



Expertise that's trusted

ANNUAL REPORT

2007 - 2008

- ◆ Tata Capital Builder Fund
- ◆ Tata Select Equity Fund
- ◆ Tata Dividend Yield Fund
- ◆ Tata Balanced Fund
- ◆ Tata Equity Management Fund
- ◆ Tata Equity Opportunities Fund
- ◆ Tata Equity P/E Fund
- ◆ Tata Index Fund
- ◆ Tata Growth Fund
- ◆ Tata Life Sciences and Technology Fund
- ◆ Tata Mid Cap Fund
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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 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

Balanced Funds:

Tata Balanced Fund:

The fund did well during the last year having outperformed the benchmark index.

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Balanced Fund (Growth)	21.63	26.51	36.81	18.19 (08/10/95)
Crisil Balanced Fund Index	19.49	21.86	24.40	N.A

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Balanced Fund (Growth)	-4.49	16.92	25.98	16.88 (08/10/95)
Crisil Balanced Fund Index	1.19	15.67	17.83	N.A

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.

EQUITY FUNDS:

Tata Pure Equity Fund:

The fund outperformed its benchmark during the year and continues with its strategy to invest in quality large cap companies with a focus on identifying the trends early and picking the right stocks.

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Pure Equity Fund – Growth	25.18	34.11	52.62	32.41 (07/05/98)
BSE SENSEX	19.62	34.03	38.64	14.56

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Pure Equity Fund – Growth	-3.38	21.93	35.07	30.00 (07/05/98)
BSE SENSEX	-4.91	23.09	27.93	13.14

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 Select Equity Fund:

The fund did well during the last year having outperformed the benchmark index. The Fund restricts its investments in select sectors as mandated in its scheme objective.

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Select Equity Fund – Growth	25.12	35.94	50.92	21.89 (24/05/96)
BSE SENSEX	19.62	34.03	38.64	12.90

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Select Equity Fund	-19.59	17.89	31.98	18.98 (24/05/96)
BSE SENSEX	-4.91	23.09	27.93	11.78

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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 Life Sciences and Technology Fund:

The Fund underperformed its benchmark as both of its primary constituent sectors viz. IT and Pharmaceuticals/Healthcare underperformed the BSE SENSEX during the financial year 2008.

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Life Sciences & Technology Fund	-13.29	20.38	38.59	19.18 (02/07/99)
BSE SENSEX	19.62	34.03	38.64	16.23

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Life Sciences and Technology Fund	-18.22	10.79	25.73	18.12 (02/07/99)
BSE SENSEX	-4.91	23.09	27.93	14.53

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 Index Fund:

As far as last 1 year's performance is concerned, both TIFSA & TIFNA were passively managed by mirroring the index composition, thus ensuring minimum possible tracking error.

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
NIFTY Option A	21.06	34.81	25.41	23.01 (25/02/03)
S & P CNX Nifty	23.82	32.46	37.03	34.23
SENSEX Option A	16.14	30.88	32.93	30.29 (25/02/03)
BSE SENSEX	19.62	34.03	38.64	35.84

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
NIFTY Option A	-4.14	23.26	26.99	30.20 (25/02/03)
S & P CNX Nifty	-2.33	21.90	26.27	29.31
SENSEX Option A	-6.72	21.10	26.42	29.84 (25/02/03)
BSE SENSEX	-4.91	23.09	27.93	31.00

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 Equity Opportunities Fund:

The fund has outperformed the benchmark having focussed on quality stocks on a bottom up basis and staying patiently invested in these.

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Equity Opportunities Fund (Growth)	28.71	36.02	56.62	13.88 (25/02/93)
BSE SENSEX	19.62	34.03	38.64	12.07

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Equity Opportunities Fund (Growth)	-3.91	20.70	37.09	12.80 (25/02/93)
BSE SENSEX	-4.91	23.09	27.93	11.21

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 Growth Fund

The fund outperformed the benchmark by focusing on stocks with growth potential.

