



Expertise that's trusted

ANNUAL REPORT

2007 - 2008

- ◆ Tata Dynamic Bond Fund
- ◆ Tata Floater Fund
- ◆ Tata Floating Rate Fund - Long Term
- ◆ Tata Gilt Securities Fund
- ◆ Tata Income Fund
- ◆ Tata Income Plus Fund
- ◆ Tata Short Term Bond Fund

**Annual Report
2007-2008**

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STATUTORY DETAILS:

<p>SPONSORS Tata Sons Limited Bombay House, 24, Homi Modi Street, Mumbai - 400 001.</p> <p>Tata Investment Corporation Limited Ewart House, 22, Homi Modi Street, Mumbai - 400 001.</p> <p>TRUSTEE Tata Trustee Company Private Limited Fort House, 221, D. N. Road, Fort, Mumbai – 400 001.</p>	<p>AMC Tata Asset Management Ltd. Fort House, 221, D. N. Road, Fort, Mumbai – 400 001.</p> <p>REGISTRAR Computer Age Management Services (Pvt.) Limited Ground Floor, 178/10 Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam, Chennai - 600 034.</p>
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REPORT OF THE TRUSTEE TO THE UNITHOLDERS FOR THE YEAR ENDED 31ST MARCH ,2008

Dear Unitholder,

It gives us great pleasure to enclose abridged schemewise audited financials as on 31st March, 2008. This Report is in continuation of the 'Performance and Portfolio of the Schemes' Report as on 31st March, 2008 published by us earlier.

1. Scheme Performance, Future Outlook and Operations of the Schemes

Debt Funds

Tata Income Fund (TIF):

The scheme invests only in debt papers of high quality. Investment approach is of continuous monitoring of markets and risk management. This helped the scheme outperform the benchmark.

Performance at a glance (% as on 31st March, 2008)

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Income Fund (Appreciation Option)	8.36	7.46	6.48	9.56 (28/04/97)
Crisil Composite Bond Fund Index	8.23	5.06	4.80	N.A.

Performance at a glance (% as on 31st August, 2008)

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Income Fund (Appreciation Option)	5.04	6.66	5.08	9.18 (28/04/97)
Crisil Composite Bond Fund Index	3.91	4.06	3.50	N.A.

Return for the period 1 year and below is absolute and for more than one year is compounded annualised.

Past performance may or may not be sustained in future. No data for benchmark index is available for the period prior to 30th March 2002.

Tata Gilt Securities Fund (TGSF):

High volatility in interest rate markets led to underperformance of the fund during the review period.

Performance at a glance (% as on 31st March, 2008)

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Gilt Securities Fund				
Normal – Growth	8.54	5.48	5.27	11.39 (06/09/99)
High – Growth	8.52	5.48	—	4.30 (15/07/03)
Short Maturity- Growth	7.24	5.73	—	5.44 (03/04/03)
I-sec Composite Index				
Normal - Growth	9.19	6.38	6.11	N.A.
High – Growth	9.19	6.38	—	5.37
Short Maturity- Growth	9.19	6.38	—	5.94

Tata Gilt Securities Fund - Retirement Planning Series (Performance as on 31st March, 2008)

	2009 DIV	2009 GRW	2010 GRW	2011 GRW	2013 DIV	2013 GRW	2015 GRW
Performance Since Inception	3.31%	3.31%	3.24%	3.28%	3.63%	3.43%	3.20%
I-Sec Composite Index	4.87%	4.84%	4.78%	4.84%	4.94%	4.85%	4.74%
					2016 GRW	2025 DIV	2025 GRW
Performance Since Inception					3.16%	2.96%	3.82%
I-Sec Composite Index					4.77%	4.66%	4.77%

Performance at a glance (% as on 31st August, 2008)

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Gilt Securities Fund				
Normal – Growth	4.87	4.45	3.06	10.68 (06/09/99)
High – Growth	4.85	4.45	3.05	3.71 (15/07/03)
Short Maturity- Growth	6.70	5.78	4.95	5.44 (03/04/03)
I-sec Composite Index				
Normal - Growth	3.30	4.99	4.13	N.A
High – Growth	3.30	4.99	4.13	4.57
Short Maturity- Growth	3.30	4.99	4.13	5.14

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Tata Gilt Securities Fund - Retirement Planning Series (Performance as on 31st August, 2008)

	2009 DIV	2009 GRW	2010 GRW	2011 GRW	2013 DIV	2013 GRW	2015 GRW
Performance Since Inception	2.74%	2.76%	2.71%	2.74%	3.03%	2.87%	2.66%
I-Sec Composite Index	4.03%	4.03%	3.99%	4.04%	4.11%	4.04%	3.93%
					2016 GRW	2025 DIV	2025 GRW
Performance Since Inception					2.62%	2.46%	2.63%
I-Sec Composite Index					3.95%	3.89%	3.95%

Return for the period 1 year and below is absolute and for more than one year is compounded annualised.

Past performance may or may not be sustained in future. No data for benchmark index is available for the period prior to 30th March 2002.

Tata Short Term Bond Fund (TSTBF):

The scheme invests only in debt papers of high quality. Investment approach is of continuous monitoring of markets and risk management. This helped the scheme outperform the benchmark.

Performance at a glance (% as on 31st March, 2008)

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Short Term Bond Fund – Appreciation	9.94	7.72	6.80	7.01 (08/08/02)
Crisil Short Term Bond Fund Index	8.81	6.09	5.41	5.55

Performance at a glance (% as on 31st August, 2008)

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Short Term Bond Fund – Appreciation	7.85	7.56	6.68	6.96 (08/08/02)
Crisil Short Term Bond Fund Index	6.68	6.01	5.22	5.49

Return for the period 1 year and below is absolute and for more than one year is compounded annualised.

Past performance may or may not be sustained in future.

Tata Income Plus Fund (TIPF):

High volatility in interest rate markets led to underperformance of the fund during the review period.

Performance at a glance (% as on 31st March, 2008)

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Option A – Retail Investment	4.22	5.63	5.27	5.34 (11/11/02)
Option B – High Investment	4.22	5.63	5.30	5.39 (11/11/02)
Crisil Composite Bond Fund Index	8.23	5.06	4.80	5.08

Performance at a glance (% as on 31st August, 2008)

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Option A – Retail Investment	6.10	5.23	4.49	5.47 (11/11/02)
Option B – High Investment	6.10	5.23	4.49	5.51 (11/11/02)
Crisil Composite Bond Fund Index	3.91	4.06	3.50	4.59

Past performance may or may not be sustained in future.

Return for period up to 1 year is absolute and for more than one year is compounded annualised.

Past performance may or may not be sustained in future. No data for benchmark index is available prior for the period to 30th March 2002.

Tata Dynamic Bond Fund (TDBF):

High volatility in interest rate markets led to underperformance of the fund during the review period.

Performance at a glance (as on 31st March, 2008)

	Last 1 year	Last 3 years	Since Inception
Tata Dynamic Bond Fund			
Option A- App	8.57	7.03	6.05 (03/09/03)
Option B- App	8.55	6.98	6.05 (03/09/03)
I-Sec Composite Index	9.19	6.38	4.93

Performance at a glance (as on 31st August, 2008)

	Last 1 year	Last 3 years	Since Inception
Tata Dynamic Bond Fund			
Option A- App	8.76	7.09	6.36 (03/09/03)
Option B- App	8.77	7.05	6.37 (03/09/03)
I-Sec Composite Index	3.30	4.99	4.15

Return for period up to 1 year is absolute and for more than one year is compounded annualised.

Past performance may or may not be sustained in future. No data for benchmark index is available for the period prior to 30th March 2002.

Tata Floating Rate Fund (TFRF): Long Term

High volatility in interest rate markets and relative illiquidity in long term floaters markets led to underperformance of the fund during the review period.

Performance at a glance (as on 31st March, 2008)

	Last 1 year	Last 3 years	Since Inception
Tata Floating Rate Fund			
Long Term – App	5.09	5.12	4.72 (22/12/03)
Crisil Liquid Fund Index	7.52	6.25	5.62

Performance at a glance (as on 31st August, 2008)

	Last 1 year	Last 3 years	Since Inception
Tata Floating Rate Fund			
Long Term – App	7.87	5.91	5.19 (22/12/03)
Crisil Liquid Fund Index	7.30	6.67	5.80

Return for period up to 1 year is absolute and for more than one year is compounded annualised.

Past performance may or may not be sustained in future.

Tata Floater Fund (TFF):

Investment approach remained that of investing in short term papers and maintaining high liquidity in the fund. This helped the fund to outperform the benchmark.

Performance at a glance (as on 31st March, 2008)

	Last 1 year	Since Inception
Tata Floater Fund	8.81	7.31 (06/09/05)
Crisil Liquid Fund Index	7.52	6.50

Performance at a glance (as on 31st August, 2008)

	Last 1 year	Since Inception
Tata Floater Fund	8.89	7.56 (06/09/05)
Crisil Liquid Fund Index	7.30	6.67

Return for period up to 1 year is absolute and for more than one year is compounded annualised.

Past performance may or may not be sustained in future.

The year that was:

Debt:

During the first half of year 2007-08, Call rates were hovering below the Reverse Repo Rate for significant period of time on account of easy liquidity. RBI responded by tightening the liquidity through MSS. However, it kept the Repo Rate and Reverse Repo Rate unchanged at 7.75% and 6% respectively. Inflation increased steeply to 8% towards the end of the FY 2007-08 compared to 6% at the beginning of year. To control the excess liquidity, RBI hiked the CRR 3 times during the year to 7.5% from 6.25% at the end of previous year. 10 year G-sec yield at the end of year closed flat at 8% before trading in the range of 7.30% to 8.25% during the year. 10 year corporate bond yields traded in the range of 9% to 10.25% before closing at 9.65% compared to 9.90% at the beginning of year.

FUTURE OUTLOOK:

DEBT OUTLOOK

Inflation has spiked to a 13 year high of 12.44% currently. This higher inflation is the outcome of record high commodities and food article prices as also the sharp spike in crude oil prices in the global markets in recent times. Sustained higher inflation assumed the central theme in the monetary policy as a consequence. Reserve Bank of India has already hiked CRR and Report Rate on several occasions in 2008. Crude oil prices have since retraced from the escalated levels to around USD112/bl. Similarly, other commodities and food articles prices have also corrected downwards. This has resulted in expectations that together with monetary and fiscal steps introduced by RBI and Govt, inflation outlook may improve over the coming months. However, current inflation appears rather sticky and analysts forecast further rise in headline inflation number before the moderation steps in. Accordingly, inflationary expectations still remain high and are likely to continue to dominate the markets for some time. With money supply growth still above 20%, liquidity moderation will likely be the primary monetary policy target. Short term rates are expected to move further higher till the year end. Long term yields are likely to be range bound in the current band of 9-9.50%. Any spike beyond this band will likely induce value buying by insurance companies and banks.

FUNDS UNDER MANAGEMENT - OPERATIONS

Tata Mutual Fund today manages thirty open ended schemes of which fifteen are equity schemes, two are balanced schemes, thirteen are debt schemes and twelve are close ended schemes of which eight are debt schemes, three are equity scheme and one is Equity Linked Saving Scheme (ELSS). The average net assets under management were around Rs 19760.80 crores as on 31/03/08 which have increased from Rs.14492.47 crores as on 31/03/07 showing an increase of Rs 5268.33 crores. The AMC's continued focus on marketing and sales efforts has been showing good results and the total average net assets under management as on 31/08/08 were Rs 21197.27 crores.

2. Brief Background of Sponsors, Trust, Trustee Co. and Asset Management Company (AMC).

a) Tata Mutual Fund

Tata Mutual Fund (TMF) was set up as a Trust by the Sponsors and the Settlers, Tata Sons Limited (TSL) and Tata Investment Corporation Limited (TICL) on 9th May, 1995 with Tata Trustee Company Private Limited as a Trustee in accordance with the provisions of the Indian Trust Act, 1882 and is duly registered under the Indian Registration Act, 1908. The Trustee has entered into an Investment Management Agreement dated 9th May, 1995 with Tata Asset Management Limited to function as the Investment Manager for all the Schemes of TMF. TMF was registered with SEBI on 30th June, 1995.

b) Tata Trustee Company Private Limited

The Trustee is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the unitholders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Trust Deed. The Trustee seeks to ensure that the Fund and the Schemes floated there under are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by the SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies.

c) Asset Management Company

Tata Asset Management Limited (TAML) is a company incorporated under the Companies Act, 1956 on 15th March, 1994, having its Registered Office at Fort House, 221 Dr. D. N. Road, Fort, Mumbai 400 001. TAML has been appointed as the Asset Management Company for Tata Mutual Fund by the Trustee vide Investment Management Agreement (IMA) dated 9th May, 1995, and executed between TTCPL and TAML.

The Trustee Company has appointed TAML as the Asset Management Company for TMF. The shareholders of TAML are TSL and TICL. TAML has entered into an Investment Management Agreement dated 9th May, 1995 with TTCPL, pursuant to which TAML will run the operations of TMF and manage the assets of TMF's Schemes. TAML, having its registered office at, Fort House, 221 Dr. D. N. Road, Mumbai 400 001 is a Company incorporated under the Companies Act, 1956 on 15th March 1994 and was approved to act as an Asset Management Company for TMF by SEBI on 30th June, 1995. The networth of TAML as on August 31, 2008 is approximately about Rs. 89.39 crores. TAML is currently managing thirty open-ended schemes and twelve close ended schemes.

3. Investment Objectives of the Schemes

TIF: An open ended debt scheme. To provide income distribution and / or medium to long term capital gains while at all times emphasizing the importance of safety and capital appreciation.

TGSMF / TGSF: An open ended dedicated government securities fund. To generate risk-free return and thus provide medium to long term capital gains and income distribution to its unitholders while at all times emphasizing the importance of capital preservations.

TSTBF: An open ended debt scheme. To create a liquid portfolio of good quality debt as well as money market instruments so as to provide reasonable returns and liquidity to the unitholders.

TIPF: An open ended debt scheme. To provide income/bonus distribution and/or medium to long term capital gains while at all times emphasizing the importance of capital appreciation.

TDBF: An open ended debt scheme. The investment objective will be to create a liquid portfolio of good quality debt as well as Money Market Instruments so as to provide reasonable returns and high liquidity to the Unitholders.

TFRF: An open ended debt scheme. The primary objective of the Scheme is to generate stable returns with a low risk strategy by creating a portfolio that is substantially invested in good quality floating rate debt or money market instruments, fixed rate debt or money market instruments swapped for floating returns and fixed rate debt and money market instruments.

TFF: An open ended debt scheme. The investment objective of the scheme is to generate stable returns with a low interest rate risk strategy by creating a portfolio that is predominantly invested in good quality floating rate debt instruments, money market instruments and in fixed rate debt instruments which can also be swapped for floating rate returns.

4. Significant Accounting Policies:

"Accounting policies are in accordance with Securities and Exchange Board of India (Mutual Fund) Regulations 1996."

5. Unclaimed Dividend & Redemptions:

Scheme	Unclaimed Dividend		Unclaimed Redemptions		Total	
	Amount	No. of Invst.	Amount	No. of Invst.	Amount	No. of Invst.
TDBF	0.00	0	4,965.40	1	4,965.40	1
TFRLTF	0.00	0	1,772.63	3	1,772.63	3
TIF	782,685.12	380	3,154.79	2	785,839.91	382
TIPF	0.00	0	77,851.54	2	77,851.54	2
TSTBF	0.00	0	12,545.03	1	12,545.03	1
TFF	0.00	0	0.00	0	0.00	0
TGSMF/TGSF	0.00	0	0.00	0	0.00	0

6. Statutory Information:

- a. The Sponsors are not responsible or liable for any loss resulting from the operation of the Schemes of the Fund beyond their initial contribution (to the extent contributed) of Rs. 1 lakh for setting up the Fund, and such other accretions / additions to the same.
- b. The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
- c. Full Annual Report shall be disclosed on the website (www.tatamutualfund.com) and shall be available for inspection at the Head Office of the mutual fund. Present and prospective unitholder can obtain copy of the trust deed, the full Annual Report of the Fund / AMC at a price.

For Tata Trustee Company Private Limited,

S. M. Datta
Chairman

Place : Mumbai

Date : 24 September, 2008

Encl. Schemewise Abridged Audited Accounts and Auditor's Report

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TDBF: An open ended debt scheme. The investment objective will be to create a liquid portfolio of good quality debt as well as Money Market Instruments so as to provide reasonable returns and high liquidity to the Unitholders.

TFRF: An open ended debt scheme. The primary objective of the Scheme is to generate stable returns with a low risk strategy by creating a portfolio that is substantially invested in good quality floating rate debt or money market instruments, fixed rate debt or money market instruments swapped for floating returns and fixed rate debt and money market instruments.

TFF: An open ended debt scheme. The investment objective of the scheme is to generate stable returns with a low interest rate risk strategy by creating a portfolio that is predominantly invested in good quality floating rate debt instruments, money market instruments and in fixed rate debt instruments which can also be swapped for floating rate returns.

4. Significant Accounting Policies:

"Accounting policies are in accordance with Securities and Exchange Board of India (Mutual Fund) Regulations 1996."

5. Unclaimed Dividend & Redemptions:

Scheme	Unclaimed Dividend		Unclaimed Redemptions		Total	
	Amount	No. of Invst.	Amount	No. of Invst.	Amount	No. of Invst.
TDBF	0.00	0	4,965.40	1	4,965.40	1
TFRLTF	0.00	0	1,772.63	3	1,772.63	3
TIF	782,685.12	380	3,154.79	2	785,839.91	382
TIPF	0.00	0	77,851.54	2	77,851.54	2
TSTBF	0.00	0	12,545.03	1	12,545.03	1
TFF	0.00	0	0.00	0	0.00	0
TGSMF/TGSF	0.00	0	0.00	0	0.00	0

6. Statutory Information:

- a. The Sponsors are not responsible or liable for any loss resulting from the operation of the Schemes of the Fund beyond their initial contribution (to the extent contributed) of Rs. 1 lakh for setting up the Fund, and such other accretions / additions to the same.
- b. The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
- c. Full Annual Report shall be disclosed on the website (www.tatamutualfund.com) and shall be available for inspection at the Head Office of the mutual fund. Present and prospective unitholder can obtain copy of the trust deed, the full Annual Report of the Fund / AMC at a price.

For Tata Trustee Company Private Limited,

S. M. Datta
Chairman

Place : Mumbai

Date : 24 September, 2008

Encl. Schemewise Abridged Audited Accounts and Auditor's Report



AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF TATA TRUSTEE COMPANY PRIVATE LIMITED

We have audited the attached Balance Sheet of **TATA MUTUAL FUND – TATA DYNAMIC BOND FUND** ("the Fund") as at 31st March, 2008 and the Revenue Account of the Fund for the year ended on that date, annexed thereto, and report thereon as follows:

- a) The Balance Sheet and the Revenue Account dealt with by this report have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. These financial statements are the responsibility of the Managements of the Trustee and the Asset Management companies.
- b) Our audit was conducted in accordance with the generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- c) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- d) The Balance Sheet and the Revenue Account dealt with by this Report are in agreement with the books of account of the Fund.
- e) Non-traded securities have been valued in accordance with the guidelines notified by the Securities and Exchange Board of India. In our opinion, these valuations are fair and reasonable.
- f) Without qualifying our opinion, we draw attention to Note No. 14 of Schedule VIII wherein the Management of the Tata Asset Management Limited has explained its rationale regarding certain Accounting Standards issued by the Institute of Chartered Accountants of India as not being applicable to mutual funds.
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Fund as at 31st March, 2008; and
 - (ii) in the case of the Revenue Account, of the surplus of the Fund for the year ended on that date.

