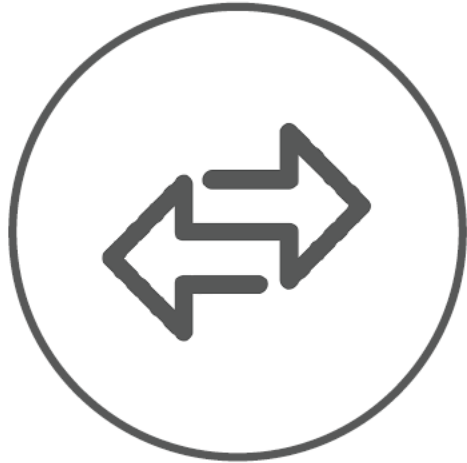


# Important Pages of the presentations of

- 1. TATA TEPA**
- 2. TATA TARF**

## TARGETING HIGHER RETURNS AND LOWER RISK

### DUAL PORTFOLIO



Investing in two portfolios –  
Equity and Hedge

### ENHANCED RETURNS



Equity + Hedge returns

- The Equity Portfolio endeavours to outperform Nifty
- The Hedge Portfolio aims for steady returns.

### LOWER DRAWDOWNS



Downside minimization  
through tactical hedging

# 1. TATA TEPA

## TATA EQUITY PLUS ABSOLUTE RETURNS FUND

Dual Portfolio Strategy

**CATEGORY III AIF**

Strictly Confidential. For Private Circulation Only

# 1. TATA TEPA

## TEPA Monthly Returns vs Nifty

### Tata Long Short Fund (TEPA)

Sr. No.	Returns	Fund Total	Nifty 50
1	Mar-20	-2.90%	-10.30%
2	Apr-20	5.50%	14.70%
3	May-20	<b>3.10%</b>	<b>-2.80%</b>
4	Jun-20	3.20%	7.50%
5	Jul-20	3.50%	7.50%
6	Aug-20	2.40%	2.80%
7	Sep-20	<b>2.30%</b>	<b>-1.20%</b>
8	Oct-20	1.50%	3.50%
9	Nov-20	5.10%	11.40%
10	Dec-20	2.70%	7.80%
11	Jan-21	<b>2.10%</b>	<b>-2.50%</b>
12	Feb-21	2.40%	6.60%
13	Mar-21	0.80%	1.10%
14	Apr-21	<b>2.90%</b>	<b>-0.40%</b>
15	May-21	3.60%	6.50%