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Growth Fund	22.13	26.84	43.83	11.37 (01/07/94)
BSE SENSEX	19.62	34.03	38.64	10.19

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.

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

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata Growth Fund	-10.57	11.01	29.14	9.93 (01/07/94)
BSE SENSEX	-4.91	23.09	27.93	9.32

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 Equity P/E Fund:

The Fund outperformed the benchmark by continuing to focus on buying stocks with lower PE ratio as mandated in its scheme objective.

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

	Last 1 year	Last 3 years	Since Inception
Tata Equity P/E Fund	36.40	34.11	37.41 (29/06/04)
BSE SENSEX	19.62	34.03	36.65

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

	Last 1 year	Last 3 years	Since Inception
Tata Equity P/E Fund	0.39	21.25	31.55 (29/06/04)
BSE SENSEX	-4.91	23.09	30.18

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 Dividend Yield Fund:

The Fund outperformed its benchmark by continuing to focus on buying higher dividend yield stocks as mandated in its scheme objective.

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

	Last 1 year	Last 3 years	Since Inception
Tata Dividend Yield Fund	31.08	25.18	25.70 (22/11/04)
BSE SENSEX	19.62	34.03	33.29

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

	Last 1 year	Last 3 years	Since Inception
Tata Dividend Yield Fund	-1.47	14.49	20.20 (22/11/04)
BSE SENSEX	-4.91	23.09	26.68

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 Mid Cap Fund:

The fund under performed its benchmark during the bull phase but its focus on quality stocks helped it fare better the equity downturn during Jan-March 08.

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

	Last 1 year	Since Inception
Tata Mid Cap Fund	18.80	17.37 (29/06/05)
CNX Midcap Index	28.58	29.25

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

	Last 1 year	Last 3 years	Since Inception
Tata Mid Cap Fund	-8.90	8.28	9.83 (29/06/05)
CNX Midcap Index	-5.69	15.86	21.42

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 Capital Builder Fund:

The fund has outperformed the benchmark having focussed on quality stocks on a bottom up basis and staying patiently invested in these.

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

	Last 1 year	Since Inception
Tata Capital Builder Fund	21.24	16.53 (14/09/06)
BSE SENSEX	19.62	18.90

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

	Last 1 year	Since Inception
Tata Capital Builder Fund	-4.59	9.30 (14/09/06)
BSE SENSEX	-4.91	10.49

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 Equity Management Fund:

Due to the short position that the fund was running while the market rallied strongly for most part of the year, it underperformed. However, we are taking steps to manage this fund more actively so that the fund takes advantage of the volatility.

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

	Last 1 year	Since Inception
Tata Equity Management Fund	3.09	6.14 (7/07/06)
S&P CNX Nifty	23.82	28.23

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

	Last 1 year	Since Inception
Tata Equity Management Fund	-9.26	1.72 (7/07/06)
S&P CNX Nifty	-2.32	17.59

Return for period upto 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:

Equity:

Financial Year (FY) 2008 will be etched in the history of India equity markets as one with heightened volatility, wide swings between euphoria and gloom in a span of a few months. Several factors played out on the Indian economic and capital market landscape making it a very eventful and difficult year. During the year we saw inflation rearing up its head with commodity prices and oil moving up. Also, the rupee started to appreciate against the dollar. In April '08 itself the RBI had lowered their forecast of India's GDP growth for FY'08 to about 8-8.5% stating that containing inflation would be their key focus. April and May saw the markets continuing its rally with the GDP numbers for FY'07 announced at 9.4% coupled with strong corporate results and FII / MF inflows into the market. Equity issuances picked up with June itself seeing \$5.5Bln worth of IPOs and a large part of the fund raising came from the FIIs. It was in July that the worries of US housing and financial market turmoil really increased and our sense is that during this period large money moved out of the US and into emerging markets which were offering much higher