For **S. B. BILLIMORIA & CO.**
Chartered Accountants

Nalin M. Shah
Partner
(Membership No. 15860)

MUMBAI, 25 August, 2008

AUDITORS' REPORT

**TO THE BOARD OF DIRECTORS OF
TATA TRUSTEE COMPANY PRIVATE LIMITED**

We have audited the attached Balance Sheet of **TATA MUTUAL FUND - TATA FLOATER FUND** ("the Fund") as at 31st March, 2008 and the Revenue Account of the Fund for the year ended on that date, annexed thereto, and report thereon as follows:

- a) The Balance Sheet and the Revenue Account dealt with by this report have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. These financial statements are the responsibility of the Managements of the Trustee and the Asset Management companies.
- b) Our audit was conducted in accordance with the generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- c) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- d) The Balance Sheet and the Revenue Account dealt with by this Report are in agreement with the books of account of the Fund.
- e) Non-traded securities have been valued in accordance with the guidelines notified by the Securities and Exchange Board of India. In our opinion, these valuations are fair and reasonable.
- f) Without qualifying our opinion, we draw attention to Note No. 14 of Schedule VII wherein the Management of the Tata Asset Management Limited has explained its rationale regarding certain Accounting Standards issued by the Institute of Chartered Accountants of India as not being applicable to mutual funds.
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Fund as at 31st March, 2008; and
 - (ii) in the case of the Revenue Account, of the surplus of the Fund for the year ended on that date.

For **S. B. BILLIMORIA & CO.**
Chartered Accountants

Nalin M. Shah
Partner
(Membership No. 15860)

MUMBAI, 25 August, 2008



AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF TATA TRUSTEE COMPANY PRIVATE LIMITED

We have audited the attached Balance Sheet of **TATA MUTUAL FUND - TATA FLOATING RATE LONG TERM FUND** ("the Fund") as at 31st March, 2008 and the Revenue Account of the Fund for the year ended on that date, annexed thereto, and Report thereon as follows:

- a) The Balance Sheet and the Revenue Account dealt with by this report have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. These financial statements are the responsibility of the Managements of the Trustee and the Asset Management companies.
- b) Our audit was conducted in accordance with the generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- c) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- d) The Balance Sheet and the Revenue Account dealt with by this Report are in agreement with the books of account of the Fund.
- e) Non-traded securities have been valued in accordance with the guidelines notified by the Securities and Exchange Board of India. In our opinion, these valuations are fair and reasonable.
- f) Without qualifying our opinion, we draw attention to Note No. 14 of Schedule VII wherein the Management of the Tata Asset Management Limited has explained its rationale regarding certain Accounting Standards issued by the Institute of Chartered Accountants of India as not being applicable to mutual funds.
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Fund as at 31st March, 2008; and
 - (ii) in the case of the Revenue Account, of the surplus of the Fund for the year ended on that date.

For **S. B. BILLIMORIA & CO.**
Chartered Accountants

Nalin M. Shah
Partner
(Membership No. 15860)

MUMBAI, 25 August, 2008

AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF TATA TRUSTEE COMPANY PRIVATE LIMITED

We have audited the attached Balance Sheet of **TATA MUTUAL FUND - TATA GILT SECURITIES FUND** ("the Fund") as at 31st March, 2008 and the Revenue Account of the Fund for the year ended on that date, annexed thereto, and report thereon as follows:

- a) The Balance Sheet and the Revenue Account dealt with by this Report have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. These financial statements are the responsibility of the Managements of the Trustee and the Asset Management companies.
- b) Our audit was conducted in accordance with the generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- c) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- d) The Balance Sheet and the Revenue Account dealt with by this Report are in agreement with the books of account of the Fund.
- e) The Fund does not hold any non-traded securities.
- f) Without qualifying our opinion, we draw attention to Note No. 14 of Schedule VIII wherein the Management of the Tata Asset Management Limited has explained its rationale regarding certain Accounting Standards issued by the Institute of Chartered Accountants of India as not being applicable to mutual funds.
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Fund as at 31st March, 2008; and
 - (ii) in the case of the Revenue Account, of the surplus of the Fund for the year ended on that date.

For **S. B. BILLIMORIA & CO.**
Chartered Accountants

Nalin M. Shah
Partner
(Membership No. 15860)

MUMBAI, 25 August, 2008



AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF TATA TRUSTEE COMPANY PRIVATE LIMITED

We have audited the attached Balance Sheet of **TATA MUTUAL FUND - TATA GILT SHORT MATURITY FUND** ("the Fund") as at 31st March, 2008 and the Revenue Account of the Fund for the year ended on that date, annexed thereto, and report thereon as follows:

- a) The Balance Sheet and the Revenue Account dealt with by this Report have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. These financial statements are the responsibility of the Managements of the Trustee and the Asset Management companies.
- b) Our audit was conducted in accordance with the generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- c) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- d) The Balance Sheet and the Revenue Account dealt with by this Report are in agreement with the books of account of the Fund.
- e) The Fund does not hold any non-traded securities.
- f) Without qualifying our opinion, we draw attention to Note No. 13 of Schedule VII wherein the Management of the Tata Asset Management Limited has explained its rationale regarding certain Accounting Standards issued by the Institute of Chartered Accountants of India as not being applicable to mutual funds.
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Fund as at 31st March, 2008; and
 - (ii) in the case of the Revenue Account, of the surplus of the Fund for the year ended on that date.

For **S. B. BILLIMORIA & CO.**
Chartered Accountants

Nalin M. Shah
Partner
(Membership No. 15860)

MUMBAI, 25 August, 2008

AUDITORS' REPORT

**TO THE BOARD OF DIRECTORS OF
TATA TRUSTEE COMPANY PRIVATE LIMITED**

We have audited the attached Balance Sheet of **TATA MUTUAL FUND - TATA INCOME FUND** ("the Fund") as at 31st March 2008 and the Revenue Account of the Fund for the year ended on that date, annexed thereto, and report thereon as follows:

- a) The Balance Sheet and the Revenue Account dealt with by this Report have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. These financial statements are the responsibility of the Managements of the Trustee and the Asset Management companies.
- b) Our audit was conducted in accordance with the generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- c) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- d) The Balance Sheet and the Revenue Account dealt with by this Report are in agreement with the books of account of the Fund.
- e) Non-traded securities have been valued in accordance with the guidelines notified by the Securities and Exchange Board of India. In our opinion, these valuations are fair and reasonable.
- f) Without qualifying our opinion, we draw attention to Note No. 14 of Schedule VIII wherein the Management of the Tata Asset Management Limited has explained its rationale regarding certain Accounting Standards issued by the Institute of Chartered Accountants of India as not being applicable to mutual funds.
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Fund as at 31st March, 2008; and
 - (ii) in the case of the Revenue Account, of the surplus of the Fund for the year ended on that date.

For **S. B. BILLIMORIA & CO.**
Chartered Accountants

Nalin M. Shah
Partner
(Membership No. 15860)

MUMBAI, 25 August, 2008



AUDITORS' REPORT

TO THE BOARD OF DIRECTORS OF TATA TRUSTEE COMPANY PRIVATE LIMITED

We have audited the attached Balance Sheet of **TATA MUTUAL FUND - TATA INCOME PLUS FUND** ("the Fund") as at 31st March, 2008 and the Revenue Account of the Fund for the year ended on that date, annexed thereto, and report thereon as follows:

- a) The Balance Sheet and the Revenue Account dealt with by this Report have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. These financial statements are the responsibility of the Managements of the Trustee and the Asset Management companies.
- b) Our audit was conducted in accordance with the generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- c) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- d) The Balance Sheet and the Revenue Account dealt with by this Report are in agreement with the books of account of the Fund.
- e) Non-traded securities have been valued in accordance with the guidelines notified by the Securities and Exchange Board of India. In our opinion, these valuations are fair and reasonable.
- f) Without qualifying our opinion, we draw attention to Note No. 14 of Schedule VIII wherein the Management of the Tata Asset Management Limited has explained its rationale regarding certain Accounting Standards issued by the Institute of Chartered Accountants of India as not being applicable to mutual funds.
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Fund as at 31st March, 2008; and
 - (ii) in the case of the Revenue Account, of the surplus of the Fund for the year ended on that date.

For **S. B. BILLIMORIA & CO.**
Chartered Accountants

Nalin M. Shah
Partner
(Membership No. 15860)

MUMBAI, 25 August, 2008

AUDITORS' REPORT

**TO THE BOARD OF DIRECTORS OF
TATA TRUSTEE COMPANY PRIVATE LIMITED**

We have audited the attached Balance Sheet of **TATA MUTUAL FUND - TATA SHORT TERM BOND FUND** ("the Fund") as at 31st March, 2008 and the Revenue Account of the Fund for the year ended on that date, annexed thereto, and report thereon as follows:

- a) The Balance Sheet and the Revenue Account dealt with by this Report have been prepared in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996. These financial statements are the responsibility of the Managements of the Trustee and the Asset Management companies.
- b) Our audit was conducted in accordance with the generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- c) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- d) The Balance Sheet and the Revenue Account dealt with by this Report are in agreement with the books of account of the Fund.
- e) Non-traded securities have been valued in accordance with the guidelines notified by the Securities and Exchange Board of India. In our opinion, these valuations are fair and reasonable.
- f) Without qualifying our opinion, we draw attention to Note No. 13 of Schedule VII wherein the Management of the Tata Asset Management Limited has explained its rationale regarding certain Accounting Standards issued by the Institute of Chartered Accountants of India as not being applicable to mutual funds.
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Fund as at 31st March, 2008; and
 - (ii) in the case of the Revenue Account, of the surplus of the Fund for the year ended on that date.

For **S. B. BILLIMORIA & CO.**
Chartered Accountants

Nalin M. Shah
Partner
(Membership No. 15860)

MUMBAI, 25 August, 2008

Balance Sheet as at 31st March, 2007

	Schedule	TDBF		TFF	
		As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
LIABILITIES					
Unit Capital	I	20,014,425,399	1,483,535,675	17,191,149,984	26,915,010
Reserves & Surplus	II	2,197,169,450	59,731,242	868,050,130	1,095,349
Current Liabilities & Provisions	III	7,962,039	256,555	655,794,675	104,931
TOTAL		22,219,556,888	1,543,523,472	18,714,994,789	28,115,290
ASSETS					
Investments	IV	1,543,523,472	1,541,639,525	17,689,372,760	27,599,342
Deposits	V	-	-	-	-
Other Current Assets	VI	112,488,406	1,883,947	1,025,622,029	515,948
TOTAL		22,219,556,888	1,543,523,472	18,714,994,789	28,115,290
	Schedule	TFRLTF		TGSF	
		As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
LIABILITIES					
Unit Capital	I	7,862,005,266	42,792,385	1,712,651,119	1,799,782,955
Reserves & Surplus	II	173,589,050	5,265,232	475,987,252	309,937,006
Current Liabilities & Provisions	III	4,224,308	198,653	214,088,119	284,880,500
TOTAL		8,039,818,624	48,256,270	2,402,726,490	2,394,600,461
ASSETS					
Investments	IV	8,030,173,317	46,937,987	2,155,234,692	2,247,308,792
Deposits	V	-	-	6,500,000	6,500,000
Other Current Assets	VI	9,645,307	1,318,283	240,991,798	140,791,669
Deferred Revenue Expenditure	VII	-	-	-	-
TOTAL		8,039,818,624	48,256,270	2,402,726,490	2,394,600,461
	Schedule	TGSMF		TIF	
		As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
LIABILITIES					
Unit Capital	I	2,135,884,478	1,911,458,001	230,163,665	285,118,678
Reserves & Surplus	II	640,074,679	409,862,407	115,845,551	132,073,466
Current Liabilities & Provisions	III	250,727,197	6,325,913	11,463,610	24,251,955
TOTAL		3,026,686,354	2,327,646,321	357,472,826	441,444,099
ASSETS					
Investments	IV	2,836,689,101	2,230,330,308	334,220,590	406,936,891
Deposits	V	-	-	4,807,680	4,807,680
Other Current Assets	VI	189,997,253	97,316,013	18,444,556	29,699,528
Deferred Revenue Expenditure	VII	-	-	-	-
TOTAL		3,026,686,354	2,327,646,321	357,472,826	441,444,099

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Balance Sheet as at 31st March, 2008

	Schedule	TIPF		'TSTBF	
		As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
LIABILITIES					
Unit Capital	I	48,987,221	26,269,250	1,015,176,092	351,761,189
Reserves & Surplus	II	5,021,242	4,637,658	244,167,273	51,157,208
Current Liabilities & Provisions	III	127,162	111,622	1,230,814	1,672,545
TOTAL		54,135,625	31,018,530	1,260,574,179	404,590,942
ASSETS					
Investments	IV	53,108,255	30,188,554	1,246,095,599	401,568,821
Deposits	V	-	-	-	-
Other Current Assets	VI	1,027,370	675,714	14,478,580	3,022,121
Deferred Revenue Expenditure	VII	-	154,262	-	-
TOTAL		54,135,625	31,018,530	1,260,574,179	404,590,942

Significant Accounting Policies
and Notes to the Accounts

IX

As per our report of even date attached
For S. B. BILLIMORIA & CO.
Chartered Accountants

Nalin M. Shah
Partner
(Membership No. 15860)

Place: Mumbai
Dated: 25th August 2008

On behalf of the Board of Directors of
Tata Trustee Co. Pvt. Ltd.

S. M. Datta
Chairman

Ishaat Hussain
Director

On Behalf of the Investment Manager
Tata Asset Management Ltd.

Farrokh K. Kavarana
Chairman

Ved Prakash Chaturvedi
Managing Director

Hormuz A. Bulsara
Chief Operating Officer

Raju Sharma
Fund Manager

R. Acharya
Fund Manager

Revenue Account for the period / year ended 31st March, 2008

	Schedule	TDBF		TFF		TFRLTF	
		Year Ended 31-Mar-08 (Rupees)	Year Ended 31-Mar-07 (Rupees)	Year Ended 31-Mar-08 (Rupees)	Year Ended 31-Mar-07 (Rupees)	Year Ended 31-Mar-08 (Rupees)	Year Ended 31-Mar-08 (Rupees)
INCOME							
Dividend		-	-	-	-	-	-
Interest	VIII	185,926,701	4,692,605	2,334,987,858	12,930,825	31,073,166	3,975,802
Profit on sale/redemption of investments		7,494,035	242,119	39,669,468	331,447	2,844,693	69,300
Profit on inter- scheme transfer / sale of investments		4,575,431	-	42,702,507	3,245	19,389	-
Other income				-	-	-	-
TOTAL (A)		197,996,167	5,040,049	2,417,359,833	13,265,517	33,937,248	4,045,102
EXPENSES AND LOSSES							
Provision / (reversal) for depreciation in value of investments (for NPAs)		-	-	-	-	-	-
Provision for outstanding accrued income considered doubtful		-	-	-	-	-	-
Provision for doubtful deposits and current assets		-	-	-	-	-	-
Loss on sale / redemption of investments		860,157	163,168	8,319,304	50,839	-	10,072
Loss on inter- scheme transfer / sale of investments		5,737	175,611	42,819,652	1,783,544	-	-
Management fees		2,524,005	149,962	33,522,844	654,703	300,215	319,098
Trusteeship fees		19,742	2,386	282,727	17,316	3,492	4,345
Staff cost including salaries allowances, contributions to Provident Fund, Gratuity, etc.		-	-	-	-	-	-
Office and administrative expenses		-	-	-	-	-	-
Registration and local charges		-	-	-	-	-	-
Commission to Agents		-	7,764	-	448,048	60,149	-
Publicity expenses		241,965	-	102,125	68	4,829	-
Audit fees		28,089	56,180	112,360	16,854	28,090	16,854
Other operating expenses		412,217	-	95,170	118,210	48,600	68,148
Deferred revenue expenses written off		-	-	-	-	-	-
Depreciation of fixed assets		-	-	-	-	-	-
Custodian fees & expenses		319,374	14,517	1,248,443	38,664	112,360	-
Registrar's fees & expenses		1,513,962	125,085	25,572,393	196,002	53,932	68,104
Less : Amount recovered on sale of units on account of management expenses		-	-	-	-	-	-
Provision / (reversal) for diminution in value of investments		16,201,803	(312,120)	7,387,116	(1,892,816)	2,900,888	-
TOTAL (B)		22,127,051	382,553	119,462,134	1,431,432	3,512,555	486,621
Surplus / (Deficit) (A - B		175,869,116	4,657,496	2,297,897,699	11,834,085	30,424,693	3,558,481
Increase / (decrease) in unrealised appreciation in value of investments		15,965,175	-	28,834,357	(5,249)	7,093,463	-
Surplus after considering unrealised appreciation / (diminution) in value of investments		191,834,291	4,657,496	2,326,732,056	11,828,836	37,518,156	3,558,481
Add / (Less) : Income Equalisation Account		2,069,426,769	53,042,833	511,892,578	(18,577,420)	151,155,677	(3,476,371)
Add : Surplus brought forward		2,261,261,060	57,700,329	2,838,624,634	(6,748,584)	188,673,833	82,110
Transfer from Reserves		59,825,659	2,873,165	2,772,543	11,243,997	5,273,648	6,212,235
Prior Period Income		-	-	-	-	-	-
Surplus / (Deficit) after adjustments		2,321,086,719	60,573,494	2,841,397,177	4,495,413	193,947,481	6,294,345
Appropriations							
Income Distribution / Units Capitalisation		101,911,474	626,513	1,614,046,717	1,433,470	16,725,827	891,674
Tax on dividend distributed		22,547,223	121,322	363,170,454	289,400	3,644,454	129,023
Less : Transfer from Unit Premium Reserve		-	-	-	-	-	-
Add : Amount of load transferred							
Amount (Payable) / Receivable to AMC							
Surplus/Deficit carried forward		2,196,628,022	59,825,659	864,180,006	2,772,543	173,577,200	5,273,648
Income (Gross) as a percentage to Average Net Assets		10.06	8.18	8.57	7.09	9.74	6.34
Recurring Expenses as a percentage to Average Net Assets		0.26	0.58	0.22	0.80	0.18	0.75
Significant Accounting Policies and Notes to the Accounts	IX						

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Revenue Account for the period / year ended 31st March, 2008

	Schedule	TGSF		TGSMF		TIF	
		Year Ended 31-Mar-08 (Rupees)	Year Ended 31-Mar-07 (Rupees)	Year Ended 31-Mar-08 (Rupees)	Year Ended 31-Mar-07 (Rupees)	Year Ended 31-Mar-08 (Rupees)	Year Ended 31-Mar-08 (Rupees)
INCOME							
Dividend		-	-	-	-	-	-
Interest	VIII	155,578,769	169,217,741	157,709,242	74,052,091	30,847,326	31,084,553
Profit on sale/redemption of investments		146,873,954	58,792,957	61,703,931	8,326,133	5,268,742	4,339,199
Profit on inter- scheme transfer / sale of investments		-	-	134,504	-	6,266,934	49,712
Other income		-	-	-	-	2,260,945	1,429,500
TOTAL (A)		302,452,723	228,010,698	219,547,677	82,378,224	44,643,947	36,902,964
EXPENSES AND LOSSES							
Provision / (reversal) for depreciation in value of investments (for NPAs)		-	-	-	-	-	-
Provision for outstanding accrued income considered doubtful		-	-	-	-	-	-
Provision for doubtful deposits and current assets		-	-	-	-	-	-
Loss on sale / redemption of investments		91,355,293	97,637,601	22,888,473	6,032,117	1,493,552	3,292,535
Loss on inter- scheme transfer / sale of investments		122	396,696	590,136	436,087	742,845	2,913,069
Management fees		16,268,030	24,406,261	26,768,967	13,042,541	4,838,273	5,687,080
Trusteeship fees		21,721	159,309	-	-	3,871	30,453
Staff cost including salaries allowances, contributions to Provident Fund, Gratuity, etc.		-	-	-	-	-	-
Office and administrative expenses		-	-	-	-	-	-
Registration and local charges		-	-	-	-	-	-
Commission to Agents		12,520,881	7,118,318	-	-	574,693	1,537,057
Publicity expenses		1,358,283	358,633	-	-	733,310	173,723
Audit fees		84,268	56,180	-	-	28,091	33,708
Other operating expenses		2,494,544	3,304,552	-	-	1,970,770	1,608,862
Deferred revenue expenses written off		-	-	-	-	-	-
Depreciation of fixed assets		-	-	-	-	-	-
Custodian fees & expenses		-	-	-	-	48,664	50,796
Registrar's fees & expenses		1,887,872	1,968,897	-	-	502,063	714,447
Less : Amount recovered on sale of units on account of management expenses		-	-	-	-	-	-
Provision / (reversal) for diminution in value of investments		7,610,994	(10,747,838)	727,007	396,306	2,044,509	(1,732,509)
TOTAL (B)		133,602,008	124,658,609	50,974,583	19,907,051	12,980,641	14,309,221
Surplus / (Deficit) (A - B)		168,850,715	103,352,089	168,573,094	62,471,173	31,663,306	22,593,743
Increase / (decrease) in unrealised appreciation in value of investments		(930,426)	(4,223,234)	(100,589)	202,306	(292,963)	286,404
Surplus after considering unrealised appreciation / (diminution) in value of investments		167,920,289	99,128,855	168,472,505	62,673,479	31,370,343	22,880,147
Add / (Less) : Income Equalisation Account		4,008,169	(205,309,800)	64,937,809	205,682,349	(35,927,316)	(15,931,198)
Add : Surplus brought forward		171,928,458	(106,180,945)	233,410,314	268,355,828	(4,556,973)	6,948,949
Transfer from Reserves		286,963,456	400,628,990	405,451,769	137,202,209	153,833,771	157,697,686
Prior Period Income		-	-	-	-	-	-
Surplus / (Deficit) after adjustments		458,891,914	294,448,045	638,862,083	405,558,037	149,276,798	164,646,635
Appropriations							
Income Distribution / Units Capitalisation		4,591,665	6,181,591	336,987	90,444	9,149,398	9,359,641
Tax on dividend distributed		962,543	1,302,998	51,685	15,824	1,429,559	1,453,223
Less : Transfer from Unit Premium Reserve		-	-	-	-	-	-
Add : Amount of load transferred		-	-	-	-	-	-
Amount (Payable) / Receivable to AMC		-	-	-	-	-	-
Surplus/Deficit carried forward		453,337,706	286,963,456	638,473,411	405,451,769	138,697,841	153,833,771
Income (Gross) as a percentage to Average Net Assets		13.96	9.74	9.07	7.70	9.94	7.80
Recurring Expenses as a percentage to Average Net Assets		1.60	1.60	1.11	1.22	2.25	2.16