### Tata Long Short Fund (TEPA)

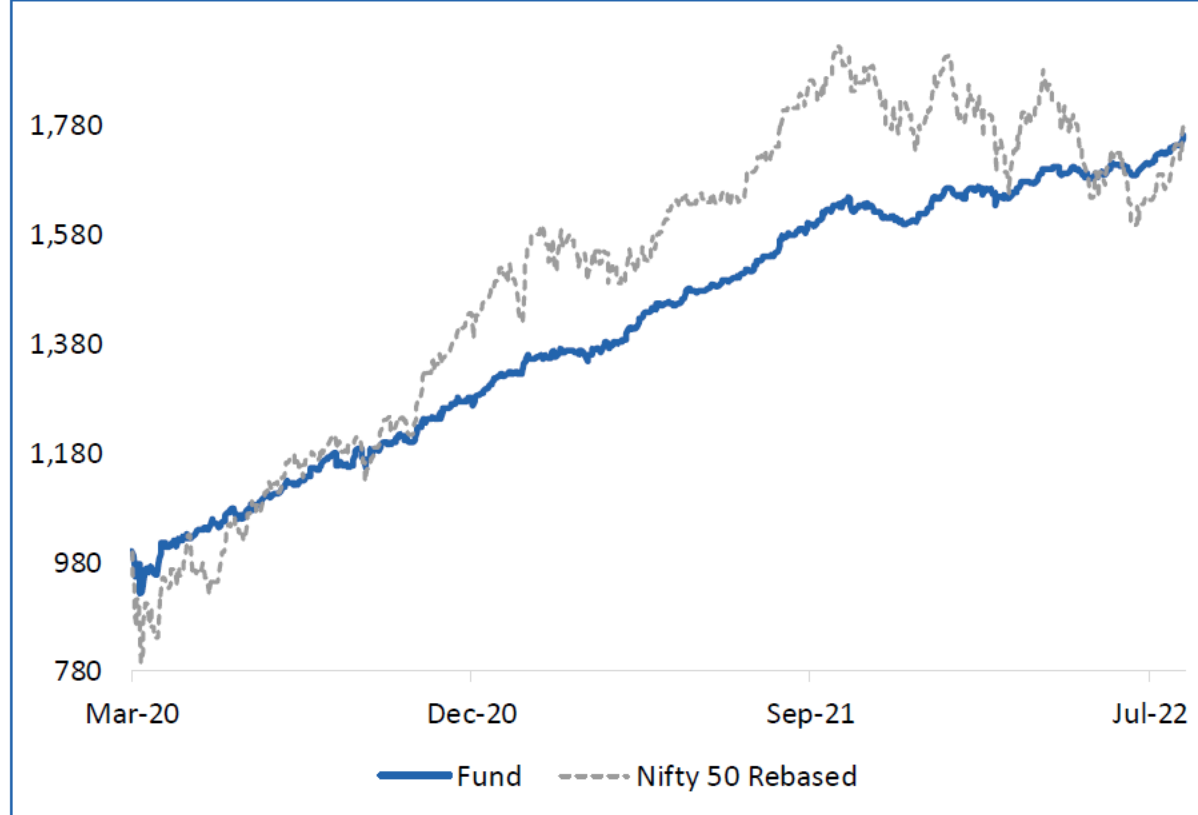
Sr. No.	Returns	Fund Total	Nifty 50
16	Jun-21	1.30%	0.90%
17	Jul-21	2.10%	0.30%
18	Aug-21	4.20%	8.70%
19	Sep-21	1.80%	2.80%
20	Oct-21	1.50%	0.30%
21	Nov-21	-0.50%	-3.90%
22	Dec-21	1.10%	2.20%
23	Jan-22	<b>1.60%</b>	<b>-0.10%</b>
24	Feb-22	-0.40%	-3.10%
25	Mar-22	2.10%	4.00%
26	Apr-22	<b>1.00%</b>	<b>-2.10%</b>
27	May-22	<b>0.50%</b>	<b>-3.00%</b>
28	Jun-22	-0.10%	-4.80%
29	Jul-22	3.20%	8.70%
	<b>Total</b>	<b>57.60%</b>	<b>63.10%</b>
	<b>Avg. Monthly R%</b>	<b>1.99%</b>	<b>2.18%</b>

Month	Fund	CRISIL ESS	Nifty 50
Mar-20	-2.9%	-3.4%	-10.3%
Apr-20	5.5%	5.1%	14.7%
May-20	3.1%	0.0%	-2.8%
Jun-20	3.2%	3.4%	7.5%
Jul-20	3.5%	3.5%	7.5%
Aug-20	2.4%	1.2%	2.8%
Sep-20	2.3%	-0.1%	-1.2%
Oct-20	1.5%	1.8%	3.5%
Nov-20	5.1%	4.3%	11.4%
Dec-20	2.7%	3.0%	7.8%
Jan-21	2.1%	-0.7%	-2.5%
Feb-21	2.4%	2.3%	6.6%
Mar-21	0.8%	0.8%	1.1%
Apr-21	2.9%	0.3%	-0.4%
May-21	3.6%	2.7%	6.5%
Jun-21	1.3%	0.6%	0.9%
Jul-21	2.1%	0.6%	0.3%
Aug-21	4.2%	3.4%	8.7%
Sept-21	1.8%	1.2%	2.8%
Oct-21	1.5%	0.3%	0.3%
Nov-21	-0.5%	-1.0%	-3.9%
Dec-21	1.1%	1.0%	2.2%
Jan-22	1.6%	0.2%	-0.1%
Feb-22	-0.4%	-0.7%	-3.1%
Mar-22	2.1%	1.6%	4.0%
Apr-22	1.0%	-0.7%	-2.1%
May-22	0.5%	-0.8%	-3.0%
Jun-22	-0.1%	-1.4%	-4.8%
Jul-22	3.2%	3.6%	8.7%

