<p>Annual Report</p>	<p>An abridged annual report in respect of the scheme shall be mailed to the unitholders not later than six 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>
<p>Associate Transactions</p>	<p>Please refer to Statement of Additional Information (SAI).</p>

<p>Taxation</p> <p>The information 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 advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes. For further details on taxation please refer to the clause on Taxation in the SAI.</p>	
<p><u>Income Scheme</u></p> <p>Tax on Dividend</p>	<p>Resident Investors</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 115 R of the Act, dividend distribution tax shall be levied at 25% plus surcharge for distribution made to individuals or Hindu Undivided Families and for any other person at 20% plus surcharge w.e.f 9th July 2004. Further, education cess @ 2% and secondary and higher education cess @ 1% would be charged on amount of tax plus surcharge.</p> <p>Mutual Fund</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 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><u>Capital Gains</u></p> <p>Long Term</p> <p>Short Term</p>	<p>Any long term capital gain arising on redemption of units by residents is subject to treatment indicted under Section 48 and 112 of the Act. Long term capital gains in respect of units held for more than 12 months is chargeable to tax @ 20% after factoring the cost inflation index or tax @10% without indexation, whichever is lower. The said tax rate is to be increased by surcharge, if applicable.</p> <p>Units held for not more than twelve months proceeding the date of their transfer are short term capital assets. Capital gains arising from the transfer of short term capital assets will be subject to tax at the normal rates of tax applicable to such assessee.</p>

Investor services	<p>All investors could refer their grievances giving full particulars of investment at the following address: Shri K P Ghosh UTI AMC Ltd. UTI Tower, Gn Block, Bandra - Kurla Complex, Bandra (East), Mumbai - 400 051. Tel : 6678 6666</p> <p>Investors may post their grievances at our website: www.utimf.com or Email us at service@uti.co.in.</p>
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D. 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 different options of the scheme.
- (b) The NAV per unit shall be calculated by dividing the NAV of the scheme by the total number of units issued and outstanding under the scheme on the valuation day. The NAV will be rounded off upto four decimal places.
- (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 issued to two daily newspapers on a daily basis and will also be available on web-site of UTI Mutual Fund, www.utimf.com and web-site of AMFI namely www.amfiindia.com

IV. FEES AND EXPENSES

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

A. NEW FUND OFFER (NFO) EXPENSES

The scheme has to meet the sales, marketing and other such expenses connected with sales and distribution of the scheme from the entry load. As No Entry Load is being charged, all New Fund Offer Expenses would be borne by AMC.

B. 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 average daily net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

Particulars	% of Net Assets
Investment Management & Advisory Fee	1.25
Custodial Fees	0.25
Registrar & Transfer Agent Fees including cost related to providing accounts statement, dividend/redemption cheques/warrants etc.	0.25
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.25
Printing, Stationary, postage	0.25
Total Recurring Expenses	2.25

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) The total annual recurring expenses of the scheme (under all options viz., Retail, Institutional & Super Institutional Option) excluding redemption expenses but including the investment management and advisory fees shall be subject to the following limits:
- (i) On the first Rs.100 crore of the average daily net assets of the scheme - 2.25%
 - (ii) On the next Rs.300 crore of the average daily net assets of the scheme - 2.00%
 - (iii) On the next Rs.300 crore of the average daily net assets of the scheme – 1.75%
 - (iv) On the balance of the assets of the scheme - 1.50%

(3) Fees

The Investment management and advisory fees will not exceed the limits specified under clause 2 of regulation 52 of SEBI (MFs) Regulations, 1996, namely:

- (i) One and quarter of one percent of the daily average net assets outstanding in each accounting year for the scheme as long as the net assets do not exceed Rs.100 crores, and
- (ii) One percent of the excess amount over Rs.100 crores, where net assets so calculated exceed Rs.100 crores.

C. LOAD STRUCTURE

- (1) Load is an amount which is paid by the investor to subscribe to the units or 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 call at 1800 22 1230 (toll free number) or your distributor.

Load Structure during NFO & Post NFO period:

Type of Load	As % of applicable NAV
Entry	Nil
Exit	2% before maturity of the scheme or any other period stipulated before launch of the scheme.

- (2) **Load structure in case of Fund of Funds (FoF) scheme**
No load (entry/exit) will be charged by the scheme on the investments made by any Fund of Funds scheme of a Mutual Fund.
- (3) All loads for the Scheme shall be maintained in a separate account and may be utilised towards meeting the selling and distribution expenses. Any surplus in this account may be credited to the scheme, whenever felt appropriate by the AMC.
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.
- (4) Any imposition or enhancement of load shall be applicable on prospective investments only. The AMC shall not charge any load on issue of bonus units and units allotted on reinvestment of dividend for existing as well as prospective investors.

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

- (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.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

No entry load shall be charged for direct applications received by the Asset Management Company (AMC) i.e. applications received through internet, submitted to AMC or collection centre that are not routed through any distributor/agent/broker. No entry load shall also be charged for additional purchases done directly by the investor under the same folio and switch-in to a scheme from other schemes if such a transaction is done directly by the investor.