Significant Accounting Policies and Notes to the Accounts

IX

Revenue Account for the year/period ended 31st March, 2007

	Schedule	TIPF		TSTBF	
		Year Ended 31-Mar-08 (Rupees)	Year Ended 31-Mar-07 (Rupees)	Year Ended 31-Mar-08 (Rupees)	Period Ended 31-Mar-07 (Rupees)
INCOME					
Dividend		-	-	-	-
Interest	VIII	1,870,005	2,488,135	93,177,841	71,782,119
Profit on sale/redemption of investments		-	878,049	5,332,739	3,909,274
Profit on inter- scheme transfer / sale of investments		-	-	9,639,372	522,668
Other income		-	-	-	-
TOTAL (A)		1,870,005	3,366,184	108,149,952	76,214,061
EXPENSES AND LOSSES					
Provision / (reversal) for depreciation in value of investments (for NPAs)		-	-	-	-
Provision for outstanding accrued income considered doubtful		-	-	-	-
Provision for doubtful deposits and current assets		-	-	-	-
Loss on sale / redemption of investments		23,800	300	1,060,244	9,523,441
Loss on inter- scheme transfer / sale of investments		-	-	4,074,067	5,868,058
Management fees		204,779	351,276	9,424,168	7,451,470
Trusteeship fees		314	12,547	-	-
Staff cost including salaries allowances, contributions to Provident Fund, Gratuity, etc.		-	-	-	-
Office and administrative expenses		-	-	-	-
Registration and local charges		-	-	-	-
Commission to Agents		145,425	79,661	-	-
Publicity expenses		20,234	68	-	-
Audit fees		28,090	16,854	-	-
Other operating expenses		67,636	111,859	-	-
Deferred revenue expenses written off		154,262	221,679	-	-
Depreciation of fixed assets		-	-	-	-
Custodian fees & expenses		170	-	-	-
Registrar's fees & expenses		39,117	42,670	-	-
Less : Amount recovered on sale of units on account of management expenses		-	-	-	-
Provision / (reversal) for diminution in value of investments		10,913	-	1,741,195	(14,509,689)
TOTAL (B)		694,740	836,914	16,299,674	8,333,280
Surplus / (Deficit) (A - B)		1,175,265	2,529,270	91,850,278	67,880,781
Increase / (decrease) in unrealised appreciation in value of investments		64,177	-	1,741,859	(356,767)
Surplus after considering unrealised appreciation / (diminution) in value of investments		1,239,442	2,529,270	93,592,137	67,524,014
Add / (Less) : Income Equalisation Account		(731,319)	(1,719,524)	81,172,870	(140,888,362)
Add : Surplus brought forward		508,123	809,746	174,765,007	(73,364,348)
Transfer from Reserves		4,164,572	3,863,423	25,008,374	119,533,275
Prior Period Income		-	-	-	-
Surplus / (Deficit) after adjustments		4,672,695	4,673,169	199,773,381	46,168,927
Appropriations					
Income Distribution / Units Capitalisation		428,890	444,629	35,657,704	17,625,035
Tax on dividend distributed		61,096	63,968	7,126,591	3,535,518
Less : Transfer from Unit Premium Reserve		-	-	-	-
Add : Amount of load transferred		-	-	-	-
Amount (Payable) / Receivable to AMC		-	-	-	-
Surplus/Deficit carried forward		4,182,709	4,164,572	156,989,086	25,008,374
Income (Gross) as a percentage to Average Net Assets		5.94	8.56	10.10	8.03
Recurring Expenses as a percentage to Average Net Assets		1.61	1.56	0.88	0.79

Significant Accounting Policies and Notes to the Accounts

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Schedules forming part of the Balance Sheet as at 31st March, 2008

	TDBF		TFF		TFRLTF	
	As At 31-Mar-07 (Rupees)	As At 31-Mar-06 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-06 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-06 (Rupees)
SCHEDULE I						
Unit Capital	1,596,769,844	1,596,769,844	1,589,580,950	1,589,580,950	34,208,000	34,208,000
Initial Capital						
Unit Capital						
Units Opening Balance	1,483,535,675	53,312,672	26,915,010	550,857,373	42,792,385	75,613,633
Add : Unit Capital reissued during the year	27,022,494,943	1,486,742,650	220,509,611,383	160,278,227	7,981,876,149	50,471,034
	28,506,030,618	1,540,055,322	220,536,526,393	711,135,600	8,024,668,534	126,084,667
Less : Unit Capital repurchased during the Year	8,491,605,219	56,519,647	203,345,376,409	684,220,590	162,663,268	83,292,282
Unit Capital Closing Balance	20,014,425,399	1,483,535,675	17,191,149,984	26,915,010	7,862,005,266	42,792,385
TGSF						
TGSMF						
TIF						
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
Unit Capital	378,070,000	378,070,000	-	-	305,001,000	305,001,000
Initial Capital						
Unit Capital						
Units Opening Balance	1,799,782,955	2,361,593,004	1,911,458,001	953,623,852	285,118,678	359,024,759
Add : Unit Capital reissued during the year	554,009,531	413,469,756	5,805,013,868	2,303,964,311	81,019,119	50,660,079
	2,353,792,486	2,775,062,760	7,716,471,869	3,257,588,163	366,137,797	409,684,838
Less : Unit Capital repurchased during the Year	641,141,367	975,279,805	5,580,587,391	1,346,130,162	135,974,132	124,566,160
Unit Capital Closing Balance	1,712,651,119	1,799,782,955	2,135,884,478	1,911,458,001	230,163,665	285,118,678
TIPF						
TSTBF						
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
Unit Capital	2,218,229,633	2,218,229,633			1,036,155,345	1,036,155,345
Initial Capital						
Unit Capital						
Units Opening Balance	26,269,250	38,657,012			351,761,189	1,622,351,620
Add : Unit Capital reissued during the year	80,377,150	41,611,721			3,314,198,655	1,502,969,777
	106,646,400	80,268,733			3,665,959,844	3,125,321,397
Less : Unit Capital repurchased during the Year	57,659,179	53,999,483			2,650,783,752	2,773,560,208
Unit Capital Closing Balance	48,987,221	26,269,250			1,015,176,092	351,761,189
TDBF						
TFF						
TFRLTF						
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
SCHEDULE II						
RESERVES & SURPLUS :						
Unit premium reserve						
Opening Balance	(94,417)	(94,390)	(1,677,194)	28,881	(8,416)	(7,637)
Add : Addition / (deduction) during the year	635,820	(27)	5,547,318	(1,706,075)	20,266	(779)
	541,403	(94,417)	3,870,124	(1,677,194)	11,850	(8,416)
Less : Transfer to / (from) revenue account for the year	-	-	-	-	-	-
Closing Balance	541,403	(94,417)	3,870,124	(1,677,194)	11,850	(8,416)
Accumulated Load						
Opening Balance	-	-	-	-	-	-

Schedules forming part of the Balance Sheet as at 31st March, 2008

	TDBF		TFF		TFRLTF	
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
	SCHEDULE II (Contd...)					
Add : Collection during the year	61,612	7,874	439,251	83,598	53,202	-
	61,612	7,874	439,251	83,598	53,202	-
Less : Utilised towards agents commission	61,587	7,874	439,251	83,598	53,202	-
Less : Transferred to AMC						
Less : Transfer to revenue account	-	-	-	-	-	-
Closing Balance	25	-	-	-	-	-
Revenue Account	2,196,628,022	59,825,659	864,180,006	2,772,543	173,577,200	5,273,648
	2,197,169,450	59,731,242	868,050,130	1,095,349	173,589,050	5,265,232
	TGSF		TGSMF		TFRLTF	
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
RESERVES & SURPLUS :						
Unit premium reserve						
Opening Balance	22,973,550	31,853,398	4,410,638	2,317,113	(21,985,275)	(22,060,000)
Add : Addition / (deduction) during the year	(324,004)	(8,879,848)	(2,809,370)	2,093,525	(867,056)	74,725
	22,649,546	22,973,550	1,601,268	4,410,638	(22,852,331)	(21,985,275)
Less : Transfer to / (from) revenue account for the year	-	-	-	-	-	-
Closing Balance	22,649,546	22,973,550	1,601,268	4,410,638	(22,852,331)	(21,985,275)
Accumulated Load						
Opening Balance	-	-	-	-	224,970	-
Add : Collection during the year	18,735	1,390,202	-	-	289,146	226,394
	18,735	1,390,202	-	-	514,116	226,394
Less : Utilised towards agents commission	18,735	1,390,202	-	-	514,075	1,424
Less : Transferred to AMC						
Less : Transfer to revenue account	-	-	-	-	-	-
Closing Balance	-	-	-	-	41	224,970
Revenue Account	453,337,706	286,963,456	638,473,411	405,451,769	138,697,841	153,833,771
	475,987,252	309,937,006	640,074,679	409,862,407	115,845,551	132,073,466
	TIPF		TSTBF			
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)		
RESERVES & SURPLUS :						
Unit premium reserve						
Opening Balance	473,086	713,137		26,148,834		126,528,505
Add : Addition / (deduction) during the year	365,447	(240,051)	473,086	61,029,353		(100,379,671)
	838,533	473,086		87,178,187		26,148,834
Less : Transfer to / (from) revenue account for the year	-	-	-	-	-	-
Closing Balance	838,533	473,086		87,178,187		26,148,834
Accumulated Load						
Opening Balance	-	-	-	-	-	-
Add : Collection during the year	3,831	4,015				
	3,831	4,015				
Less : Utilised towards agents commission	3,831	4,015				
Less : Transferred to AMC						
Less : Transfer to revenue account	-	-	-	-	-	-
Closing Balance	-	-	-	-	-	-
Revenue Account	4,182,709	4,164,572		156,989,086		25,008,374
	5,021,242	4,637,658		244,167,273		51,157,208

Schedules forming part of the Balance Sheet as at 31st March, 2008

	TGSF		TGSMF		TIF	
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
SCHEDULE III (Contd...)						
Unclaimed distributed income	-	-	-	-	-	-
Repurchase amount payable	5,596,178	5,600,404	87	87	5,689	787,324
Inter-scheme dues	20	-	-	-	2,000	131,195
Dividend Distribution Tax Amount payable to AMC						
Variation Margin Payable - F&O						
Others	1,485,029	2,309,694	6,888	1,554	1,738,769	692,876
TOTAL	214,088,119	284,880,500	250,727,197	6,325,913	4,394,959	4,119,891
Provisions						
Provision for loss / depreciation in value of investments						
Provision for doubtful deposits	-	-	-	-	-	-
Provision for outstanding and accrued income considered doubtful	-	-	-	-	7,068,651	20,132,064
Provision for gratuity	-	-	-	-	-	-
Provision for staff welfare fund	-	-	-	-	-	-
Proposed income distributed on initial capital and unit-capital	-	-	-	-	-	-
Other provisions	-	-	-	-	7,068,651	20,132,064
TOTAL	214,088,119	284,880,500	250,727,197	6,325,913	11,463,610	24,251,955
	TIPF		TSTBF			
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)		
Current Liabilities & Provisions						
Current Liabilities						
Management Fees Payable	9,750	12,179	507,012	136,591		
Trusteeship Fees Payable	283	11,757	-	-		
Selling Commission / Brokerage	11,256	57,870	-	-		
Advertisement & Publicity	17,568	68	-	-		
Audit Fees	28,090	16,854	-	-		
Custodian Fees & Expenses	170	-	-	-		
Registrar Fees & Expenses	6,213	1,539	-	-		
Other Expenses	31,291	-	27,657	488		
Interest payable on loans	-	-	-	-		
Contract for purchase of investments	-	-	-	-		
Bank account overdrawn as per books	-	-	-	-		
Unclaimed distributed income	-	-	-	-		
Repurchase amount payable	-	-	1,001	801,312		
Inter-scheme dues	-	11,355	227,710	28,036		
Dividend Distribution Tax Amount payable to AMC						
Variation Margin Payable - F&O						
Others	22,541	-	467,434	706,118		
TOTAL	127,162	111,622	1,230,814	1,672,545		
Provisions						
Provision for loss / depreciation in value of investments						
Provision for doubtful deposits	-	-	-	-		

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Schedules forming part of the Balance Sheet as at 31st March, 2008

	TIPF		TSTBF			
	As At	As At	As At	As At		
	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)		
Provision for outstanding and accrued income considered doubtful	-	-	-	-		
Provision for gratuity	-	-	-	-		
Provision for staff welfare fund	-	-	-	-		
Proposed income distributed on initial capital and unit-capital	-	-	-	-		
Other provisions	-	-	-	-		
TOTAL	127,162	111,622	1,230,814	1,672,545		
	TDBF		TFF		TFRLTF	
	As At	As At	As At	As At	As At	As At
	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)
Schedule IV						
Investments (Market / Yield to maturity / Fair value)						
Equity Shares	-	-	-	-	-	-
Preference Shares	-	-	816,501,369	-	-	-
Warrants	-	-	-	-	-	-
Privately Placed Debentures / Bonds	950,468,742	-	-	-	199,907,677	-
Mutual Fund Units-Offshore						
Debentures listed / awaiting listing on recognised stock exchange	3,726,330,793	-	2,209,721,311	-	1,401,172,769	-
Zero Coupon Bonds / Deep discount Bonds	-	-	-	-	-	-
Fixed Coupon Floating Rate Note - Reset	-	-	-	-	-	-
Calls paid in advance	-	-	-	-	-	-
Term loans	-	-	-	-	-	-
Securitised Debt	-	-	1,629,040,847	-	-	-
Mumbai Inter Bank Offer Rate	-	-	-	-	-	-
Central and State Government Securities	547,750,000	-	-	-	149,800,000	-
Asset Backed Securities						
Treasury Bills	-	-	-	-	-	-
Commercial Paper	1,140,625,558	829,842,000	4,379,050,563	-	29,291,446	-
Certificate Of Deposit	14,761,604,861	702,018,778	7,306,955,371	13,517,946	5,429,394,045	-
CBLO Investments	-	-	999,549,650	-	-	-
Reverse Repos	980,288,528	9,778,747	348,553,649	14,081,396	820,607,380	46,937,987
	22,107,068,482	1,541,639,525	17,689,372,760	27,599,342	8,030,173,317	46,937,987
	TGSF		TGSMF		TIF	
	As At	As At	As At	As At	As At	As At
	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)
Investments (Market / Yield to maturity / Fair value)						
Equity Shares	-	-	-	-	-	-
Preference Shares	-	-	-	-	-	-
Warrants	-	-	-	-	-	-
Privately Placed Debentures / Bonds	-	-	-	-	50,000,000	51,295,646
Mutual Fund Units-Offshore						
Debentures listed / awaiting listing on recognised stock exchange	-	-	-	-	49,143,966	49,600,384
Zero Coupon Bonds / Deep discount Bonds	-	-	-	-	-	-

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Schedules forming part of the Balance Sheet as at 31st March, 2008

	TDBF		TFF		TFRLTF	
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
	Schedule V					
Deposits						
Deposits with scheduled banks	-	-	-	-	-	-
Deposits with Companies / Institutions	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	-	-	-	-	-
	TGSF		TGSMF		TIF	
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
Deposits						
Deposits with scheduled banks	6,500,000	6,500,000	-	-	4,807,680	4,807,680
Deposits with Companies / Institutions	-	-	-	-	-	-
Others	-	-	-	-	-	-
	6,500,000	6,500,000	-	-	4,807,680	4,807,680
	TIPF		TSTBF			
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)		
Deposits						
Deposits with scheduled banks	-	-	-	-	-	-
Deposits with Companies / Institutions	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	-	-	-	-	-
	TDBF		TFF		TFRLTF	
	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
Schedule VI						
Other Current Assets						
Balances with banks in current account	2,500,431	1,826,958	5,173,507	350,658	1,302,864	901,924
Cheques on hand	45,000	-	194,125,000	-	112,000	50,000
Sundry Debtors	-	-	-	-	-	-
Contract for sale of investments	-	-	-	-	-	-
Outstanding and accrued income	108,384,380	24,995	134,871,971	19,290	7,484,731	64,299
Advance, Deposits, etc.	-	-	-	-	-	-
Bridge Finance	-	-	-	-	-	-
Shares / Debentures application money, pending allotment	-	-	-	-	-	-
Receivable on redemption of investment	-	-	-	-	-	-
Receivable from the AMC	-	-	-	-	-	-
Variation Margin - Receivable F&O	-	-	-	-	-	-
Inter-scheme dues	-	-	670,239,852	-	-	238,060
Others *	1,558,595	31,994	21,211,699	146,000	745,712	64,000
	112,488,406	1,883,947	1,025,622,029	515,948	9,645,307	1,318,283

Schedules forming part of the Balance Sheet as at 31st March, 2008

	TGSF		TGSMF		TIF	
	As At	As At	As At	As At	As At	As At
	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)	31-Mar-08 (Rupees)	31-Mar-07 (Rupees)
Schedule VI						
Other Current Assets						
Balances with banks in current account	22,003,010	2,935,353	1,778,278	686,892	5,833,786	4,922,982
Cheques on hand	-	5,950,000	169,442,000	91,765,000	533,901	-
Sundry Debtors	-	-	-	-	-	-
Contract for sale of investments	204,469,278	100,823,056	-	-	-	-
Outstanding and accrued income	13,499,969	25,534,757	18,776,975	3,864,121	11,303,596	20,410,997
Advance, Deposits, etc.	-	-	-	-	-	-
Bridge Finance	-	-	-	-	-	-
Shares / Debentures application money, pending allotment	-	-	-	-	-	-
Receivable on redemption of investment	-	-	-	-	-	-
Receivable from the AMC	-	-	-	-	-	-
Variation Margin - Receivable F&O	-	-	-	-	-	-
Inter-scheme dues	-	-	-	1,000,000	342,644	11
Others *	1,019,541	5,548,503	-	-	430,629	4,365,538
	240,991,798	140,791,669	189,997,253	97,316,013	18,444,556	29,699,528
	TIPF		TSTBF			
	As At	As At	As At	As At		
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07		
	(Rupees)	(Rupees)	(Rupees)	(Rupees)		
Other Current Assets						
Balances with banks in current account	443,700	419,516	2,841,646	2,198,465		
Cheques on hand	930	5,000	3,947,000	60,000		
Sundry Debtors	-	-	-	-		
Contract for sale of investments	465,685	52,807	-	-		
Outstanding and accrued income	-	-	7,673,342	715,654		
Advance, Deposits, etc.	-	-	-	-		
Bridge Finance	-	-	-	-		
Shares / Debentures application money, pending allotment	-	-	-	-		
Receivable on redemption of investment	-	-	-	-		
Receivable from the AMC	-	-	-	-		
Variation Margin - Receivable F&O	-	-	-	-		
Inter-scheme dues	49,041	49,040	-	-		
Others *	68,014	149,351	16,592	48,002		
	1,027,370	675,714	14,478,580	3,022,121		
	TDBF		TFF		TFRLTF	
	As At	As At	As At	As At	As At	As At
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Schedule VII						
Deferred Revenue Expenditure						
Opening Balance	-	-	-	-	-	-
Add: Addition during the year	-	-	-	-	-	-
Less : Amount written off during the year	-	-	-	-	-	-
Less : Amount recovered on redeemed units	-	-	-	-	-	-
Amount deferred to subsequent years	-	-	-	-	-	-

Schedules forming part of the Balance Sheet as at 31st March, 2008

	TIPF		TSTBF	
	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Schedule VIII (Contd..)				
Interest Income				
Call Money				
Other Deposits				
Term Deposits				
Debentures / Bonds / Asset Backed Securities	140,874	8,151	19,054,742	28,099,845
Discounted Securities	52,404	52,404	71,934,558	40,711,752
Government Securities	585,656	239,674	360,806	810,137
Reverse Repos	1,091,071	2,187,906	1,827,735	2,160,385
Others	-	-	-	-
	1,870,005	2,488,135	93,177,841	71,782,119

As per our report of even date attached
For S. B. BILLIMORIA & CO.
 Chartered Accountants

Nalin M. Shah
 Partner
 (Membership No. 15860)

Place: Mumbai
 Dated: 25th August 2008

On behalf of the Board of Directors of
 Tata Trustee Co. Pvt. Ltd.