Risk Return (based on monthly returns since fund inception)	Fund	CRISIL ESS	Nifty Hyb 50:50	Nifty 50
<b>RETURNS</b>				
Gross returns	76%	37%	46%	79%
<i>of which alpha/fixed income returns</i>	57%	9%	6%	0%
CAGR returns	27%	14%	17%	28%
1 year return	17.0%	6.7%	6.3%	8.9%
FY22	23.3%	10.6%	12.7%	18.9%
FY21	40.7%	27.3%	38.4%	70.9%
Avg. monthly return when NIFTY was up	2.7%	2.3%	3.1%	5.4%
<b>RISK</b>				
Return from NIFTY's peak	7.6%	0.1%	-2.5%	-7.1%
Volatility	5.9%	6.7%	10.2%	18.8%
Volatility relative to Nifty 50	0.31	0.36	0.54	1.0
Beta	0.27	0.35	0.53	1.0
No. of negative months	4	8	10	11
Avg. monthly return when NIFTY was down	0.9%	-0.8%	-1.4%	-3.1%
<b>OVERALL</b>				
Sharpe Ratio (Returns / Risk)	3.5	1.2	1.1	1.2

**On a comparative basis, the fund demonstrated both better returns & lower volatility**

- The attempt here is accurately depict and compare the riskiness of the fund numerically
- CRISIL ESS is CRISIL Equity Savings Index, and NIFTY Hyb Nifty 50:50 is BAF equivalent index
  - None of NIFTY50, CRISIL Equity Savings Index, NIFTY Hybrid 50-50 index is the benchmark for the fund
  - Alpha/fixed income return = Category return - category's average net equity exposure \* Nifty return
  - Source: Capitaline, MFI, AMFI and internal calculations
  - Period of performance analysis: 16<sup>th</sup> March 2020 (fund launch) – 29<sup>th</sup> July 2022
  - Volatility = annualized standard deviation in monthly returns



Fund performance highlights since inception (16<sup>th</sup> March 2020 – 29<sup>th</sup> July 2022)

- **Significantly superior performance** relative to similar/ higher risk product categories (MF ESS, MF BAF, Equity L/S AIFs) **on both risk and returns**
- **Winner- Ranked 1 Equity Long Short Cat. III AIF** on basis of 18 months Risk Adjusted Returns (PMS AIF World – February 12, 2022). Out of 7 nominees, fund had highest Sharpe performance

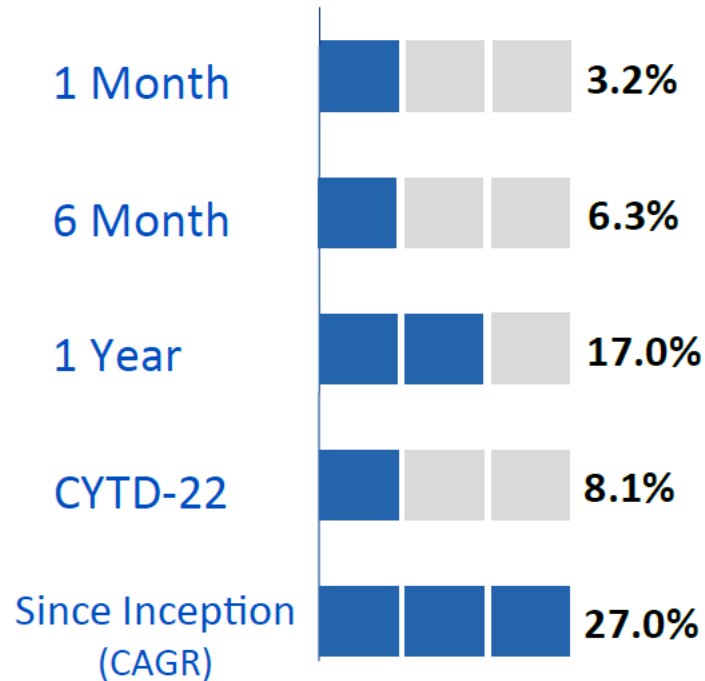
- **Cumulative gross returns of ~76% (27% CAGR)**
- ~25% net equity exposure (0.27x BETA)
- ~6% volatility (<1/3<sup>rd</sup> of NIFTY's)
- ~3.5x Sharpe (Returns/Risk)
- 86% positive months
- On the average, fund delivered **positive returns in bearish months** exhibiting its absolute return character

