



# VTP

## Flexibility is the Key to Stability

### What is VTP (Variable Transfer Plan)?

Variable Transfer Plan (VTP) is a variation of Systematic Transfer Plan (STP). It is a facility where a unit holder can opt to transfer variable amounts linked to the value of investment, as on the date of transfer from source scheme to the target scheme.\*

With Variable Transfer Plan, you can now make dynamic investments based on your fund's value. The amount is automatically adjusted thereby helping you to avoid the hassle of continuously tracking your fund's movements.

\*Source scheme and target scheme should be open ended scheme.

### Key benefits of VTP



#### Flexibility

Through VTP, your STP amount will be adjusted align to the current market value of your Target Scheme that allow you to put more STP amount when market is lower than previous installment.

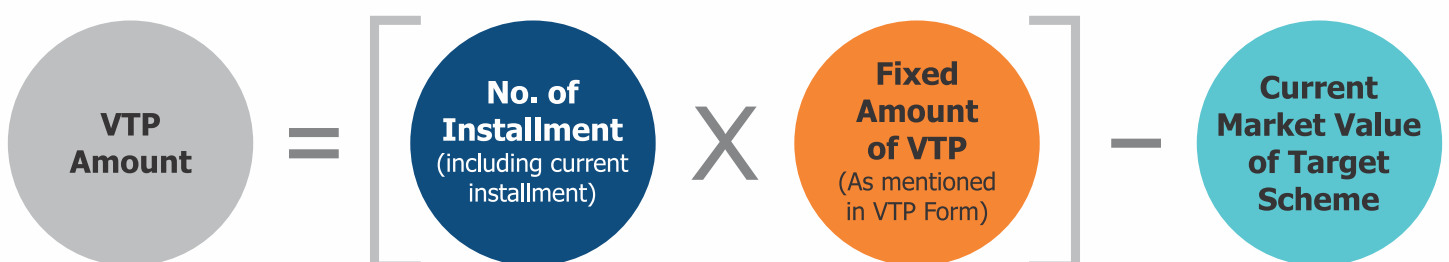
#### Rupee Cost Averaging

In VTP, investor can invest higher when the target scheme NAVs are lower and a fixed amount when the NAVs are higher in which investor take the benefit of Rupee Cost Averaging.

#### Upgraded STP

In a rising market, VTP will be similar to SIP or STP as installment amount will be fixed. However, in falling market, VTP might be effective as it flexibly buys more units align to the market price than STP and reduce the average cost of unit.

### The computation of VTP amount



## Example

Let's compare how VTP works when market falls.

Assuming that you decide to transfer your existing investment in Liquid Fund to Equity Fund. If your existing investment amount in Source Fund is ₹ 60,000 and as soon as you made a first transfer and market started to fall, how VTP and STP will be different?

Instalment Turn		1	2	3	4	5	6	7	8	9	10	11	12	Total	Average NAV
NAV of Target Fund (₹)		20	19	18	16	15	14	16	17	19	20	18	18		
VTP	Unit	250	526	833	1,250	1,667	2,143	2,455	2,749	3,013	3,263	3,52	-	3,584	16.7
	Installment Amount (₹)	5,000	5,250	5,526	6,667	6,250	6,667	5,000	5,000	5,000	5,000	4,640	-	60,000	
SIP	Unit	250	263	278	313	333	357	313	294	263	250	278	278	3,469	17.3
	Installment Amount (₹)	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	60,000	

The above table is for illustration purpose only.

This is designed to buy more units when NAV price is lower than previous installment price.

Hence, when market falls, the average cost per unit can be reduced compare to STP and it works usually same as SIP when market is in upward.

## How does VTP work?



### Choose the Scheme you want to withdraw from and invest into

You need to select the fund from which you would transfer the money (Source scheme) and the scheme you want to invest in (Target scheme)



### Choose the Period and amount

Transfers can be made daily, weekly, monthly or quarterly depending upon the VTP chosen and the options available Investor can start a VTP with amount as low as ₹ 1,000



### Register for VTP

Submit VTP form at any of our branches or distribution partners



### Other Terms

Minimum installment number required for VTP registrations is 5

The total VTP amount invested in the Target Scheme shall not exceed the total enrollment amount

Please find more details from our website ([www.miraeassetmf.co.in](http://www.miraeassetmf.co.in)). For the other terms and conditions, please refer to the scheme information document.

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



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