S. M. Datta **Ishaat Hussain**
 Chairman Director

On Behalf of the Investment Manager
 Tata Asset Management Ltd.

Farrokh K. Kavarana
 Chairman

Ved Prakash Chaturvedi
 Managing Director

Hormuz A. Bulsara
 Chief Operating Officer

Raju Sharma
 Fund Manager

R. Acharya
 Fund Manager

Tata Dynamic Bond Fund (TDBF)

Schedule VII - Statement of significant accounting policies of Tata Dynamic Bond Fund (TDBF) and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- b) Interest on investments is accounted on an accrual basis. Interest on an investment that is past due for three months is not accrued and a full provision is made against all outstanding interest on that investment .
- c) Discount / premium to the redemption value on fixed income securities are amortised on a straight-line basis over the period upto redemption.
- d) Other income of a miscellaneous nature is accounted when it is received on grounds of prudence.

2. EXPENSES:

- a) All expenses are accounted on an accrual basis.
- b) Expenses not identifiable with any particular scheme are allocated to the schemes in the proportion to their net assets.

3. INVESTMENTS:

Purchase and sale of investments are recorded on the date of the transaction, at cost and sale price respectively, after considering brokerage, commission, stamp charges and any charge customarily included in the broker note.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded Securities (Other than Floating Rate Debt Securities) :

Traded Securities are valued at year-end closing market rates on the principal stock exchange on which the security is traded (excluding accrued interest, if any, which is accounted separately).

In the absence of a quoted price on the valuation date for debt securities (other than Government Securities), the last available quoted price within a period of fifteen days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities (Other than Floating Rate Debt Securities) :

Debt securities (other than Government Securities) are considered as thinly traded if on the valuation date, there are no individual trades in those securities in marketable lots (presently Rs.5 crores) on the principal stock exchange or any other stock exchange. These have been valued on the basis of valuation principles laid down by SEBI for the same.

iii. Non-Traded Securities (Other than Floating Rate Debt Securities) :

a. Non – traded/Thinly Traded Debt Securities/Asset Backed Securities securities of over 182 days to maturity are valued in good faith on a yield to maturity basis by Tata Asset Management Limited (TAML).

The non – traded debt securities have been classified by TAML as "investment grade" and "below investment grade" as at 31st March 2008. The values applied by TAML for "investment grade" debt securities are on the basis of valuation yields determined by CRISIL (Credit Rating Information Services of India Limited). In the opinion of TAML, these yields determine fair and reasonable values and such basis of valuation is approved by the Tata Trustee Company Private Limited.

These securities have been valued on the basis of valuation principles laid down by SEBI for the same.

Non – traded debt securities with residual maturity of upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value (inclusive of interest) and the cost spread uniformly over the remaining maturity period of the instrument).

This basis of valuation is in accordance with SEBI guidelines.

b. Valuation of non traded/thinly traded debt securities with floating rate of interest upto 182 Days to the Interest Reset Date/Maturity Date :

The non-traded / thinly traded floating rate debt securities with a residual maturity / next reset date upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between

the redemption value and the cost spread uniformly over the remaining maturity / interest reset period of the instruments) in the absence of any other standard benchmarks in the market.

c. Floating Rate Debt Securities with Put/Call options :

The floating rate debt securities with put/call options shall be valued in terms of the Valuation Guidelines specified above taking into consideration the next interest rate reset date instead of the final maturity date in the absence of any other guidelines from SEBI.

The aggregate fair value of these non-traded "investment grade" debt securities as at 31st March, 2008 is Rs.4,676,799,535/- (previous year Rs.Nil). The scheme does not invest in "below investment grade" debt securities. These balances exclude redemption proceeds due but not received and fully provided Rs.Nil (previous year Rs.Nil).

iv. Money Market Securities :

Money Market instruments which are not traded are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference uniformly amortised over the remaining maturity period of the instrument).

For Money Market Instruments which are traded, the difference between the traded price and the cost plus accrued interest is booked as unrealised gain or loss on that day and from the next day the unrealised gain or loss is amortised over the remaining period to maturity in such a manner that on the maturity date, the value of security matches the face value.

v. Asset Backed Securities :

Asset backed securities in the form of Pass-Through Certificates (non coupon bearing) are valued at discounted value of future cash inflows, whereas coupon bearing Pass-Through Certificates are valued at cost.

vi. Reverse Repo Investment :

Investment bought on 'repo' basis are valued at cost .

vii. Government Securities :

Government securities are valued at the prices released by CRISIL, which is currently the only approved agency suggested by Association of Mutual Funds in India (AMFI).

viii. Unrealised Gain / Loss in value of Investments :

Following the issue of the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds by the Institute of Chartered Accountants of India (pursuant to the Eleventh Schedule of the SEBI Regulations), the appreciation / diminution in investments is worked out on individual basis. The value of diminution as at the year end is reflected in the Revenue Account. Unrealised appreciation as at the year end is also routed through the Revenue Account but is reduced from the distributable income at the time of income distribution.

5. INCOME EQUALISATION RESERVE :

Income Equalisation Reserve is being maintained by crediting / (debiting) the equalisation account in respect of sale / (repurchase) of units by an appropriate amount which represents the distributable income at the time of sale / (repurchase). It is reflected in the Revenue Account after the net excess / deficit of the scheme is determined.

6. UNIT PREMIUM RESERVE AND ACCUMULATED LOAD :

On repurchase / redemption / resale of units, the difference between the unit face value and the NAV (after adjusting income equalisation reserve) is disclosed as "Unit Premium Reserve", while the difference between the NAV and the repurchase / resale price is disclosed as "Accumulated Load" which is not considered for computation of the Net Asset Value. The accumulated load of Rs. 61,587/- (previous year Rs. 7,874/-) is utilised by the Fund to cover the cost of raising / redeeming units on a continuous basis by way of providing redemption / distribution related services to the Fund relating to the sale, promotion and marketing of the scheme and costs associated with liquidating the Fund's investment securities, including payments for postage, application processing, disseminating NAV related information etc. and also payments to brokers for their services in connection with the distribution / redemption of the units. The utilisation of the load reserve is disclosed in "Accumulated Load" account in Schedule II.

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B. Notes attached to and forming part of the accounts for the year ended 31st March, 2008.

1. The aggregate value of purchases and sales of investments for the year ended 31st March 2008, expressed as a percentage of average net assets is as under :

Particulars	As at 31-3-08		As at 31-3-07	
	Value*Rs.	%	Value*Rs.	%
Aggregate value of Purchases	61,762,616,443	3137.21	1,609,614,992	2612.07
Aggregate value of Sales	18,337,072,550	931.43	133,270,054	216.27

* The amounts do not include reverse repo transactions

2. Investments made in group / associate companies.
(Refer Annexure 1).
3. Investments made by the schemes of Tata Mutual Fund in companies or their subsidiaries (to the extent of information available) that have invested more than 5% of the net assets as at 31st March, 2008 of any scheme of the fund, in terms of Regulation 25 (11).
(Refer Annexure 2).
4. Statement of Portfolio with industry wise classification as at 31st March, 2008.
(Refer Annexure 3).
5. Amount receivable from AMC Rs. 1,558,600/- (previous year Rs. 31,994/-) is included under "Others" in "Other Current Assets".
6. In accordance with the Rules and Regulations of the scheme, Management Fees are paid as per the chart shown below:

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	11-03-08	0.1500%	01-04-06	19-03-07	0.5000%
12-03-08	26-03-08	0.0500%	20-03-07	22-03-07	0.1000%
27-03-08	31-03-08	0.1500%	23-03-07	31-03-07	0.1500%

and Trusteeship Fees are paid as per the chart shown below :

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0010%	01-04-06	13-11-06	0.0100%
			14-11-06	31-03-07	0.0010%

7. Contingent liabilities as at 31st March, 2008 are Rs.Nil (previous year Rs.Nil).

8. Disclosure under Regulation 25(8) of the SEBI Regulation have been made in the table below in respect of amounts paid to parties associated with sponsors in which the Asset Management Company or its major shareholders have a substantial interest.

Name of the Company	Nature of Payment	2007-2008 Rs.	2006-2007 Rs.	% equity capital held by the sponsors & its subsidiary/ associates as at 31 st March, 2008
Tata Securities Pvt. Limited	Selling Commission	14,891	1,850	#
Tata Asset Management Limited	Management Fees	2,524,005	149,962	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	19,742	2,386	100%**

Extent of holding by principal shareholders of the sponsors and its subsidiary / associates not available.

* Tata Sons Limited – 67.90% and Tata Investment Corporation Limited – 32.10%

** Tata Sons Limited – 50.00% and Tata Investment Corporation Limited – 50.00%

9. Net Asset Value Per Unit (Rs.) :

Particulars	As at 31-03-08		As at 31-03-07	
Face Value	10.00		10.00	
Net Asset Value	RIP – Dividend	10.5206	RIP – Dividend	10.2203
	Growth	13.0824	Growth	12.0474
	HIP – Dividend	10.1899	HIP – Dividend	10.1423
	Growth	13.0878	Growth	12.0539

10. Unprovided diminution and unrealised appreciation in the value of investments.

Particulars	2007 – 2008Rs.	2006 – 2007Rs.
Unrealised appreciation	15,965,175	0
Unprovided diminution	0	0

11. There are no unit holders holding over 25% of the Net Asset Value of the Scheme as at 31st March 2008.
12. Unclaimed redemption/dividend amount, since the inception of the scheme has been invested separately, only in money market instruments and the investors who have claimed their dividend amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR/9/120/2000 dated 24th November, 2000. As at 31st March, 2008 the unclaimed redemption amount is Rs.4,965/- for 1 investors (previous year Rs.Nil for Nil investors) and the unclaimed dividend amount is Rs. Nil for Nil investors (previous year Rs. Nil for Nil investors).
13. In accordance with Regulation 44 (1) of the SEBI (Mutual Funds) Regulations, 1996, securities purchased should be held in the name of the scheme. As at 31 March, 2008 government securities aggregating to Rs. 547,750,000/- (previous year Rs. Nil) are held in the name of Tata Trustee Company Private Limited A/c Tata Mutual Fund.
14. The Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) has opined that the Accounting Standards on Cash Flow Statement (AS-3), Segment Reporting (AS-17) and Related Party Disclosures (AS-18) issued by the ICAI are applicable to financial statements of schemes of mutual funds. The Management of Tata Asset Management Limited (AMC) is of the view that mutual funds are governed by a self contained regulatory framework, i.e. the SEBI Regulations, the Ninth and Eleventh Schedules of which lay down the specific Accounting Policies and Standards to be adopted and the disclosures to be made. Accordingly, the financial statements have been prepared on the basis of the SEBI Regulations.
15. The figures for the previous year have been regrouped and reclassified wherever necessary.

Tata Floater Fund (TFF)

Schedule VII - Statement of significant accounting policies of Tata Floater Fund (TFF) and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- b) Interest on investments is accounted on an accrual basis. Interest on an investment that is past due for three months is accrued and a full provision is made against all outstanding interest on that investment.
- c) Discounts / premiums to redemption value on fixed income securities are amortised on a straight-line basis over the period upto redemption.
- d) Other income of a miscellaneous nature is accounted when it is received on grounds of prudence.

2. EXPENSES:

- a) All expenses are accounted on an accrual basis.
- b) Expenses not identifiable with any particular scheme are generally allocated to the schemes in proportion to their net assets.

3. INVESTMENTS:

Purchase and sale of investments are recorded on the date of the transaction, at cost and sale price respectively, after considering brokerage, commission, stamp charges and any charge customarily included in the broker note.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded Securities (Other than Floating Rate Debt Securities) :

Traded Securities are valued at year-end closing market rates on the principal stock exchange on which the security is traded (excluding accrued interest, if any, which is accounted separately).

In the absence of a quoted price on the valuation date for debt securities (other than Government Securities), the last available quoted price within a period of fifteen days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities (Other than Floating Rate Debt Securities) :

Debt Securities (other than Government Securities) are considered as thinly traded if on the valuation date , there are no individual trades in those securities in marketable lots (presently Rs.5 Crores) on the principal stock exchange or any other stock exchange. These have been valued on the basis of valuation principles laid down by The Securities and Exchange Board of India (SEBI) for the same.

iv. Non-Traded Securities (Other than Floating Rate Debt Securities) :

- a. Non-Traded/Thinly Traded Debt Securities/Asset Backed Securities of over 182 days to maturity are valued in good faith on a yield to maturity basis by Tata Asset Management Limited (TAML).

The non – traded debt securities have been classified by TAML as "investment grade" and "below investment grade" as at 31st March, 2008. The values applied by TAML for "investment grade" debt securities are on the basis of valuation yields determined by CRISIL (Credit Rating Information Services of India Limited). In the opinion of TAML, these yields determine fair and reasonable values and such basis of valuation is approved by the Tata Trustee Company Private Limited.

These securities have been valued on the basis of valuation principles laid down by SEBI for the same.

Non – traded debt securities with residual maturity of upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value (inclusive of interest) and the cost spread uniformly over the remaining maturity period of the instrument).

This basis of valuation is in accordance with SEBI guidelines.

- b. **Valuation of non traded/thinly traded debt securities with floating rate of interest upto 182 Days to the Interest Reset Date/Maturity Date :**

The non-traded / thinly traded floating rate debt securities with a residual maturity / next reset date upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between

the redemption value and the cost spread uniformly over the remaining maturity / interest reset period of the instruments) in the absence of any other standard benchmarks in the market.

c. Floating Rate Debt Securities with Put/Call options :

The floating rate debt securities with put/call options shall be valued in terms of the Valuation Guidelines specified above taking into consideration the next interest rate reset date instead of the final maturity date in the absence of any other guidelines from SEBI.

The aggregate fair value of "investment grade" debt securities as at 31st March, 2008 is Rs. 4,655,263,527/- (previous year Rs. Nil). The scheme does not invest in "below investment grade" debt securities. These balances exclude redemption proceeds due but not received Rs.Nil (previous year Rs. Nil).

iv. Money Market Securities :

Money Market instruments which are not traded are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference uniformly amortised over the remaining maturity period of the instrument).

For Money Market Instruments which are traded, the difference between the traded price and the cost plus accrued interest is booked as unrealised gain or loss on that day and from the next day the unrealised gain or loss is amortised over the remaining period to maturity in such a manner that on the maturity date, the value of security matches the face value.

v. Asset Backed Securities :

Asset backed securities in the form of Pass-Through Certificates (non coupon bearing) are valued at discounted value of future cash inflows, whereas coupon bearing Pass-Through Certificates are valued at cost.

vi. Reverse Repo Investment :

Investment bought on Repo basis are valued at cost.

vii. Government Securities :

Government securities are valued at the prices released by CRISIL, which is currently the only approved agency suggested by Association of Mutual Funds in India (AMFI).

viii. Unrealised Gain / Loss in value of Investments :

Following the issue of the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds by the Institute of Chartered Accountants of India (pursuant to the Eleventh Schedule of the SEBI Regulations), the appreciation / diminution in investments is worked out on individual basis. The value of diminution as at the year end is reflected in the Revenue Account. Unrealised appreciation as at the year end is also routed through the Revenue Account but is reduced from the distributable income at the time of income distribution.

5. INCOME EQUALISATION RESERVE :

Income Equalisation Reserve is being maintained by crediting / (debiting) the equalisation account in respect of sale / (repurchase) of units by an appropriate amount which represents the distributable income at the time of sale / (repurchase). It is reflected in the Revenue Account after the net excess / deficit of the scheme is determined.

6. UNIT PREMIUM RESERVE AND ACCUMULATED LOAD :

On repurchase / redemption / resale of units, the difference between the unit face value and the NAV (after adjusting income equalisation reserve) is disclosed as "Unit Premium Reserve", while the difference between the NAV and the repurchase / resale price is disclosed as "Accumulated Load" which is not considered for computation of the Net Asset Value. The accumulated load of Rs. 439,251/- (previous year Rs. 83,598/-) is utilised by the Fund to cover the cost of raising / redeeming units on a continuous basis by way of providing redemption / distribution related services to the Fund relating to the sale, promotion and marketing of the scheme and costs associated with liquidating the Fund's investment securities, including payments for postage, application processing, disseminating NAV related information etc. and also payments to brokers for their services in connection with the distribution / redemption of the units. The utilisation of the load reserve is disclosed in "Accumulated Load" account in Schedule II.

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B. Notes attached to and forming part of the accounts for the year ended 31st March, 2008

1. The aggregate value of purchases and sales of investments for the year ended 31st March, 2008 expressed as a percentage of average daily net assets is as under :

Particulars	As at 31-3-08		As at 31-3-07	
	Value*Rs.	%	Value*Rs.	%
Aggregate value of Purchases	351,889,257,011	1248.00	420,612,027	224.86
Aggregate value of Sales	134,596,581,391	477.35	941,857,868	503.52

* The amounts do not include reverse repo transactions.

2. Investments made in group / associate companies.

(Refer Annexure 1).

3. Investments made by the schemes of Tata Mutual Fund in companies or their subsidiaries (to the extent of information available) that have invested more than 5% of the net assets as at 31st March, 2008 of any scheme of the fund, in terms of Regulation 25 (11).

(Refer Annexure 2).

4. Statement of Portfolio with industry wise classification as at 31st March, 2008.

(Refer Annexure 3).

5. Amount receivable from AMC Rs. 21,183,900/- (previous period Rs. 146,000/-) is included under "Others" in "Other Current Assets".

6. In accordance with the Rules and Regulations of the scheme, Management Fees are paid as per the chart shown below:

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	02-04-07	0.3500%			
03-04-07	20-08-07	0.1500%			
21-08-07	20-09-07	0.1200%			
21-09-07	02-10-07	0.1000%	01-04-06	31-03-07	0.3500%
03-10-07	13-12-07	0.1200%			
14-12-07	30-12-07	0.0500%			
31-12-07	31-03-08	0.1200%			

and Trusteeship Fees are paid as per the chart shown below :

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0010%	01-04-06	13-11-06	0.0100%
14-11-06	31-03-07	0.0010%			

7. Contingent liabilities as at 31st March, 2008 are Rs.Nil (previous year Rs.Nil).

8. Disclosure under Regulation 25(8) of the SEBI Regulation have been made in the table below in respect of amounts paid to parties associated with sponsors in which the Asset Management Company or its major shareholders have a substantial interest.

Name of the Company	Nature of Payment	2007-2008 Rs.	2006-2007 Rs.	% equity capital held by the sponsors & its subsidiary/ associates as at 31 st March, 2008
Tata Securities Pvt. Limited.	Selling Commission	1,436,761	99,677	#
Tata Asset Management Limited	Management Fees	33,522,844	654,703	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	282,727	17,316	100%**

Extent of holding by principal shareholders of the sponsors and its subsidiary / associates not available.