# TATA EQUITY PLUS ABSOLUTE RETURNS FUND

1. TATA TEPA

AUGUST 2022

## Gross Returns\*



**Expected Annualized Returns : 12% plus p.a.**

**Ideal Time Horizon:  
6 months Plus**

**Exit Load: 0.25%  
for 3 months, After  
that no Exit Load**

### Tata Equity Plus Absolute Returns Fund – Class A1 Units & Class A2 Units

Investment Objective	Adopt a 'dual' portfolio strategy to create a Core Portfolio and a Derivatives Portfolio to generate long term capital appreciation, with lower volatility compared to NIFTY 50 index
Investment Manager	Tata Asset Management Pvt Ltd.
Trustee	Tata Trustee Company Pvt Ltd.
Sponsor	Tata Capital Ltd. with Rs.10 crores capital commitment
Tax Advisors	PricewaterhouseCoopers Private Limited
Fixed fees	Share class A1: 1.75% for contribution between Rs.1 crore to Rs.5 crores Share class A2: 1.50% for contribution of Rs.5 crores and above
Performance fee	20% of derivatives portfolio (hedge portfolio)
Placement fee	Upto 2%
Operating expense	Up to 0.50% of Net Asset Value
NAV Periodicity	Monthly
Exit load	0.25% Exit load for 3 month, after that no load

Investor should read PPM for tax related discussion. Prospective investors are encouraged to seek independent tax advice.



## 2. TATA TARF

# Tata Absolute Return Fund - Category III AIF

Performance Update - August 2022

Risk Return (based on monthly returns)	Fund
<b>RETURNS</b>	
1 month	0.9%
3 month	5.0%
CYTD	8.9%
Last 1 Year	12.9%
<b>RISK</b>	
Volatility relative to Nifty 50	0.19
Daily returns Correlation	-0.17

**Expected Annualized Returns : 8% plus p.a.**

**Ideal Time Horizon: 6 months Plus**

**Exit Load: 1% for 6 months, After that no Exit Load**

Computations based on the returns post opex and pre fees & tax since the fund launch on 12th April, 2019. Investors' returns may differ depending on their share class. Data as on 29<sup>th</sup> July'22

### Tata Absolute Return Fund – Class A1 Units & Class A2 Units

Investment Objective	To generate absolute returns over the medium term, with reduced volatility
Investment Manager	Tata Asset Management Pvt Ltd.
Trustee	Tata Trustee Company Pvt Ltd.
Sponsor	Tata Capital Ltd. with INR 10 crores capital contribution
Tax Advisors	PricewaterhouseCoopers Private Limited
Fixed fees	Share class A1- 1.75 p.a. % for contribution between 1 crore to 5 crores Share class A2- 1.50% p.a. for contribution of INR 5 crores and above
Performance fee	10% p.a. of derivatives (hedge) portfolio <i>Subject to overall threshold of 10% p.a. (post expenses) return being met</i>
Placement fee	Upto 2%
Operating expense	Upto 0.25% of Net Asset Value
NAV Periodicity	Monthly
Exit load	1% if redeemed within 6 months from the relevant subscription date

\* Investor should read PPM for tax related discussion. Prospective investors are encouraged to seek independent tax advice. Fund does not offer any assured or guaranteed returns.

**Harsh Agarwal**

Head of Alternatives &  
Fund Manager – AIFs



With more than 17 years of experience in both Portfolio Management as well as research, Harsh Agarwal joined Tata Asset Management in November 2018 as Head of Alternative Strategies. Harsh brings unique skills set in stock picking and risk management for the funds. His preferred style of running large diversified long-short portfolios allow generating higher returns will low risk



His prior stints include working as Portfolio Manager - Equity long/short strategy at Reliance Securities where he managed equity long/short portfolio and generated consistent high returns. Prior to Reliance, Harsh worked extensively on equity long-short strategy with traders at Deutsche Bank, Roc Capital



Harsh is an MBA (Finance) from Symbiosis. He is also Certified Portfolio Manager and Certified Treasury Manager from The Institute of Chartered Financial Analysts of India



**For more info please contact us :**

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