1. Wherever the ARN/Code of a broker/IFA/sub-broker/distributor given in the application form has to be struck off, it has to be counter signed by the first applicant. In case the first applicant does not counter sign it the application will not be treated as a direct application.
2. For direct applications, the area for providing ARN/ Code of a broker/IFA/sub-broker/distributor should not be left blank. It should be marked “Direct” or “Not Applicable”.
3. All Official Points of Acceptance will be available on the website of UTI Mutual Fund www.utimf.com.

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

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 Rs.):-

Financial Year	Status	Amount (Rs. in Crore)	Remark
2004-2005	Income Tax	1352.09	Appeal pending before CIT(A)-I
	Dividend Tax	79.96	Appeal pending before CIT(A)-I
2005-2006	Income Tax	1528.32	Appeal pending before ITAT, Mumbai
	Dividend Tax	76.73	Appeal allowed by CIT(A)-I, Mumbai
2006-2007	Income Tax	Assessment not yet completed	
	Dividend Tax	Demand not raised	

(b) State Bank of India

Bijzondere Opsporing Brigade (BOB), Belgium registered a case in 1997 against key personnel of SBI, Antwerp branch for alleged violation of the tax laws of the Belgium Commission for Banking and Finance. The case is presently sub-judice.

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. –

(a) SEBI has directed Bank of Baroda to refund a sum of Rs.40,31,018/- together with interest @ 15% p.a. from 25.03.1996 i.e. the day bank allowed withdrawal of the funds by Jaltarang Motels Ltd. in respect of funds collected from Public Issue in terms of order dated 19.01.2000 issued under Section 11B of SEBI Act. Detailed instructions on the method and manner of refund to the investors in the public issue are to be advised by SEBI separately in consultation with the intermediaries concerned. Bank of Baroda had preferred an appeal against the said order to the Appellate Authority. The Appellate Authority namely Securities Appellate Tribunal has considered and rejected the Bank's appeal by order dated 27.07.2000. The Bank has challenged the order of the Appellate Authority in the Mumbai High Court by filing Appeal No. 2 of 2000 under provisions of Section 152 of the SEBI Act, 1992. Later, on 13.11.2000 the single judge of the Mumbai High Court Mr. Justice F. I. Rebello has granted interim relief of stay of the operation of the orders dated 27.07.2000 of Securities Appellate Tribunal and 19.01.2000 passed by SEBI and further directed that the matter be placed on board for final hearing.

(b) At the time of sanctioning credit facilities to Trident Steels Ltd. in the year 1987/89, Bank of Baroda, had obtained undertaking from the promoters/ directors/ major shareholders that they would not dispose off the shares unless permission is obtained from the Bank. Public issue of the Company was lead managed by Bank of Baroda in November 1993. SEBI has alleged non disclosure of undertaking of 1987/89 given by promoters/ directors/ major shareholders in the Prospectus by the Lead Manager to the issue. Bank has replied to the notice of SEBI. Inquiry is pending.

(c) Public issue of Kraft Industries Ltd., which came in May 1995, was lead managed by Bank of Baroda. It is alleged that the Managing Director and Promoter of the Company did not possess the qualifications as mentioned in the Prospectus. SEBI has asked for qualification certificates/ copies from Bank. The Managing Director of the Company has reported having lost the certificates in transit. Bank has replied accordingly to SEBI. Inquiry is pending with SEBI.

(d) In the public issue of M/s. Majestic Industries Ltd. at the Sector 17 B Chandigarh branch office of Punjab National Bank SEBI has alleged that issue had not been fully subscribed on the day of closure (10.04.96). There was a delay of 10-12 days in clearance of cheques enclosed with application. SEBI was pleaded that delay in clearance was due to rush of closing work at the controlling branch. Staff side is initiated and SEBI is requested to close the file. SEBI issued a show cause notice dated 15.12.04 which was replied vide out letter dated 31.12.04.

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.

(a) A Special Leave Petition was filed by the Income Tax Department before the Hon'ble Supreme Court in the matter of applicability of Interest Tax, is pending for further proceedings.

(b) There are 21 criminal cases pending against the UTI MF or key personnel relating to normal operation of UTI MF such as non-transfer of units, non-receipt of unit certificates, non-receipt of redemption proceeds, closure of the scheme/plan or income distribution. These cases are not maintainable and judging from our experience such cases are either dismissed by Courts or withdrawn by the complainant. In most of the cases stay has been obtained from the High Courts.

(c) On the basis of their investigation in the matter of investment in The Cyberspace Ltd. made by the erstwhile UTI, the Central Bureau of Investigation has initiated appropriate proceedings in the competent court against Shri P. S. Subramanyam (Ex-Chairman), Shri S.K. Basu and Smt. Prema Madhuprasad (Ex-officials of UTI AMC) and promoter directors of The Cyberspace Ltd.

(d) There are 33 cases pending at different Courts related to Suits / Petitions filed by (i) Contract Workmen (ii) Employees Association (iii) employees / ex-employees etc. These cases are pending at different levels for adjudication.

(e) A Special Leave Petition (SLP) has been filed by the Bajaj Auto Ltd. before the Hon'ble Supreme Court of India against the final Judgement and Order dated 9.10.2006 of Hon'ble Bombay High Court 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 pending for filing/exchanging pleadings by the parties.

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 thereunder shall be applicable.