* Tata Sons Limited – 67.90% and Tata Investment Corporation Limited – 32.10%

** Tata Sons Limited – 50.00% and Tata Investment Corporation Limited – 50.00%

9. Net Asset Value Per Unit (Rs.) :

Particulars	As at 31-03-08		As at 31-03-07	
Face Value	10.0000		10.0000	
Net Asset Value	Daily	10.0356	Daily	10.0239
	Weekly	10.0960	Weekly	10.0828
	Growth	11.9857	Growth	11.0117

10. Unprovided diminution and unrealised appreciation in the value of investments.

Particulars	2007– 2008 Rs.	2006– 2007 Rs.
Unrealised appreciation	28,834,357	0
Unprovided diminution	0	0

11. There are no unit holders holding over 25% of the Net Asset Value of the Scheme as at 31st March, 2008.
12. Unclaimed redemption/dividend amount, since the inception of the scheme has been invested separately, only in money market instruments and the investors who have claimed their dividend amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR/9/120/2000 dated 24th November, 2000. As at 31st March, 2008 the unclaimed redemption/dividend amount is Rs.Nil. (previous year Rs.Nil)
13. In accordance with Regulation 44 (1) of the SEBI (Mutual Funds) Regulations, 1996, securities purchased should be held in the name of the scheme. As at 31st March, 2008 no securities are held in the name of Tata Trustee Company Private Limited A/c Tata Mutual Fund.
14. The Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) has opined that the Accounting Standards on Cash Flow Statement (AS-3), Segment Reporting (AS-17) and Related Party Disclosures (AS-18) issued by the ICAI are applicable to financial statements of schemes of mutual funds. The Management of Tata Asset Management Limited (AMC) is of the view that mutual funds are governed by a self contained regulatory framework, i.e. the SEBI Regulations, the Ninth and Eleventh Schedules of which lay down the specific Accounting Policies and Standards to be adopted and the disclosures to be made. Accordingly, the financial statements have been prepared on the basis of the SEBI Regulations.
15. The figures for the previous year have been regrouped and reclassified wherever necessary.

Tata Floating Rate Long Term Fund (TFRLTF)

Schedule VII - Statement of significant accounting policies of Tata Floating Rate Long Term Fund (TFRLTF) and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- b) Interest on investments is accounted on an accrual basis. Interest on an investment that is past due for three months is accrued and a full provision is made against all outstanding interest on that investment.
- c) Discounts / premiums to redemption value on fixed income securities are amortised on a straight-line basis over the period upto redemption.
- d) Other income of a miscellaneous nature is accounted when it is received on grounds of prudence.

2. EXPENSES:

- a) All expenses are accounted on an accrual basis.
- b) Expenses not identifiable with any particular scheme are generally allocated to the schemes in proportion to their net assets.

3. INVESTMENTS:

Purchase and sale of investments are recorded on the date of the transaction, at cost and sale price respectively, after considering brokerage, commission, stamp charges and any charge customarily included in the broker note.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded Securities (Other than Floating Rate Debt Securities) :

Traded Securities are valued at year-end closing market rates on the principal stock exchange on which the security is traded (excluding accrued interest, if any, which is accounted separately).

In the absence of a quoted price on the valuation date for debt securities (other than Government Securities), the last available quoted price within a period of fifteen days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities (Other than Floating Rate Debt Securities) :

Debt Securities (other than Government Securities) are considered as thinly traded if on the valuation date , there are no individual trades in those securities in marketable lots (presently Rs.5 Crores) on the principal stock exchange or any other stock exchange. These have been valued on the basis of valuation principals laid down by The Securities and Exchange Board of India (SEBI) for the same.

iii Non-Traded Securities (Other than Floating Rate Debt Securities) :

- a. Non-Traded/Thinly Traded Debt Securities/Asset Backed Securities of over 182 days to maturity are valued in good faith on a yield to maturity basis by Tata Asset Management Limited (TAML).

The non – traded debt securities have been classified by TAML as "investment grade" and "below investment grade" as at 31st March, 2008. The values applied by TAML for "investment grade" debt securities are on the basis of valuation yields determined by CRISIL (Credit Rating Information Services of India Limited). In the opinion of TAML, these yields determine fair and reasonable values and such basis of valuation is approved by the Tata Trustee Company Private Limited.

These securities have been valued on the basis of valuation principles laid down by SEBI for the same.

Non – traded debt securities with residual maturity of upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value (inclusive of interest) and the cost spread uniformly over the remaining maturity period of the instrument).

This basis of valuation is in accordance with SEBI guidelines.

b. Valuation of non traded/thinly traded debt securities with floating rate of interest upto 182 Days to the Interest Reset Date/Maturity Date :

The non-traded / thinly traded floating rate debt securities with a residual maturity / next reset date upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity / interest reset period of the instruments) in the absence of any other standard benchmarks in the market.

c. Floating Rate Debt Securities with Put/Call options :

The floating rate debt securities with put/call options shall be valued in terms of the Valuation Guidelines specified above taking into consideration the next interest rate reset date instead of the final maturity date in the absence of any other guidelines from SEBI.

The aggregate fair value of these non-traded "investment grade" debt securities as at 31st March, 2008 is Rs. 1,601,080,446/- (previous year Rs. Nil). The scheme does not invest in "below investment grade" debt securities. These balances exclude redemption proceeds due but not received and fully provided Rs.Nil (previous year Rs.Nil).

iv Money Market Securities :

Money Market instruments which are not traded are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference uniformly amortised over the remaining maturity period of the instrument).

For Money Market Instruments which are traded, the difference between the traded price and the cost plus accrued interest is booked as unrealised gain or loss on that day and from the next day the unrealised gain or loss is amortised over the remaining period to maturity in such a manner that on the maturity date, the value of security matches the face value.

v. Reverse Repo Investment :

Investment bought on 'Repo' basis are valued at cost.

vi. Government Securities :

Government securities are valued at the prices released by CRISIL, which is currently the only approved agency suggested by Association of Mutual Funds in India (AMFI).

vii. Unrealised Gain / Loss in value of Investments :

Following the issue of the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds by the Institute of Chartered Accountants of India (pursuant to the Eleventh Schedule of the SEBI Regulations), the appreciation / diminution in investments is worked out on individual basis. The value of diminution as at the year end is reflected in the Revenue Account. Unrealised appreciation as at the year end is also routed through the Revenue Account but is reduced from the distributable income at the time of income distribution.

5. INCOME EQUALISATION RESERVE :

Income Equalisation Reserve is being maintained by crediting / (debiting) the equalisation account in respect of sale / (repurchase) of units by an appropriate amount which represents the distributable income at the time of sale / (repurchase). It is reflected in the Revenue Account after the net excess / deficit of the scheme is determined.

6. UNIT PREMIUM RESERVE AND ACCUMULATED LOAD :

On repurchase / redemption / resale of units, the difference between the unit face value and the NAV (after adjusting income equalisation reserve) is disclosed as "Unit Premium Reserve", while the difference between the NAV and the repurchase / resale price is disclosed as "Accumulated Load" which is not considered for computation of the Net Asset Value. The accumulated load of Rs.53,202/- (previous year Rs.Nil) is utilised by the Fund to cover the cost of raising / redeeming units on a continuous basis by way of providing redemption / distribution related services to the Fund relating to the sale, promotion and marketing of the scheme and costs associated with liquidating the Fund's investment securities, including payments for postage, application processing, disseminating NAV related information etc. and also payments to brokers for their services in connection with the distribution / redemption of the units.

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B. Notes attached to and forming part of the accounts for the year ended 31st March, 2008

1. The aggregate value of purchases and sales of investments for the year ended 31st March, 2008 expressed as a percentage of average daily net assets is as under :

Particulars	As at 31-3-08		As at 31-3-07	
	Value*Rs.	%	Value*Rs.	%
Aggregate value of Purchases	12,334,076,805	3541.30	122,642,486	192.17
Aggregate value of Sales	3,662,048,090	1051.43	123,056,314	192.82

* The amounts do not include reverse repo transactions

2. Investments made in group / associate companies.
(Refer Annexure 1).
3. Investments made by the schemes of Tata Mutual Fund in companies or their subsidiaries (to the extent of information available) that have invested more than 5% of the net assets as at 31st March, 2008 of any scheme of the fund, in terms of Regulation 25 (11).
(Refer Annexure 2).
4. Statement of Portfolio with industry wise classification as at 31st March, 2008.
(Refer Annexure 3).
5. Amount receivable from AMC Rs. 745,700/- (previous year Rs. 64,000/-) is included under "Others" in "Other Current Assets".
6. In accordance with the Rules and Regulations of the scheme, Management Fees are paid as per the cahrt below :

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	01-04-07	0.5000%	01-04-06	31-03-07	0.5000%
02-04-07	17-03-08	0.3500%			
18-03-08	31-03-08	0.0500%			

and Trusteeship Fees are paid as per the chart shown below :

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0010%	01-04-06	13-11-06	0.0100%
14-11-06	31-03-07	0.0010%			

7. Contingent liabilities as at 31st March, 2008 are Rs.Nil (previous year Rs.Nil).

8. Disclosure under Regulation 25(8) of the SEBI Regulation have been made in the table below in respect of amounts paid to parties associated with sponsors in which the Asset Management Company or its major shareholders have a substantial interest.

Name of the Company	Nature of Payment	2007-2008 Rs.	2006-2007 Rs.	% equity capital held by the sponsors & its subsidiary/ associates as at 31 st March, 2008
Tata Securities Pvt. Limited.	Selling Commission	237	1,577	#
Tata Asset Management Limited	Management Fees	300,215	319,098	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	3,492	4,345	100%**

Extent of holding by principal shareholders of the sponsors and its subsidiary / associates not available.

* Tata Sons Limited – 67.90% and Tata Investment Corporation Limited – 32.10%

** Tata Sons Limited – 50.00% and Tata Investment Corporation Limited – 50.00%

9. Net Asset Value Per Unit (Rs.) :

Particulars	As at 31-03-08		As at 31-03-07	
Face Value	10.00		10.00	
Ne				
Net Asset Value	Growth	12.1799	Growth	11.5882
	Dividend	10.1318	Dividend	10.2975

10. Unprovided diminution and unrealised appreciation in the value of investments.

Particulars	2007– 2008 Rs.	2006– 2007 Rs.
Unrealised appreciation	7,093,463	0
Unprovided diminution	0	0

11. There are no unit holders holding over 25% of the Net Asset Value of the Scheme as at 31st March, 2008.
12. Unclaimed redemption/dividend amount, since the inception of the scheme has been invested separately, only in money market instruments and the investors who have claimed their dividend amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR/9/120/2000 dated 24th November, 2000. As at 31st March, 2008 the unclaimed redemption amount is Rs. 1,773/- for 3 investors (previous year Rs.Nil for Nil investors) and the unclaimed dividend amount is Rs.Nil for Nil investors (previous year Rs.Nil for Nil investors)
13. In accordance with Regulation 44 (1) of the SEBI (Mutual Funds) Regulations, 1996, securities purchased should be held in the name of the scheme. As at 31 March, 2008 government securities aggregating to Rs. 149,800,000/- (previous year Rs. Nil) are held in the name of Tata Trustee Company Private Limited A/c Tata Mutual Fund.
14. The Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) has opined that the Accounting Standards on Cash Flow Statement (AS-3), Segment Reporting (AS-17) and Related Party Disclosures (AS-18) issued by the ICAI are applicable to financial statements of schemes of mutual funds. The Management of Tata Asset Management Limited (AMC) is of the view that mutual funds are governed by a self contained regulatory framework, i.e. the SEBI Regulations, the Ninth and Eleventh Schedules of which lay down the specific Accounting Policies and Standards to be adopted and the disclosures to be made. Accordingly, the financial statements have been prepared on the basis of the SEBI Regulations.
15. The figures for the previous year have been regrouped and reclassified wherever necessary.

Tata Gilt Securities Fund (TGSF)

Schedule VIII - Statement of significant accounting policies of Tata Gilt Securities Fund (TGSF) and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- b) Interest on investments is accounted on an accrual basis.
- c) Other income of a miscellaneous nature is accounted when it is received on grounds of prudence.

2. EXPENSES:

- a) All expenses are accounted on accrual basis.
- b) Expenses not identified with any particular scheme are generally allocated to the schemes in proportion to their net assets.

3. INVESTMENTS:

Purchase and sale of investments are recorded on the date of the transaction, at cost and sale price respectively, after considering brokerage, commission, stamp charges and any charge customarily included in the broker note.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

Reverse Repo Investment :

Investment bought on Repo basis are valued at cost.

CBLO Investment :

CBLO investments are valued at cost.

Money Market Securities :

Money Market instruments which are not traded are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference uniformly amortised over the remaining maturity period of the instrument).

For Money Market Instruments which are traded, the difference between the traded price and the cost plus accrued interest is booked as unrealised gain or loss on that day and from the next day the unrealised gain or loss is amortised over the remaining period to maturity in such a manner that on the maturity date, the value of security matches the face value.

Government Securities :

Government securities are valued at the prices released by CRISIL, which is currently the only approved agency suggested by Association of Mutual Funds in India (AMFI).

Unrealised Gain / Loss in value of Investments :

Following the issue of the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds by the Institute of Chartered Accountants of India (pursuant to the Eleventh Schedule of the SEBI Regulations), the appreciation / diminution in investments is worked out on individual basis. The value of diminution as at the year end is reflected in the Revenue Account. Unrealised appreciation as at the year end is also routed through the Revenue Account but is reduced from the distributable income at the time of income distribution.

5. INCOME EQUALISATION RESERVE :

Income Equalisation Reserve is being maintained by crediting / (debiting) the equalisation account in respect of sale / (repurchase) of units by an appropriate amount which represents the distributable income at the time of sale / (repurchase). It is reflected in the Revenue Account after the net excess / deficit of the scheme is determined.

6. UNIT PREMIUM RESERVE AND ACCUMULATED LOAD :

On repurchase / redemption / resale of units, the difference between the unit face value and the NAV (after adjusting income equalisation reserve) is disclosed as "Unit Premium Reserve", while the difference between the NAV and the repurchase / resale price is disclosed as "Accumulated Load" which is not considered for computation of the Net Asset

Value. The accumulated load of Rs. 18,735/- (previous year Rs. 1,390,202/-) is utilised by the Fund to cover the cost of raising / redeeming units on a continuous basis by way of providing redemption / distribution related services to the Fund relating to the sale, promotion and marketing of the scheme and costs associated with liquidating the Fund's investment securities, including payments for postage, application processing, disseminating NAV related information etc. and also payments to brokers for their services in connection with the distribution / redemption of the units. The utilisation of the load reserve is disclosed in "Accumulated Load" account in Schedule II.

B. Notes attached to and forming part of the accounts for the year ended 31st March 2008

1. The aggregate value of purchases and sales of investments for the year ended 31st March, 2008 expressed as a percentage of average daily net assets is as under :

Particulars	As at 31-3-08		As at 31-3-07	
	Value*Rs.	%	Value*Rs.	%
Aggregate value of Purchases	105,681,544,895	4879.30	67,233,438,277	2872.58
Aggregate value of Sales	45,224,691,044	2088.02	67,237,462,474	2872.75

* The amounts do not include reverse repo transactions.

2. Investments in group / associate companies.
(Refer Annexure 1).
3. Investments made by the schemes of Tata Mutual Fund in companies or their subsidiaries (to the extent of information available) that have invested more than 5% of the net assets as at 31st March, 2008 of any scheme of the fund, in terms of Regulation 25 (11).
(Refer Annexure 2).
4. Statement of Portfolio with industry wise classification as at 31st March, 2008.
(Refer Annexure 3).
5. Amount receivable from AMC Rs. 1,019,100/- (previous year Rs. 5,548,500/-) is included under "Others" in "Other Current Assets".
6. In accordance with the Rules and Regulations of the scheme, Management Fees are paid at the rate of 1.10% of the daily net assets upto Rs.100 crores and 1% of the daily net assets above Rs.100 crores (previous year : 1.10% of the daily net assets upto Rs.100 crores and 1% of the daily net assets above Rs.100 crores)

Current Year				Previous Year			
Dates		% of Daily Net Asset		Dates		% of Daily Net Asset	
From	To	Upto Rs. 100 Crores	Above Rs. 100 Crores	From	To	Upto Rs. 100 Crores	Above Rs. 100 Crores
01-04-07	01-04-07	1.1000%	1.0000%	01-04-06	31-03-07	1.1000%	1.0000%
02-04-07	31-03-08	0.7500%	0.7500%				

and Trusteeship Fees are paid as per the chart shown below :

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0010%	01-04-06	13-11-06	0.0100%
14-11-06	31-03-07	0.0010%			

7. Contingent liabilities as at 31st March, 2008 are Rs.Nil (previous year Rs.Nil).

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8. Disclosure under Regulation 25(8) of the SEBI Regulation have been made in the table below in respect of amounts paid to parties associated with sponsors in which the Asset Management Company or its major shareholders have a substantial interest.

Name of the Company	Nature of Payment	2007-2008 Rs.	2006-2007 Rs.	% equity capital held by the sponsors & its subsidiary/ associates as at 31 st March, 2008
Tata Securities Pvt. Limited.	Selling Commission	112,681	163,197	#
Tata Asset Management Limited	Management Fees	16,268,030	24,406,261	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	21,721	159,309	100%**

Extent of holding by principal shareholders of the sponsors and its subsidiary / associates not available.

* Tata Sons Limited – 67.90% and Tata Investment Corporation Limited – 32.10%

** Tata Sons Limited – 50.00% and Tata Investment Corporation Limited – 50.00%

9. Net Asset Value Per Unit (Rs.) :

Particulars	As at 31-03-08		As at 31-03-07	
Face Value	10.00		10.00	
Net Asset Value	RIP – Dividend	12.1550	RIP – Dividend	11.6772
	Growth	25.2056	Growth	23.2199
	Bonus	12.6593	Bonus	11.6616
	HIP – Dividend	12.5249	HIP – Dividend	12.0134
	Growth	15.4432	Growth	14.2271
	Retirement Series – Dividend		Retirement Series – Dividend	
	28-02-09	11.4518	28-02-08	10.6036
	28-02-13	11.6593	28-02-09	10.5590
	28-02-25	11.3969	28-02-10	10.6396
			28-02-13	10.7405
			28-02-25	10.4987
Retirement Series – Growth		Retirement Series – Growth		
	28-02-09	11.5188	28-02-08	10.4866
	28-02-10	11.5163	28-02-09	10.6106
	28-02-11	11.5056	28-02-10	10.6083
	28-02-13	11.5795	28-02-11	10.6147
	28-02-15	11.4370	28-02-13	10.6670
	28-02-16	11.4135	28-02-15	10.5357
	28-02-25	11.4233	28-02-16	10.5140
			28-02-25	10.5229

10. Unprovided diminution and unrealised appreciation in the value of investments.

Particulars	2007– 2008 Rs.	2006– 2007 Rs.
Unrealised appreciation	6,324	936,750
Unprovided diminution	0	0

11. There are no unit holders holding over 25% of the Net Asset Value of the Scheme as at 31st March, 2008

12. Unclaimed redemption/dividend amount, since the inception of the scheme has been invested separately, only in money market instruments and the investors who have claimed their dividend amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR/9/120/2000 dated 24th November, 2000. As at 31st March, 2008 the unclaimed redemption/dividend amount is Rs.Nil for Nil investors(previous year Rs.Nil for Nil investors).
13. In accordance with Regulation 44 (1) of the SEBI (Mutual Funds) Regulations, 1996, securities purchased should be held in the name of the scheme. As at 31 March, 2008 government securities aggregating to Rs. 878,360,804/- (previous year Rs. 991,727,887/-) are held in the name of Tata Trustee Company Private Limited A/c Tata Mutual Fund .
14. The Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) has opined that the Accounting Standards on Cash Flow Statement (AS-3), Segment Reporting (AS-17) and Related Party Disclosures (AS-18) issued by the ICAI are applicable to financial statements of schemes of mutual funds. The Management of Tata Asset Management Limited (AMC) is of the view that mutual funds are governed by a self contained regulatory framework, i.e. the SEBI Regulations, the Ninth and Eleventh Schedules of which lay down the specific Accounting Policies and Standards to be adopted and the disclosures to be made. Accordingly, the financial statements have been prepared on the basis of the SEBI Regulations.
15. The figures for the previous year have been regrouped and reclassified wherever necessary.