growth. The month saw one of the highest ever FII inflows in the country at about \$5.8 bln. The RBI hiked CRR further to control inflation. The market had started becoming quite volatile with the housing and financial crisis deepening. August saw the emergence of sovereign funds becoming much more active in the equity markets. A lackluster market continued till mid September when the US Fed started an interest rate cut cycle by lowering interest rates and globally equity markets rallied strongly. Further money moved out of the US and into emerging markets and India was no exception. The market rallied almost 13% month on month during the last 10 trading sessions of September. The rupee further gained strength and appreciated to a 9 year high. This trend continued into October with strong inflows of about \$5Bln from FIIs into India and the market had its highest single month gain since 1990 at about 14.7%. Interestingly domestic mutual funds were net sellers as valuations had climbed up above the long term averages. On hind sight, one feels that the Indian market should have paused at this time. However, retail investor interest in the market picked up considerably during the last three months of the calendar year part of it through a booming IPO market. The market closed above the 20000 mark during December'07.

The new year saw increased volatility with the market peaking out. Fears of a prolonged economic slowdown in the US loomed large on the minds of investors and risk appetite for equities dropped sharply. Further rate cuts came from the US Fed and an economic stimulus package was announced. The market fell 13% during the month. Similar to the rise, the fall also was almost synchronous. Most global equity markets peaked out between August and October '07. India was an exception as it prolonged the bull run till beginning of January'08. In the current calendar year the market has been on correction mode falling further by 11% in March '08. Though from the peak level, the market corrected more than 30% which is a sharp fall in such a short time at the end of the year, the BSE sensx gave a year on year return of 20%.

Overall, it was a tough year especially the second half which saw turmoil in global equity markets. As mentioned earlier, several factors played out at various times during the year thus making it volatile and challenging. However, the long term structural factors in favour of India remain and this change in market direction should be taken as a correction within a long term bull trend.

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:

EQUITY AND BALANCED FUNDS

We are living in times where commodity prices have risen sharply in the last one year and inflation has shot up globally. This along with US sub-prime crises has caused a slowdown in economies across the world. India too has been affected by such global macro events. The estimated growth for the Indian economy for the current year has been toned down to 7.7% for FY'09.

In a bid to rein in inflation, the RBI has been aggressively focusing on reducing money supply growth from the current 21% level to a more comfortable 17%. To this effect the RBI has taken several tough decisions and hiked rates and reserve requirements multiple times at the risk of even slowing down economic growth. Credit growth is likely to moderate to a more sedate 20% from the current 26% and we think that such growth in credit would support the GDP growth rate of around 7.5-8%. In our view the RBI has taken decisive and calibrated measures to rein in inflation and not let the economy overheat. The Government's financial position is expected to face challenges in FY'09 due to increase in subsidies to oil marketing and fertilizer companies, implementation of farm loan waiver scheme and implementation of the Sixth Pay Commission etc.

Corporate results for the first quarter of the current financial year have come largely along expected lines. For a broader universe of companies, despite revenue growth of 35%, net profit growth dropped to 8%. Margin pressures due to higher commodity prices and financing costs seems to have dented profitability of many of these companies. We expect that while sectors focused on domestic consumption would continue to record robust growth in FY'09, infrastructure oriented and interest rate sensitive sectors would have a near term challenge on their hands. However, we are sanguine on the medium term prospects of infrastructure oriented sectors given the large requirement for infrastructure and the fact that commodity prices seem to be on a correction course.

FII outflow for the last two quarters from the secondary cash equity market has been to the tune of about \$6.5 bln. However, these outflows need to be looked at in the context of heavy inflows of around \$5bln during the Oct-Dec '07 quarter. In this perspective, net FII inflows during FY 08 stood at about \$12.9 bln and for the trailing 12 months at \$6.7 bln. The number of FII registrations have picked up after SEBI implemented stricter norms for discouraging flows into the Indian stock market through participatory notes. We view this as a reflection of the commitment displayed by FIIs to the long term India growth story even though in the recent past they have been net sellers due to higher risk aversion towards emerging markets.