Tata Income Fund (TIF)

Schedule VIII - Statement of significant accounting policies of Tata Income Fund (TIF) and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- b) Interest on investments is accounted on an accrual basis. Interest on an investment that is past due for three months is accrued and a full provision is made against all outstanding interest on that investment.
- c) Discounts / premiums to redemption value on fixed income securities are amortised on a straight-line basis over the period upto redemption.
- d) Other income of a miscellaneous nature is accounted when it is received on grounds of prudence.

2. EXPENSES:

- a) All expenses are accounted on an accrual basis.
- b) Expenses not identifiable with any particular scheme are generally allocated to the schemes in the proportion to their net assets.

3. INVESTMENTS:

Purchase and sale of investments are recorded on the date of the transaction, at cost and sale price respectively, after considering brokerage, commission, stamp charges and any charge customarily included in the broker note.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded Securities (Other than Floating Rate Debt Securities) :

Traded Securities are valued at year-end closing market rates on the principal stock exchange on which the security is traded (excluding accrued interest, if any, which is accounted separately).

In the absence of a quoted price on the valuation date for debt securities (other than Government Securities), the last available quoted price within a period of fifteen days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities (Other than Floating Rate Debt Securities) :

Debt securities (other than Government Securities) are considered as thinly traded if on the valuation date, there are no individual trades in those securities in marketable lots (presently Rs.5 crores) on the principal stock exchange or any other stock exchange. These are valued on the basis of valuation principles laid down by The Securities and Exchange Board of India (SEBI) for the same.

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iii. Non-Traded Securities (Other than Floating Rate Debt Securities) :

- a. Non-Traded/Thinly Traded Debt Securities/Asset Backed Securities of over 182 days to maturity are valued in good faith on a yield to maturity basis by Tata Asset Management Limited (TAML).

The non – traded debt securities have been classified by TAML as “investment grade” and “below investment grade” as at 31st March, 2008. The values applied by TAML for “investment grade” debt securities are on the basis of valuation yields determined by CRISIL (Credit Rating Information Services of India Limited). In the opinion of TAML, these yields determine fair and reasonable values and such basis of valuation is approved by the Tata Trustee Company Private Limited.

These securities have been valued on the basis of valuation principles laid down by SEBI for the same.

Non – traded debt securities with residual maturity of upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value (inclusive of interest) and the cost spread uniformly over the remaining maturity period of the instrument).

This basis of valuation is in accordance with SEBI guidelines.

- b. Valuation of non traded/thinly traded debt securities with floating rate of interest upto 182 Days to the Interest Reset Date/Maturity Date :**

The non-traded / thinly traded floating rate debt securities with a residual maturity / next reset date upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity / interest reset period of the instruments) in the absence of any other standard benchmarks in the market.

- c. Floating Rate Debt Securities with Put/Call options :**

The floating rate debt securities with put/call options shall be valued in terms of the Valuation Guidelines specified above taking into consideration the next interest rate reset date instead of the final maturity date in the absence of any other guidelines from SEBI.

The aggregate fair value of these non-traded “investment grade” debt securities as at 31st March, 2008 is Rs. 99,143,966/- (previous year Rs. 100,896,030/-). The scheme does not invest in “below investment grade” debt securities. The balances existing as maturity proceeds due but not received and fully provided Rs. 59,677,148/- (previous year Rs. 78,595,732/-).

- iv. Money Market Securities :**

Money Market instruments which are not traded are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference uniformly amortised over the remaining maturity period of the instrument).

For Money Market Instruments which are traded, the difference between the traded price and the cost plus accrued interest is booked as unrealised gain or loss on that day and from the next day the unrealised gain or loss is amortised over the remaining period to maturity in such a manner that on the maturity date, the value of security matches the face value.

- v. Asset Backed Securities :**

Asset backed securities in the form of Pass-Through Certificates (non coupon bearing) are valued at discounted value of future cash inflows, whereas coupon bearing Pass-Through Certificates are valued at cost.

- vi. Reverse Repo Investment :**

Investment bought on ‘repo’ basis are valued at cost .

- vii. Government Securities :**

Government securities are valued at the prices released by CRISIL, which is currently the only approved agency suggested by Association of Mutual Funds in India (AMFI).

- viii. Unrealised Gain / Loss in value of Investments :**

Following the issue of the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds by the Institute of Chartered Accountants of India (pursuant to the Eleventh Schedule of the SEBI Regulations), the appreciation / diminution in investments is worked out on individual basis. The value of diminution as at the year end is reflected in the Revenue Account. Unrealised appreciation as at the year end is also routed through the Revenue Account but is reduced from the distributable income at the time of income distribution.

5. NON PERFORMING ASSETS

Non Performing Assets are provided as per SEBI Guidelines.

6. INCOME EQUALISATION RESERVE :

Income Equalisation Reserve is being maintained by crediting / (debiting) the equalisation account in respect of sale / (repurchase) of units by an appropriate amount which represents the distributable income at the time of sale / (repurchase). It is reflected in the Revenue Account after the net excess / deficit of the scheme is determined.

7. UNIT PREMIUM RESERVE AND ACCUMULATED LOAD :

On repurchase / redemption / resale of units, the difference between the unit face value and the NAV (after adjusting income equalisation reserve) is disclosed as "Unit Premium Reserve", while the difference between the NAV and the repurchase / resale price is disclosed as "Accumulated Load" which is not considered for computation of the Net Asset Value. The accumulated load of Rs. 514,075/- (previous year Rs. 1,424/-) is utilised by the Fund to cover the cost of raising / redeeming units on a continuous basis by way of providing redemption / distribution related services to the Fund relating to the sale, promotion and marketing of the scheme and costs associated with liquidating the Fund's investment securities, including payments for postage, application processing, disseminating NAV related information etc. and also payments to brokers for their services in connection with the distribution / redemption of the units. The utilisation of the load reserve is disclosed in "Accumulated Load" account in Schedule II.

B. Notes attached to and forming part of the accounts for the year ended 31st March, 2008.

1. The aggregate value of purchases and sales of investments for the year ended 31st March, 2008, expressed as a percentage of average daily net assets is as under :

Particulars	As at 31-3-08		As at 31-3-07	
	Value*Rs.	%	Value*Rs.	%
Aggregate value of Purchases	1,517,204,247	393.06	2,344,582,383	515.35
Aggregate value of Sales	1,532,314,489	396.98	2,453,609,294	539.31

* The amounts do not include reverse repo transactions.

2. Investments made in group / associate companies.
(Refer Annexure 1).
3. Investments made by the schemes of Tata Mutual Fund in companies or their subsidiaries (to the extent of information available) that have invested more than 5% of the net assets as at 31st March, 2008 of any scheme of the fund, in terms of Regulation 25 (11).
(Refer Annexure 2).
4. Statement of Portfolio with industry wise classification as at 31st March, 2008.
(Refer Annexure 3).
5. In accordance with the Rules and Regulations of the scheme, Management fees are paid at the rate of 1.25% of the daily net assets upto Rs.100 crores and 1% of the daily net assets above Rs.100 crores (previous year : 1.25% of the daily net assets upto Rs.100 crores and 1% of the daily net assets above Rs.100 crores) and Trusteeship fees are paid as per the chart shown below :

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0010%	01-04-06	13-11-06	0.0100%
14-11-06	31-03-07	0.0010%			

6. Contingent liabilities as at 31st March, 2008 are Rs.Nil (previous year Rs.Nil).
7. Disclosure under Regulation 25(8) of the SEBI Regulation have been made in the table below in respect of amounts paid to parties associated with sponsors in which the Asset Management Company or its major shareholders have a substantial interest.

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Name of the Company	Nature of Payment	2007-2008 Rs.	2006-2007 Rs.	% equity capital held by the sponsors & its subsidiary/ associates as at 31 st March, 2008
Tata Securities Pvt. Limited	Selling Commission	219,941	258,537	#
TML Financial Services Ltd	Selling Commission	156,719	159	#
Tata Asset Management Limited	Management Fees	4,838,273	5,687,080	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	3,871	30,453	100%**

Extent of holding by principal shareholders of the sponsors and its subsidiary / associates not available.

* Tata Sons Limited – 67.90% and Tata Investment Corporation Limited – 32.10%

** Tata Sons Limited – 50.00% and Tata Investment Corporation Limited – 50.00%

8. Net Asset Value Per Unit (Rs.) :

Particulars	As at 31-03-08		As at 31-03-07	
Face Value	10.00		10.0	
Net Asset Value	Semi	11.0117	Semi	10.7722
	Quarterly	10.4966	Quarterly	10.3038
	Growth	27.1325	Growth	25.0383
	Periodic Div	15.7287	Periodic Div	14.5153
	Bonus	13.5777	Bonus	12.5290

9. Unprovided diminution and unrealised appreciation in the value of investments.

Particulars	2007– 2008 Rs.	2006– 2007 Rs.
Unrealised appreciation	0	292,963
Unprovided diminution	0	0

10. Non Performing Assets are as follows :

Name of Scrip	Gross Amount Rs.	Amount Provided Rs.	Market Value	% Of Gross Amount To Average Net Assets
Siv Industries Limited - 18.50% NCD	23,648,231	23,648,231	Matured	6.13
Sun Earth Ceramics 16% PPD	7,500,000	7,500,000	Matured	1.94
Datar Switch Gear 19% PPD	28,377,877	28,377,877	Matured	7.35
Reliance Petroleum - TOCD	151,040	151,040	Matured	0.04
Total	59,677,148	59,677,148	15.46	

Interest receivable for non-performing assets has been reversed upto the date of the Balance Sheet.

11. There are no unit holders holding over 25% of the Net Asset Value of the Scheme as at 31st March, 2008.
12. Unclaimed redemption / dividend amount, since the inception of the scheme has been invested separately, only in money market instruments and the investors who have claimed their redemption / dividend amounts have been paid alongwith the appreciation earned on these amounts as per SEBI circular MFD / CIR / 9 / 120 / 2000 dated 24 November, 2000. As at 31st March, 2008 the unclaimed redemption amount is Rs. 3,155/- for 2 investors (previous year Rs.3,155/- for 2 investors) and the unclaimed dividend amount is Rs. 782,685/- for 380 investors (previous year Rs. 782,685/- for 380 investors).
13. In accordance with Regulation 44 (1) of the SEBI (Mutual Funds) Regulations, 1996, securities purchased should be held in the name of the scheme. As at 31st March, 2008 Government Securities aggregating to Rs. 149,800,000/- (previous year Rs. Nil) are held in the name of Tata Trustee Company Private Limited "A/c Tata Mutual Fund".
14. The Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) has opined that the Accounting Standards on Cash Flow Statement (AS-3), Segment Reporting (AS-17) and Related Party Disclosures (AS-18) issued by the ICAI are applicable to financial statements of schemes of mutual funds. The Management of Tata Asset Management Limited (AMC) is of the view that mutual funds are governed by a self contained regulatory framework, i.e. the SEBI Regulations, the Ninth and Eleventh Schedules of which lay down the specific Accounting Policies and Standards to be adopted and the disclosures to be made. Accordingly, the financial statements have been prepared on the basis of the SEBI Regulations.
15. The figures for the previous year have been regrouped and reclassified wherever necessary.

Tata Income Plus Fund (TIPF)

Schedule VIII - Statement of significant accounting policies of Tata Income Plus Fund (TIPF) and Notes forming part of the Accounts for the year ended 31st March, 2008

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- b) Interest on investments is accounted on an accrual basis. Interest on an investment that is past due for three months is accrued and a full provision is made against all outstanding interest on that investment.
- c) Discounts / premiums to the redemption value on fixed income securities are amortised on a straight-line basis over the period upto redemption.
- d) Other income of a miscellaneous nature is accounted when it is received on grounds of prudence.

2. EXPENSES:

- a) All expenses are accounted on an accrual basis.
- b) Expenses not identifiable with any particular scheme are generally allocated to the schemes in proportion to their net assets.

3. DEFERRED REVENUE EXPENDITURE:

Initial issue expenses are written off over a period of five years. The unamortised portion of the initial issue expenses Rs. Nil (previous year Rs. 154,262/-) is included in the NAV.

4. INVESTMENTS:

Purchase and sale of investments are recorded on the date of the transaction, at cost and sale price respectively, after considering brokerage, commission, stamp charges and any charge customarily included in the broker note.

5. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded Securities (Other than Floating Rate Debt Securities):

Traded Securities are valued at year-end closing market rates on the principal stock exchange on which the security is traded (excluding accrued interest, if any, which is accounted separately).

In the absence of a quoted price on the valuation date for debt securities (other than Government Securities), the last available quoted price within a period of fifteen days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities (Other than Floating Rate Debt Securities):

The thinly traded debt securities are those securities (other than Government securities) if on the valuation date, there are no individual trades in those securities in marketable lots (presently Rs.5 crores) on the principal stock exchange or any other stock exchange. These have been valued on the basis of valuation principles laid down by The Securities and Exchange Board of India (SEBI) for the same.

iii. Non-Traded Securities (Other than Floating Rate Debt Securities):

- a. Non-Traded/Thinly Traded Debt Securities/Asset Backed Securities of over 182 days to maturity are valued in good faith on a yield to maturity basis by Tata Asset Management Limited (TAML).

The non – traded debt securities have been classified by TAML as "investment grade" and "below investment grade" as at 31st March, 2008. The values applied by TAML for "investment grade" debt securities are on the basis of valuation yields determined by CRISIL (Credit Rating Information Services of India Limited). In the opinion of TAML, these yields determine fair and reasonable values and such basis of valuation is approved by the Tata Trustee Company Private Limited.

These securities have been valued on the basis of valuation principles laid down by SEBI for the same.

Non – traded debt securities with residual maturity of upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value (inclusive of interest) and the cost spread uniformly over the remaining maturity period of the instrument).

This basis of valuation is in accordance with SEBI guidelines.

b. Valuation of non traded/thinly traded debt securities with floating rate of interest upto 182 Days to the Interest Reset Date/Maturity Date :

The non-traded / thinly traded floating rate debt securities with a residual maturity / next reset date upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity / interest reset period of the instruments) in the absence of any other standard benchmarks in the market.

c. Floating Rate Debt Securities with Put/Call options :

The floating rate debt securities with put/call options shall be valued in terms of the Valuation Guidelines specified above taking into consideration the next interest rate reset date instead of the final maturity date in the absence of any other guidelines from SEBI.

The aggregate fair value of these non-traded "investment grade" debt securities as at 31st March, 2008 is Rs.89,70,333/- (previous year Rs. Nil). The scheme does not invest in "below investment grade" debt securities. These balances exclude redemption proceeds due but not received Rs. Nil (previous year Rs.Nil).

iv. Money Market Securities :

Money Market instruments which are not traded are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference uniformly amortised over the remaining maturity period of the instrument).

For Money Market Instruments which are traded, the difference between the traded price and the cost plus accrued interest is booked as unrealised gain or loss on that day and from the next day the unrealised gain or loss is amortised over the remaining period to maturity in such a manner that on the maturity date, the value of security matches the face value.

v. Reverse Repo Investment :

Investment bought on 'repo' basis are valued at cost.

vi. CBLO Investments:

CBLO investments are valued at cost.

vii. Government Securities :

Government securities are valued at the prices released by CRISIL, which is currently the only approved agency suggested by Association of Mutual Funds in India (AMFI).

viii. Unrealised Gain / Loss in value of Investments :

Following the issue of the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds by the Institute of Chartered Accountants of India (pursuant to the Eleventh Schedule of the SEBI Regulations), the appreciation / diminution in investments is worked out on individual basis. The value of diminution as at the year end is reflected in the Revenue Account. Unrealised appreciation as at the year end is also routed through the Revenue Account but is reduced from the distributable income at the time of income distribution.

6. INCOME EQUALISATION RESERVE :

Income Equalisation Reserve is being maintained by crediting / (debiting) the equalisation account in respect of sale / (repurchase) of units by an appropriate amount which represents the distributable income at the time of sale / (repurchase). It is reflected in the Revenue Account after the net excess / deficit of the scheme is determined.

7. UNIT PREMIUM RESERVE AND ACCUMULATED LOAD :

On repurchase / redemption / resale of units, the difference between the unit face value and the NAV (after adjusting income equalisation reserve) is disclosed as "Unit Premium Reserve", while the difference between the NAV and the repurchase / resale price is disclosed as "Accumulated Load" which is not considered for computation of the Net Asset Value. The accumulated load of Rs. 3,831/- (previous year Rs. 4,015/-) is utilised by the Fund to cover the cost of raising / redeeming units on a continuous basis by way of providing redemption / distribution related services to the Fund relating to the sale, promotion and marketing of the scheme and costs associated with liquidating the Fund's investment securities, including payments for postage, application processing, disseminating NAV related information etc. and also payments to brokers for their services in connection with the distribution / redemption of the units. The utilisation of the load reserve is disclosed in "Accumulated Load" account in Schedule II.

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B. Notes attached to and forming part of the accounts for the year ended 31st March, 2008.

1. The aggregate value of purchases and sales of investments for the year ended 31st March, 2008, expressed as a percentage of average weekly net assets is as under :

Particulars	As at 31-3-08		As at 31-3-07	
	Value*Rs.	%	Value*Rs.	%
Aggregate value of Purchases	29,041,218	92.31	214,400,668	545.48
Aggregate value of Sales	10,320,017	32.80	189,278,236	481.56

* The amounts do not include reverse repo transactions.

2. Investments made in group / associate companies.

(Refer Annexure 1).

3. Investments made by the schemes of Tata Mutual Fund in companies or their subsidiaries (to the extent of information available) that have invested more than 5% of the net assets as at 31st March, 2008 of any scheme of the fund, in terms of Regulation 25 (11).

(Refer Annexure 2).

4. Statement of Portfolio with industry wise classification as at 31st March, 2008.

(Refer Annexure 3).

5. Amount receivable from AMC Rs. 4,400/- (previous year Rs. 85,000/-) is included under "Others" in "Other Current Assets".

6. In accordance with the Rules and Regulations of the scheme :

Management Fees are paid at the rate as per the chart below for Retail and High Investment Plans :

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	01-04-07	0.9000%	01-04-06	31-03-07	0.9000%
02-04-07	31-03-08	0.6500%			

Management Fees are paid at the rate as per the chart below for Institutional Investment Plans :

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0000%	01-04-06	31-03-07	0.0000%

Trusteeship Fees are paid at the rate as per the chart below for Retail and High Investment Plans.:

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0010%	01-04-06	13-11-06	0.0500%
14-11-06	31-03-07	0.0010%			

Trusteeship Fees are paid at the rate as per the chart below for Institutional Investment Plans.:

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0000%	01-04-06	31-03-07	0.0000%

7. Contingent liabilities as at 31st March, 2008 are Rs.Nil (previous year Rs.Nil).
8. Disclosure under Regulation 25(8) of the SEBI Regulation have been made in the table below in respect of amounts paid to parties associated with sponsors in which the Asset Management Company or its major shareholders have a substantial interest.

Name of the Company	Nature of Payment	2007 – 2008 Rs.	2006 – 2007 Rs.	% equity capital held by the sponsors and its subsidiary / associates as at 31 st March, 2008
Tata Securities Pvt. Limited.	Selling Commission	30,241	31,779	#
Tata Asset Management Limited	Management Fees	204,779	351,276	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	314	12,547	100%**

Extent of holding by principal shareholders of the sponsors and its subsidiary / associates not available.

* Tata Sons Limited – 67.90% and Tata Investment Corporation Limited – 32.10%

** Tata Sons Limited – 50.00% and Tata Investment Corporation Limited – 50.00%

9. Net Asset Value Per Unit (Rs.) :

Particulars	As at 31-03-08		As at 31-03-07	
Face Value	10.00		10.0	
Net Asset Value	RIP –		RIP –	
	Dividend	10.4356	Dividend	10.5373
	Growth	13.2376	Growth	12.7087
	HIP –		HIP –	
	Dividend	10.4460	Dividend	10.5719
	Growth	13.2728	Growth	12.7356

10. Unprovided diminution and unrealised appreciation in the value of investments.

Particulars	2007– 2008 Rs.	2006– 2007 Rs.
Unrealised appreciation	64,177	0
Unprovided diminution	0	0

11. There is 1 unit holder holding 36.99% of the Net Asset Value of the Scheme as at 31st March, 2008.
12. Unclaimed redemption/dividend amount, since the inception of the scheme has been invested separately, only in money market instruments and the investors who have claimed their dividend amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR/9/120/2000 dated 24th November, 2000. As at 31st March, 2008 the unclaimed redemption amount is Rs. 77,852/- for 2 investors (previous year Rs.Nil for Nil investors) and the unclaimed dividend amount is Rs.Nil for Nil investors (previous year Rs.Nil for Nil investors)

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13. In accordance with Regulation 44 (1) of the SEBI (Mutual Funds) Regulations, 1996, securities purchased should be held in the name of the scheme. As at 31st March, 2008 government securities aggregating to Rs. 10,030,000/- (previous year Rs. Nil) are held in the name of Tata Trustee Company Private Limited A/c Tata Mutual Fund.
14. The Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) has opined that the Accounting Standards on Cash Flow Statement (AS-3), Segment Reporting (AS-17) and Related Party Disclosures (AS-18) issued by the ICAI are applicable to financial statements of schemes of mutual funds. The Management of Tata Asset Management Limited (AMC) is of the view that mutual funds are governed by a self contained regulatory framework, i.e. the SEBI Regulations, the Ninth and Eleventh Schedules of which lay down the specific Accounting Policies and Standards to be adopted and the disclosures to be made. Accordingly, the financial statements have been prepared on the basis of the SEBI Regulations.
15. The figures for the previous year have been regrouped and reclassified wherever necessary.

TATA SHORT TERM BOND FUND (TSTBF)

Schedule VII - Statement of significant accounting policies of Tata Short Term Bond Fund (TSTBF) and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- b) Interest on investments is accounted on an accrual basis. Interest on an investment that is past due for three months is accrued and a full provision is made against all outstanding interest on that investment.
- c) Discounts / premiums to redemption value on fixed income securities are amortised on a straight-line basis over the period upto redemption.
- d) Other income of a miscellaneous nature is accounted when it is received on grounds of prudence.

2. EXPENSES:

Being a no load scheme, all expenses, excluding management fees, have been borne by Tata Asset Management Limited and Tata Trustee Company Private Limited.

3. INVESTMENTS:

Purchase and sale of investments are recorded on the date of the transaction, at cost and sale price respectively, after considering brokerage, commission, stamp charges and any charge customarily included in the broker note.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded Securities (Other than Floating Rate Debt Securities):

Traded Securities are valued at year-end closing market rates on the principal stock exchange on which the security is traded (excluding accrued interest, if any, which is accounted separately).

In the absence of a quoted price on the valuation date for debt securities (other than Government Securities), the last available quoted price within a period of fifteen days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities (Other than Floating Rate Debt Securities):

The thinly traded debt securities are those securities (other than Government securities) if on the valuation date, there are no individual trades in those securities in marketable lots (presently Rs.5 crores) on the principal stock exchange or any other stock exchange. These have been valued on the basis of valuation principles laid down by The Securities and Exchange Board of India (SEBI) for the same.

iii. Non-Traded Securities (Other than Floating Rate Debt Securities):

- a. Non-Traded/Thinly Traded Debt Securities/Asset Backed Securities of over 182 days to maturity are valued in good faith on a yield to maturity basis by Tata Asset Management Limited (TAML).

The non – traded debt securities have been classified by TAML as "investment grade" and "below investment grade" as at 31st March, 2008. The values applied by TAML for "investment grade" debt securities are on the basis of valuation yields determined by CRISIL (Credit Rating Information Services of India Limited). In the opinion of TAML, these yields determine fair and reasonable values and such basis of valuation is approved by the Tata Trustee Company Private Limited.

These securities have been valued on the basis of valuation principles laid down by SEBI for the same.

Non – traded debt securities with residual maturity of upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value (inclusive of interest) and the cost spread uniformly over the remaining maturity period of the instrument).

This basis of valuation is in accordance with SEBI guidelines.

b. Valuation of non traded/thinly traded debt securities with floating rate of interest upto 182 Days to the Interest Reset Date/Maturity Date :

The non-traded / thinly traded floating rate debt securities with a residual maturity / next reset date upto 182 days are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity / interest reset period of the instruments) in the absence of any other standard benchmarks in the market.

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c. Floating Rate Debt Securities with Put/Call options :

The floating rate debt securities with put/call options shall be valued in terms of the Valuation Guidelines specified above taking into consideration the next interest rate reset date instead of the final maturity date in the absence of any other guidelines from SEBI.

The aggregate fair value of these non-traded "investment grade" debt securities as at 31st March, 2008 is Rs. 248,358,661/- (previous year Rs. 103,930,772/-). The scheme does not invest in "below investment grade" debt securities. These balances exclude redemption proceeds due but not received Rs. Nil (previous year Rs.Nil).

iv. Money Market Securities :

Money Market instruments which are not traded are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference uniformly amortised over the remaining maturity period of the instrument).

For Money Market Instruments which are traded, the difference between the traded price and the cost plus accrued interest is booked as unrealised gain or loss on that day and from the next day the unrealised gain or loss is amortised over the remaining period to maturity in such a manner that on the maturity date, the value of security matches the face value.

v. Asset Backed Securities :

Asset backed securities in the form of Pass-Through Certificates (non coupon bearing) are valued at discounted value of future cash inflows whereas coupon bearing Pass-Through Certificates are valued at cost.

vi. Reverse Repo Investment :

Investment bought on 'repo' basis are valued at cost .

vii. Government Securities :

Government securities are valued at the prices released by CRISIL, which is currently the only approved agency suggested by Association of Mutual Funds in India (AMFI).

viii. Unrealised Gain / Loss in value of Investments :

Following the issue of the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds by the Institute of Chartered Accountants of India (pursuant to the Eleventh Schedule of the SEBI Regulations), the appreciation / diminution in investments is worked out on individual basis. The value of diminution as at the year end is reflected in the Revenue Account. Unrealised appreciation as at the year end is also routed through the Revenue Account but is reduced from the distributable income at the time of income distribution.

5. INCOME EQUALISATION RESERVE :

Income Equalisation Reserve is being maintained by crediting / (debiting) the equalisation account in respect of sale / (repurchase) of units by an appropriate amount which represents the distributable income at the time of sale / (repurchase). It is reflected in the Revenue Account after the net excess / deficit of the scheme is determined.

6. UNIT PREMIUM RESERVE :

On repurchase / redemption / resale of units, the difference between the unit face value and the NAV (after adjusting income equalisation reserve) is disclosed as "Unit Premium Reserve".

B. Notes attached to and forming part of the accounts for the year ended 31st March, 2008.

1. The aggregate value of purchases and sales of investments for the year ended 31st March, 2008, expressed as a percentage of average weekly net assets is as under :

Particulars	As at 31-3-08		As at 31-3-07	
	Value*Rs.	%	Value*Rs.	%
Aggregate value of Purchases	6,409,959,434	598.91	5,486,872,085	578.21
Aggregate value of Sales	4,725,106,594	441.48	6,766,676,715	713.08

* The amounts do not include reverse repo transactions

2. Investments made in group / associate companies.

(Refer Annexure 1)

3. Investments made by the schemes of Tata Mutual Fund in companies or their subsidiaries (to the extent of information available) that have invested more than 5% of the net assets as at 31st March, 2008 of any scheme of the fund, in terms of Regulation 25 (11).

(Refer Annexure 2)

4. Statement of Portfolio with industry wise classification as at 31st March, 2008.

(Refer Annexure 3)

5. In accordance with the Rules and Regulations of the scheme, Management Fees are paid as per the chart below :

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	14-05-07	0.9540%	01-04-06	18-04-06	0.9367%
15-05-07	31-03-08	0.9551%	19-04-06	31-03-07	0.9540%

TSTBF being a no load scheme Trusteeship Fees are paid by Tata Asset Management Limited.

6. Contingent liabilities as at 31st March, 2008 are Rs.Nil (previous year Rs. Nil).
7. Disclosure under Regulation 25(8) of the SEBI Regulation have been made in the table below in respect of amounts paid to parties associated with sponsors in which the Asset Management Company or its major shareholders have a substantial interest.

Name of the Company	Nature of Payment	2007 – 2008 Rs.	2006 – 2007 Rs.	% equity capital held by the sponsors and its subsidiary / associates as at 31 st March, 2008
Tata Securities Pvt. Limited.	Selling Commission	11,204	5,765	#
Tata Asset Management Limited	Management Fees	9,424,168	7,451,470	100%*

Extent of holding by principal shareholders of the sponsors and its subsidiary / associates not available.

* Tata Sons Limited – 67.90% and Tata Investment Corporation Limited – 32.10%

** Tata Sons Limited – 50.00% and Tata Investment Corporation Limited – 50.00%

TSTBF being a no load scheme, the brokerage payments shown above are borne by Tata Asset Management Limited and Tata Trustee Company Private Limited.

8. Net Asset Value Per Unit (Rs.) :

Particulars	As at 31-03-08		As at 31-03-07	
Face Value	10.00		10.0	
Net Asset Value	Dividend	11.2951	Dividend	11.0335
	Growth	14.6615	Growth	13.3329

9. Unprovided diminution and unrealised appreciation in the value of investments.

Particulars	2007– 2008 Rs.	2006– 2007 Rs.
Unrealised appreciation	1,971,808	229,949
Unprovided diminution	0	0

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10. There are no unit holders holding over 25% of the Net Asset Value of the Scheme as at 31st March, 2008.
11. Unclaimed redemption/dividend amount, since the inception of the scheme has been invested separately, only in money market instruments and the investors who have claimed their dividend amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR/9/120/2000 dated 24th November, 2000. As at 31st March, 2008 the unclaimed redemption amount is Rs.12,545/- for 1 investor (previous year Rs.Nil for Nil investors) and the unclaimed dividend amount is Rs. Nil for Nil investors (previous year Rs. Nil for Nil investors).
12. In accordance with Regulation 44 (1) of the SEBI (Mutual Funds) Regulations, 1996, securities purchased should be held in the name of the scheme. As at 31st March, 2008 no securities are held in the name of Tata Trustee Company Private Limited A/c Tata Mutual Fund.
13. The Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI) has opined that the Accounting Standards on Cash Flow Statement (AS-3), Segment Reporting (AS-17) and Related Party Disclosures (AS-18) issued by the ICAI are applicable to financial statements of schemes of mutual funds. The Management of Tata Asset Management Limited (AMC) is of the view that mutual funds are governed by a self contained regulatory framework, i.e. the SEBI Regulations, the Ninth and Eleventh Schedules of which lay down the specific Accounting Policies and Standards to be adopted and the disclosures to be made. Accordingly, the financial statements have been prepared on the basis of the SEBI Regulations.
14. The figures for the previous year have been regrouped and reclassified wherever necessary.

As per our report of even date attached

For S. B. BILLIMORIA & CO.

Chartered Accountants

Nalin M. Shah

Partner

(Membership No. 15860)

Place: Mumbai

Dated: 25th August 2008

On behalf of the Board of Directors of
Tata Trustee Co. Pvt. Ltd.

S. M. Datta

Chairman

Ishaat Hussain

Director

On Behalf of the Investment Manager
Tata Asset Management Ltd.

Farrokh K. Kavarana

Chairman

Ved Prakash Chaturvedi

Managing Director

Hormuz A. Bulsara

Chief Operating Officer

Raju Sharma

Fund Manager

R. Acharya

Fund Manager

Key Statistics for the year / period ended 31st March,2008

	TIF		TGSF		TSTBF	
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
1. Net Asset Value per unit Rs.						
Open	DH - 10.6500, DQ - 10.4931, GR - 23.8859, PD - 13.8324, GB - 11.9530	DH - 10.1675, DQ - 10.0742, GR - 21.8628, PD - 12.6577, GB - 10.9428	ANNX	ANNX	D - 11.0335 G - 13.3329	D - 10.8998 G - 12.3947
High	DH- 11.4985 DQ-10.7730 GR- 27.3359 PD- 15.8465 GB- 13.6794	DQ-10.8834 DH- 10.9933 GR- 24.2098 PD- 14.0176 GB- 12.1184	ANNX	ANNX	D-11.3021 G-14.6616	D-11.0560 G-13.3329
Low	DH- 10.7742 DQ-10.3057 GR- 25.0430 PD- 14.5180 GB- 12.5314	DQ-10.0503 DH- 10.1458 GR- 21.8665 PD- 12.6599 GB- 10.9448	ANNX	ANNX	D-11.3021 G-14.6616	D-11.0560 G-13.3329
End	DH - 11.0117, DQ - 10.4966, GR - 27.1325, PD - 15.7287, GB - 13.5777	DH - 10.6500, DQ - 10.4931, GR - 23.8859, PD - 13.8324, GB - 11.9530	ANNX	ANNX	D - 11.2951 G - 14.6615	D - 11.0335 G - 13.3329
2. Closing Assets Under Management (Rs. in Lakhs)						
End	3,460.09	4,169.56	21,886.14	21,096.18	12,593.43	4,029.18
Average (AAuM)	3,859.96	4,549.54	21,659.14	23,406.12	10,702.78	9,489.36
3. Gross income as % of AAuM ¹	9.94	7.80	13.96	9.74	10.10	8.03
4. Expense Ratio:						
a. Total Expense as % of AAuM (planwise)	DH - 2.25% DQ - 2.25% GR - 2.25% PD - 2.25% GB - 2.25%	DH - 2.25% DQ - 2.25% GR - 2.25% PD - 2.25% GB - 2.25%	ANNX	ANNX	N.A.	N.A.
b. Management Fee as % of AAuM (planwise)	DH - 1.25% DQ - 1.25% GR - 1.25% PD - 1.25% GB - 1.25%	DH - 1.25% DQ - 1.25% GR - 1.25% PD - 1.25% GB - 1.25%	ANNX	ANNX	D - 0.9551% G - 0.9551%	D - 0.9540% G - 0.9540%
5. Net Income as a percentage of AAuM ²	10.99%	6.75%	9.75%	5.55%	9.63%	6.41%
6. Portfolio turnover ratio ⁴	439.13	603.20	2,778.55	1,534.03	473.82	597.28
7. Total Dividend / Bonus per unit distributed during the year / period (plan wise) (Rs.)	DH - 0.8909, DQ - 0.6493	DH - 0.4986, DQ - 0.5745	RIP Div - 0.5001 HIP Div - 0.5001	RIP Div - 0.5013 HIP Div - 0.5013	D-0.8787	D-0.6142
8. Returns:						
a. Last One Year						
Scheme	8.36	4.82	RIP: 8.54 HIP: 8.52	RIP: 4.59 HIP: 4.58	9.94	7.57
Benchmark	Crisil Composite Bond Fund Index		I-Sec Composite Index		Crisil Short Term Bond Fund Index	
	8.23	3.72	RIP: 9.19 HIP: 9.19	RIP: 5.60 HIP: 5.60	8.81	5.68
b. Since Inception						
Scheme	9.56	9.68	RIP: 11.39 HIP: 4.30	RIP: 11.77 HIP: 3.19	7.01	6.39
Benchmark	Crisil Composite Bond Fund Index		I-Sec Composite Index		Crisil Short Term Bond Fund Index	
	N.A.	N.A.	RIP: N.A. HIP: 5.37	RIP: N.A. HIP: 4.37	5.55	4.85

1. Gross income = amount against (A) in the Revenue account i.e. Income.
2. Net income = amount against (C) in the Revenue account i.e. NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD
3. Portfolio Turnover = Lower of sales or purchase divided by the Average AuM for the year/period.
4. AAuM=Average daily net assets
5. Inception dates: TIF: 28/4/1997; TGSF - RIP: 6/9/1999, TGSF - HIP: 15/7/2003; TSTBF: 8/8/2002
6. Past performance may or may not be sustained in future.
7. TSTBF & TGSMF being no load schemes the expenses are borne by Tata Asset Management Limited.

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Key Statistics for the year / period ended 31st March,2008

	TIPF		TGSMF		TDBF	
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
1. Net Asset Value per unit Rs. Open	RIP (D) -10.5373 RIP (G) -12.7087 HIP (D) -10.5719 HIP (G) -12.7356	RIP (D) -10.2744 RIP (G) -11.9198 HIP (D) -10.3071 HIP (G) -11.9518	D - 10.2539 G - 12.1470	D - 10.0727 G - 11.4751	RIP (D) - 10.2203, RIP (G) - 12.0474, HIP (D) - 10.1423, HIP (G) - 12.0539	RIP (D) - 10.2290, RIP (G) - 11.3750, HIP (D) - 10.1993, HIP (G) - 11.3844
High	RIP (D) -10.6418 RIP (G) -13.3108 HIP (D) -10.6536 HIP (G) -13.3461	RIP (D) -10.6338 RIP (G) -12.6983 HIP (D) -10.6678 HIP (G) -12.7320	D-10.6341 G- 13.0306	D-10.3267 G- 12.1473	RIP (D) - 10.5474, RIP (G) - 13.0821, HIP (D) - 10.3751, HIP (G) - 13.0875	RIP(D) - 10.3836, RIP (G) - 12.0473, HIP (D) - 10.3432, HIP (G) - 12.0537
Low	RIP (D) -10.4216 RIP (G) - 12.7083 HIP (D) -10.4313 HIP (G) -12.7421	RIP (D) -10.2512 RIP (G) -11.9211 HIP (D) -10.2775 HIP (G) -11.9532	D- 10.2610 G- 12.1557	D- 10.0741 G- 11.4767	RIP (D) - 10.2229, RIP (G) - 12.0504, HIP (D) - 10.1290, HIP (G) - 12.0568	RIP (D) - 10.1855, RIP (G) - 11.3766, HIP (D) - 11.1180, HIP (G) - 11.3860
End	RIP (D) - 10.4356 RIP (G) - 13.2376 HIP (D) - 10.4460 HIP (G) - 13.2728	RIP (D) -10.5373 RIP (G) -12.7087 HIP (D) -10.5719 HIP (G) -12.7356	D - 10.5336 G - 13.0296	D - 10.2539 G - 12.1470	RIP (D) - 10.5206 RIP (G) - 13.0824 HIP (D) - 10.1899 HIP (G) - 13.0878	RIP (D) - 10.2203, RIP (G) - 12.0474, HIP (D) - 10.1423, HIP (G) - 12.0539
2. Closing Assets Under Management (Rs. in Lakhs) End Average (AAuM)	539.91 314.61	308.89 393.05	27,759.52 24,200.52	23,213.13 10,689.50	222,115.95 19,687.09	15,432.51 616.22
3. Gross income as % of AAuM ¹	5.94	8.56	9.07	7.70	10.06	8.18
4. Expense Ratio:						
a. Total Expense as % of AAuM (plan wise)	RIP (D) - 1.60% RIP (G) - 1.60% HIP (D) - 1.60% HIP (G) - 1.60%	RIP (D) - 1.60% RIP (G) - 1.60% HIP (D) - 1.60% HIP (G) - 1.60%	N.A.	N.A.	D - 0.30% G - 0.30%	D - 0.20% G - 0.20%
b. Management Fee as % of AAuM (plan wise)	RIP (D) - 0.65% RIP (G) - 0.65% HIP (D) - 0.65% HIP (G) - 0.65%	RIP (D) - 0.90% RIP (G) - 0.90% HIP (D) - 0.90% HIP (G) - 0.90%	D - 1.25% G - 1.25%	D - 1.25% G - 1.25%	D - 0.15% G - 0.15%	D - 0.10% G - 0.10%
5. Net Income as a percentage of AAuM ²	5.87%	8.56%	8.10%	7.10%	10.01%	7.63%
6. Portfolio turnover ratio ⁴	109.32	6,165.41	2,746.84	913.21	638.70	103.81
7. Total Dividend / Bonus per unit distributed during the year / period (plan wise) (Rs.)	RIP (D) - 0.5435 HIP (D) - 0.5622	RIP (D) - 0.3933 HIP (D) - 0.4001	0.4501	0.3980	RIP (D) - 0.5574, HIP (D) - 0.7960	RIP (D) - 0.5881, HIP (D) - 0.6381
8. Returns:						
a. Last One Year						
Scheme	Option A: 4.22 Option B: 4.22	Option A: 6.53 Option B: 6.53	7.24	5.86	Option A: 8.57 Option B: 8.55	Option A: 5.91 Option B: 5.89
Benchmark	Crisil Composite Bond Fund Index		I-Sec Composite Index		Crisil Short Term Bond Fund Index	
	8.23	3.72	9.19	5.60	9.19	5.60
b. Since Inception						
Scheme	Option A: 5.34 Option B: 5.39	Option A: 5.60 Option B: 5.66	5.44	4.99	Option A: 6.05 Option B: 6.05	Option A: 5.35 Option B: 5.36
Benchmark	Crisil Composite Bond Fund Index		I-Sec Composite Index		Crisil Short Term Bond Fund Index	
	5.08	4.37	5.94	5.15	4.93	3.76