The aggravation of the credit crisis in Europe and US over the last 7-8 months has meant increased risk aversion in global markets and slowdown in capital flows to emerging markets including India. A higher domestic cost of capital and reduced

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capital access from international markets could result in a moderation in the growth rate of investment spending over the coming months. Though capital expenditure is likely to moderate, we see this as a cyclical pause before the momentum picks up again. We expect interest rate to peak out given the anticipated decline in inflation due to retreating commodity prices.

Meanwhile, Indian companies continue to focus on cost competitiveness, increasing productivity levels, reducing working capital cycles and efficient allocation of capital. We are of the opinion that corporate India is in relatively much better position to service their debt obligations and still grow reasonably.

Indian politics is also a factor that could have a bearing on the near term sentiment. The national government election is expected to be held in May, 09 with elections for several Indian states to be held in the coming months. However, over the last 16 years since economic liberalization took place in India in a big way, economic reforms have continued to move forward irrespective of the political party at the Centre.

After five years of strong bull market, we think that in the near term, till the US credit crisis plays out and risk appetite of international investors improve, the market may consolidate and may remain volatile before it resumes its uptrend. Accordingly, the investment strategy would in the near term be to have a stock specific approach and looking for value in a volatile market. We would also primarily focus on the domestic themes of consumption and infrastructure more than the outsourcing theme. Since we believe that inflation could be tamed in the next few months, we would also be looking out for opportunities in interest rate sensitives on dips. If the fallout of the sub prime crisis worsens further, in the short term, we could see liquidity outflows across emerging markets including India. However, over the medium to longer term we believe that global investors would want a bigger pie of higher growth economies. The Indian economy is likely to be one of the fastest growing economies in the world despite the expected slowdown and the long term Indian growth story is based on a surge in consumption led by a shift in demographic profile towards a young working population, increasing pace of infrastructure build up and the emergence of India as an outsourcing base. Therefore, we believe that India would continue to be an attractive investment destination for investors with a long term perspective. India would also be a key beneficiary of any diversification away from dollar denominated assets. The near term events and concerns are in our view offering an opportunity to invest in India's long term potential. The equity market correction since Jan'08 has factored in the earnings slowdown expected in the coming quarters. In this period, the correction has taken the market closer to the long term average on several valuation metrics. The market is currently quoting at 15x estimated FY'09 earnings which is a slight discount to the long term average.

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 Repo 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 thereunder 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

TBF: An open ended balanced fund. To provide income distribution and/or medium to long term capital gains while at all times emphasizing the importance of capital appreciation.

TPEF: An open ended equity fund. To provide income distribution and/or medium to long term capital gains while at all times emphasizing the importance of capital appreciation.

TSEF: An open ended equity fund. To provide income distribution and/or medium to long term capital gains while at all times emphasizing the importance of capital appreciation.

TLSTF: An open ended equity scheme. To provide medium to long term capital gains and/or income distribution along with capital gains tax relief to its unitholders, while at all times emphasizing the importance of capital appreciation.

TIFN / TIFS: An open ended index linked equity fund. To reflect/mirror the market returns with a minimum tracking error.

TEOF: An open ended equity fund. To provide income distribution and/or medium to long term capital gains while at all times emphasizing the importance of capital appreciation.

TGF: An open ended equity fund. To provide income distribution and/or medium to long term capital gains while at all times emphasizing the importance of capital appreciation.

TEQPEF: An open ended equity fund. To provide reasonable and regular income along with possible capital appreciation to its unitholders.

TDYF: An open ended equity fund. To provide income distribution and or medium to long term capital gains to its unitholders by investing predominantly in high dividend yield stocks.

TMCF: An open ended equity fund. The investment objective of the Scheme is to provide income distribution and/or medium to long term capital gains by investing predominantly in equity/equity-related instruments of mid cap companies.

TCBF: A 3 years close ended equity scheme. After completion of 3 years, the Scheme will automatically be converted into an open end scheme, without any further reference from the Mutual Fund/Trustee. The investment objective of the scheme is to generate capital appreciation over a period of three years by investing predominantly in equity and equity related instruments of companies across large, mid and small market capitalization.