1. Gross income = amount against (A) in the Revenue account i.e. Income.

2. Net income = amount against (C) in the Revenue account i.e. NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD

3. Portfolio Turnover = Lower of sales or purchase divided by the Average AuM for the year/period.

4. AAuM=Average daily net assets

5. Inception Dates: TIPF: 11/11/2002; TGSMF: 03/04/2003; TDBF: 03/09/2003

6. Past performance may or may not be sustained in future.

7. TSTBF & TGSMF being no load schemes the expenses are borne by Tata Asset Management Limited.

Key Statistics for the year / period ended 31st March,2008

	TFRLTF		TFF	
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
1. Net Asset Value per unit Rs. Open	D - 10.2975 G - 11.5882	D - 10.2602 G - 10.9524	DD-10.0239, DW-10.0828, G -11.0117	DD-10.0021, DW-10.0265, G-10.3004
High	D - 10.3566 G - 12.1799	D - 10.3572 G - 11.5881	DD - 10.0356 DW - 10.1015 G - 11.9857	DD - 10.1051 DW - 10.1272 G - 11.0128
Low	D - 10.0925 G - 11.5956	D - 10.2393 G - 10.9540	DD - 10.0292 DW - 10.0807 G - 11.0175	DD - 9.9982 DW - 10.0232 G - 10.0302
End	D - 10.1318 G - 12.1799	D - 10.2975 G - 11.5882	DD - 10.0356 DW - 10.0960 G - 11.9857	DD-10.0239, DW-10.0828, G -11.0117
2. Closing Assets Under Management (Rs. in Lakhs)				
End	80,355.94	480.51	180,592.00	280.10
Average (AAuM)	3,482.93	638.19	281,963.49	1,870.56
3. Gross income as % of AAuM1	9.74	6.34	8.57	7.09
4. Expense Ratio:				
a. Total Expense as % of AAuM (plan wise)	D - 0.10% G - 0.10%	D - 0.75% G - 0.75%	DD - 0.20% DW - 0.20% G - 0.20%	DD - 0.80% DW - 0.80% G - 0.80%
b. Management Fee as % of AAuM (plan wise)	D - 0.05% G - 0.05%	D - 0.50% G - 0.50%	DD - 0.12% DW - 0.12% G - 0.12%	DD - 0.35% DW - 0.35% G - 0.35%
5. Net Income as a percentage of AAuM2	9.74%	6.32%	8.39%	6.11%
6. Portfolio turnover ratio ⁴	662.18	1,477.93	587.78	235.58
7. Total Dividend / Bonus per unit distributed during the year / period (planwise) (Rs.)	0.7298	0.5201	DD - 0.8363 DW - 0.8388	DD - 0.3272 DM - 0.3184 DW - 0.6390
8. Returns:				
a. Last One Year				
Scheme	5.09	5.80	8.81	6.92
Benchmark	Crisil Liquid Fund Index		Crisil Liquid Fund Index	
	7.52	6.37	7.52	6.37
b. Since Inception				
Scheme	4.72	4.60	7.31	6.36
Benchmark	Crisil Liquid Fund Index		Crisil Liquid Fund Index	
	5.62	5.04	6.50	5.86

- Gross income = amount against (A) in the Revenue account i.e. Income.
- Net income = amount against (C) in the Revenue account i.e. NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD
- Portfolio Turnover = Lower of sales or purchase divided by the Average AuM for the year/period.
- AAuM=Average daily net assets
- Inception dates: TFRLTF - 22/12/2003; TFF - 06/09/2005
- Past performance may or may not be sustained in future.

**Annual Report
2007-2008**

ANNEXURE

TATA GILT SECURITIES FUND INCLUDING RETIREMENT PLANNING SERIES (RPS)

		<i>RIP - DIV</i>		<i>RIP - Gr</i>		<i>RIP - Bon Gr</i>	
		<i>31-Mar-08</i>	<i>31-Mar-07</i>	<i>31-Mar-08</i>	<i>31-Mar-07</i>	<i>31-Mar-08</i>	<i>31-Mar-07</i>
1	Net Asset Value per unit Rs.						
	Open	11.6772	11.6767	23.2199	22.2155	11.6616	11.0927
	High	12.4211	11.9316	25.4999	23.2500	12.8067	11.6618
	Low	11.6012	11.4681	23.2176	22.1076	11.6606	11.0380
	End	12.1550	11.6772	25.2056	23.2199	12.6593	11.6616
4.	Expense Ratio:						
a.	Total Expense as % of AAUM (plan wise)	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%
b.	Total Expense as % of AAUM (plan wise)	0.75%	1.10%	0.75%	1.10%	0.75%	1.10%

		<i>HIP - Div</i>		<i>HIP - Gr</i>	
		<i>31-Mar-08</i>	<i>31-Mar-07</i>	<i>31-Mar-08</i>	<i>31-Mar-07</i>
1	Net Asset Value per unit Rs.				
	Open	12.0134	11.9853	14.2271	13.6132
	High	12.7951	12.2725	15.6230	14.2485
	Low	11.9382	11.7921	14.2258	13.5478
	End	12.5249	12.0134	15.4432	14.2271
4.	Expense Ratio:				
a.	Total Expense as % of AAUM (plan wise)	1.60%	1.60%	1.60%	1.60%
b.	Total Expense as % of AAUM (plan wise)	0.75%	1.10%	0.75%	1.10%

		<i>2009 DIV</i>		<i>2009 GRW</i>		<i>2010 GRW</i>	
		<i>31-Mar-08</i>	<i>31-Mar-07</i>	<i>31-Mar-08</i>	<i>31-Mar-07</i>	<i>31-Mar-08</i>	<i>31-Mar-07</i>
1	Net Asset Value per unit Rs.						
	Open	10.5590	10.1470	10.6106	10.1534	10.6396	10.1514
	High	11.5852	10.5747	11.6529	10.6261	10.9871	10.6240
	Low	10.5580	10.0552	10.6097	10.1041	10.6386	10.1022
	End	11.4518	10.5590	11.5188	10.6106	11.5163	10.6396
4.	Expense Ratio:						
a.	Total Expense as % of AAUM (plan wise)	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%
b.	Total Expense as % of AAUM (plan wise)	0.75%	1.10%	0.75%	1.10%	0.75%	1.10%

		<i>2011 GRW</i>		<i>2013 GRW</i>	
		<i>31-Mar-08</i>	<i>31-Mar-07</i>	<i>31-Mar-08</i>	<i>31-Mar-07</i>
1	Net Asset Value per unit Rs.				
	Open	10.6147	10.1574	10.6670	10.2076
	High	11.6396	10.6303	11.7144	10.6828
	Low	10.6138	10.1081	10.6660	10.1580
	End	11.5056	10.6147	11.5795	10.6670
4.	Expense Ratio:				
a.	Total Expense as % of AAUM (plan wise)	1.60%	1.60%	1.60%	1.60%
b.	Total Expense as % of AAUM (plan wise)	0.75%	1.10%	0.75%	1.10%

		2013 DIV		2015 GRW	
		31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
1	Net Asset Value per unit Rs.				
	Open	10.7405	10.2779	10.5357	10.0816
	High	11.7951	10.7564	11.5702	10.5510
	Low	10.7395	10.2281	10.5347	10.0327
	End	11.6593	10.7405	11.4370	10.5357
4.	Expense Ratio:				
a.	Total Expense as % of AAUM (plan wise)	1.60%	1.60%	1.60%	1.60%
b.	Total Expense as % of AAUM (plan wise)	0.75%	1.10%	0.75%	1.10%

		2016 GRW		2025 GRW		2025 DIV	
		31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
1	Net Asset Value per unit Rs.						
	Open	10.5140	10.0610	10.5229	10.0698	10.4987	10.0698
	High	11.5464	10.5294	11.5564	10.5383	11.5296	10.5132
	Low	10.5130	10.0122	10.5220	10.0207	10.4978	9.9968
	End	11.4135	10.5140	11.4233	10.5229	11.3969	10.4987
4.	Expense Ratio:						
a.	Total Expense as % of AAUM (plan wise)	1.60%	1.60%	1.60%	1.60%	1.60%	1.60%
b.	Total Expense as % of AAUM (plan wise)	0.75%	1.10%	0.75%	1.10%	0.75%	1.10%

Statutory Details: Constitution : Tata Mutual Fund (TMF) has been set up as a Trust under the India Trust Act, 1882. Sponsors & Settlers: Tata Sons Limited and Tata Investment Corporation Limited. Trustee : Tata Trustee Company Pvt. Limited. Investment Manager: Tata Asset Management Limited. **Risk Factors:** • Mutual Fund and securities investments are subject to market risks and there can be no assurance and no guarantee that the schemes will achieve their objectives. • As with any investment in stocks, shares and securities the NAV of the units under the schemes can go up or down, depending upon the factors and forces affecting the capital market. • Past performance of the previous Schemes, the Sponsors or its Group affiliates is not indicative of and does not guarantee the future performance of the Schemes. • Tata Income Plus Fund, Tata Income Fund, Tata Gilt Securities Fund, Tata Short Term Bond Fund, Tata Dynamic Bond Fund, Tata Floating Rate Fund - Long Term, Tata Floater Fund are only the names of the Schemes and do not in any manner indicate either the quality of the Schemes, its future prospects or the returns. • The sponsors are not responsible or liable for any loss resulting from the operations of the scheme beyond the initial contribution of Rs.1 lac made by them towards setting up the Mutual Fund. • Investment in fixed income securities are subject to interest rate risk, credit risk and liquidity risk. • Pursuant to allotment of bonus units the NAV of the schemes would fall in proportion to the bonus allotted and as a result the total value of units held by the investor would remain same. • Tata Floating Rate Fund / Tata Floater Fund - Investment in floating rate debt instrument is subject to Basis Risk and Spread Risk. • In case of downward movement of interest rates floating rate debt instruments will give a lower return than fixed rate debt instruments. • **For scheme specific risk factors & other details please read the Offer Document (OD), Scheme Information Document (SID), Statement of Additional Information (SAI) and Key Information Memorandum (KIM) of the scheme carefully before investing.**

INVESTOR SERVICE CENTRES - AMC OFFICES

Call Free : 1800 – 209 – 0101

West Zone: **Mumbai:** Mulla House, Grnd Floor, Homi Modi Street, Mumbai – 400 001, Tel: (022) 66505240, **Ahmedabad:** 402, 'Megha House', Mithakali - Law Garden Rd, Netaji Marg, Ahmedabad – 380 006, Tel: (079) 65418989 / 65447799, 26466080, **Bhopal:** MF-12A Mezzanine Floor, Front Row, Mansarovar Complex, Habibganj, Bhopal – 462 016, Tel: 9826826646, **Goa:** FO-4, 1st Floor, Indraprastha, Above Dena Bank, Dr. Shirgaonkar Road, Panjim. Goa – 403 001, Tel: (0832) 6451135/36, **Indore:** G-25 City Centre, 507 M.G. Road, Indore – 452 001, Tel: (0731) 4201806, **Jabalpur:** Office No. 4, 1178, Napier Town, Home Science College Road, Jabalpur, MP, Tel: (0761) 4074263, **Jamnagar:** A-7 Mahavir Apartment, Opp. Palace, Jamnagar – 361 001, Tel: 9898366767, **Nagpur:** 21, "Mile Stone", 109, 1st Floor, Near Lokmat Square, Wardha Rd, Ramdaspath, Nagpur – 440 010, Tel: (0712) 6502885, **Nashik:** 5, Samridhi Residency, Opp. Hotel City Pride, Tilakwadi, Sharanpur Rd, Nashik – 422 002, Tel: (0253) 6510315, 6605138, **Pune:** Office No. 105, D-GOLD House, Near Hotel Sheetal, B/H Bharat Petrol Pump, Dnyaneshwar Paduka Chowk, F.C. Road, Shivajinagar, Pune – 411 005, Tel: (020) 64005932/ 30288775/ 6, **Rajkot:** Arihant Plaza, 201 2nd Floor, Subhas Rd, Near Moti Taki, Rajkot – 360 001, Tel: (0281) 6624848, **Surat:** 421, Jolly Plaza, Near Collector Office, Next to G.P. College, Athwa Gate, Surat – 395 001, Tel: (0261) 6554418 / 19, **Vadodara:** 202/203, Madhav Complex, R C Dutt Road, Alkapuri, Vadodara – 390 007, Tel: (0265) 6641888, 2356114.

North Zone: **Ajmer:** 2nd floor, 42, K.C. Complex, Daulat Bagh Rd, Sunder Vilas, Ajmer – 305001, Tel: (0145) 2625316, **Agra:** G-12, Block No.-19/4, Vimal Tower, Sanjay Place, Agra – 282 002, Tel: (0562) 2525195, **Allahabad:** 1st Floor, 43/I S P Marg, Civil Lines, Opp MAK Tower, Allahabad – 211 001, Tel: 9235531480, **Chandigarh:** Cabin No. 3-4-5, 1st Floor, S C O 487-488, Sector 35-C Chandigarh -160 022, Tel: (0172) 5087322 / 2603771, **Dehradun:** Shop No. 19, Ground Floor, Shree Radha Palace, 78, Rajpur Road, Dehradun - 248 001, Tel: (0135) 6450877, **Delhi:** 710-712 Prakash Deep Building, 7th Floor, 7 Tolstoy Marg, Connaught place, New Delhi – 110 001, Tel: (011) 66324111/102, 66303202, **Jaipur:** 233, 2nd Floor, Ganapati Plaza, M I Road, Jaipur – 302 001, Tel: (0141) 5105177 / 78, 6539009, **Jodhpur:** Jaya Enclave, 79/4, Opp. IDBI Bank, 1st A Road, Sardarpura, Jodhpur – 342 001, Tel: (0291) 6450555, 2631257, **Kanpur:** Grnd Floor, Agarwal Building, Ading Oriental Bank of Commerce, Survey No. 419/1 Cants, The Mall, Kanpur - 208 004, Tel: (0512) 2306066, **Kota:** 1st Flr, 75, Shopping Centre, Opp. Rotary Binani Sabhagar, Kota - 324007. Tel: (0744) 2362548, **Lucknow:** Office No.2, Saran Chambers-I, 1st Floor, 5, Park Road, Lucknow - 226 001, Tel: (0522) 6452432 / 4001731, **Ludhiana:** Cabin No. 201, 2nd. Floor, SCO 18, Opp Ludhiana Stock Exchange, Feroz Gandhi Market, Ludhiana - 141 001, Tel: (0161) 5089667/6503366, **Moradabad:** Lower Grnd Floor, Shop - 33, Chadha shopping Complex, GMD Rd, Moradabad – 244 001, Tel: (0591) 6535002 / 2313567, **Udaipur:** Shop No. 4, 2nd Floor, Madhav Apartment, Opp. G P O, Chetak Circle, Udaipur – 313 001, Tel: (0294) 2429371 / 6450979, **Varanasi:** D-64/127, C-H Arihant Complex, Sigra, Varanasi – 221 010, Tel: (0542) 6544655.

South Zone: **Bangalore:** 4/6, Millers Road, High Grounds, Lane Opp to Syndicate Bank, Bangalore – 560 052, Tel: (080) 66561313 / 65335986 / 87, **Calicut:** C – 8 & 9, Grnd Flr, Friends Commercial Complex, Arayadathu Palam, Mavoor Rd, Calicut, Kerala 673016, Tel: (0495) 6450508, **Chennai:** Riaz Garden, 3rd Floor, No. 29, Kodambakkam High Rd, Near Palmgrove Hotel, Nungambakkam, Chennai – 600 034, Tel: (044) 64541868/69/78, **Cochin:** 2nd Floor, Ajay Vihar, JOS Junction, M. G. Rd, Cochin - 682 016, Tel: (0484) 2377580, 6533107, **Coimbatore:** 551-A, 1st Floor, West Lokmaniya Street, Near CAMS, R.S. Puram, Coimbatore – 641 002, Tel: (0422) 6502133/ 44, **Hubli:** 15 & 16, 2nd Floor, Eureka Junction, Travellers' Bungalow Rd, Above ICICI Bank, Hubli – 580 029, Tel: (0836) 6450342, **Hyderabad:** 3rd Floor, Block - B, R R Estate, G S Mall, Somajiguda, Hyderabad – 500 082, Tel: (040) 65361237 / 38, 65548290, **Kottayam:** C S I Ascension Square, Collectorate P.O, Kottayam-686 002, Tel: 9447559230, **Madurai:** D2, 3rd Floor, AR Plaza, 16/17, North Veli Street, Madurai – 625 001, Tel: (0452) 6454330, **Mangalore:** Essel towers, 1st floor, Bunts hostel circle, Above UTI bank, Mangalore – 575 003, Tel: (0824) 6450308, **Mysore:** 847, 1st Floor, New Kantharaja URS Road, Above New Krishna Sweets & Bakery, Kuvempu Nagar, Mysore – 570 023, Tel: (0821) 6450470, **Salem:** Rajtowers, Grnd Floor, #4 Brindhavan Rd, Fairlands, Salem – 636 016, Tel: (0427) 6451653, **Trivandrum:** 4th Floor, Krishna Towers, Sasthamangalam, Trivandrum – 695 010, Tel: (0471) 6535431, 2319139, **Trichur:** 4th Floor, PathyaPura Buildings, Round South, Trichur -680 001, Tel: (0487) 6451286, **Trichy:** No.60/3, 'Krishna' 2nd Floor, Sastri Main Road, Tennur, Trichy - 620 017, Tel: (0431) 6455060, **Vijaywada:** 5th Flr, Kona Heights, Opp. All India Radio, M.G. Road, Vijaywada – 520 010, Andhra Pradesh, Tel: (0866) 6532621, **Visakhapatnam:** Shop 10 & 11, 1st Flr, Above Titan Showroom, Sreemukha Complex, Dwarakanagar, Visakhapatnam – 530 016, Tel: (0891) 6451883.

East Zone: **Bhilai:** Shop No.145, Grd Flr, Chauhan Estate, Near HDFC Bank, Bhilai - 490 001, Tel: (0788) 2295625, **Bhubaneshwar:** Janpath Tower, Room-208, 2nd Flr, Ashok Nagar, Bhubaneshwar - 751 009, Tel: (0674) 2533818 / 6450817, **Dhanbad:** Shriram PLaza, Room - 409, 4th floor, Bank More, Dhanbad, Jharkhand - 826 001, Tel: (0326) 2300304, **Durgapur:** A-207, 1st floor, Kamdhenu, Bengal Shristi Complex, City Centre, Durgapur - 713 216, Tel: (0343) 6454797, **Guwahati:** 109, 1st Floor, Orion Towers, Christian Basti, G. S. Road, Guwahati- 781 005, Tel: (0361) 2343084, **Jamshedpur:** C/o. Mithila Motors Ltd., 1st Floor, Main Road, Bistupur, Jamshedpur - 831 001 Tel: (0657) 2756021/22/23/30, **Kolkata:** Tata Centre, 1st Floor, 43, Jawaharlal Nehru Road, Kolkata - 700 071, Tel: (033) 22881534 / 3413 / 15, **Patna:** 605, 6th Floor, Ashiana Harniwas, New Dak Banglow Road, Patna - 800 001, Tel: (0612) - 6450120 / 2206497, **Raipur:** Shop No. - 331 & 332, Lal Ganga Shopping Mall, 3rd Floor, G E Road, Raipur - 492 001, Tel: (0771) 6537340 / 2543354, **Ranchi:** Shop No - 15, Grnd Floor, A.C. Market, G.E.L. Church Complex, Main Road, Ranchi - 834 001, Tel: (0651) 2330704, **Siliguri:** Lower Grnd Flr, Nanak Complex, Sevoke Road, Siliguri – 734001.