TEMF: An open ended equity scheme. The primary investment objective of the scheme is to seek to generate capital appreciation & provide long-term growth opportunities by investing in a portfolio constituted of equity & equity related instruments and the secondary objective is to generate consistent returns by investing in debt and money market securities.

4. Significant Accounting Policies:

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

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5. Unclaimed Dividend & Redemptions:

Summary of number of investors and corresponding amount schemewise:

Scheme	Unclaimed Dividend		Unclaimed Redemptions		Total	
	Amount	No. of Invst.	Amount	No. of Invst.	Amount	No. of Invst.
TBF	3,155,943.57	2,539	728,513.69	31	3,884,457.26	2,570
TDYF	0.00	0	1,403,797.15	50	1,403,797.15	50
TEOF	628,800.00	798	970,705.39	50	1,599,505.39	848
TEQPEF	0.00	0	897,579.11	39	897,579.11	39
TIFN	0.00	0	11,674.31	1	11,674.31	1
TLSTF	184,798.82	51	400,845.40	11	585,644.22	62
TMCF	0.00	0	619,051.78	28	619,051.78	28
TPEF	0.00	0	963,192.81	60	963,192.81	60
TSEF	1,019,732.42	463	514,114.30	21	1,533,846.72	484
TIFS	0.00	0	0.00	0	0.00	0
TGF	0.00	0	0.00	0	0.00	0
TCBF	0.00	0	0.00	0	0.00	0
TEMF	0.00	0	0.00	0	0.00	0

6. Statutory Information:

- 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.
- 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.
- 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 Audited Accounts and Auditor's Report

Abbreviations of the Scheme Names:

- TBF** - Tata Balanced Fund*
- TSEF** - Tata Select Equity Fund*
- TPEF** - Tata Pure Equity Fund*
- TLSTF** - Tata Life Sciences & Technology Fund*
- TEQPEF** - Tata Equity P/E Fund*
- TEOF** - Tata Equity Opportunities Fund*
- TGF** - Tata Growth Fund
D - Dividend
G - Growth
BO (G) - Bonus Growth
- TIFS** - Tata Index Fund Sensex
SA - Option A
- TIFN** - Tata Index Fund NIFTY
NA - Option A
- TDYF** - Tata Dividend Yield Fund*
- TMCF** - Tata Mid Cap Fund*
- TCBF** - Tata Capital Builder Fund*
- TEMF** - Tata Equity Management Fund*

* This scheme / plan has two options namely Dividend Option and Growth Option. Dividend option is denoted by D, Div and Growth Option is denoted by G, GR

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 CAPITAL BUILDER 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 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 SELECT EQUITY 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 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 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 DIVIDEND YIELD 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 IX 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 BALANCED 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 EQUITY MANAGEMENT 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 IX 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 EQUITY OPPORTUNITIES 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 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 EQUITY P/E 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 Scheme does not hold any non-traded securities.
- f) Without qualifying our opinion, we draw attention to Note No. 13 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 INDEX FUND – NIFTY PLAN** ("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 INDEX FUND – SENSEX PLAN** (“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 deficit 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 GROWTH 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 LIFE SCIENCES AND TECHNOLOGY 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 MID CAP 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 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 PURE EQUITY 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

Annual Report
2007-2008

Balance Sheet as at 31st March, 2008

(Rupees)

	Schedule	TCBF		TSEF		TDYF	
		As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07
LIABILITIES							
Unit Capital	I	1,798,074,350	2,470,132,574	271,956,414	261,241,690	700,648,322	1,015,433,852
Reserves & Surplus	II	479,620,706	109,349,154	1,094,165,409	847,397,045	562,879,575	418,099,114
Current Liabilities & Provisions	III	15,553,970	11,395,594	9,619,189	12,925,638	11,555,685	25,840,737
TOTAL		2,293,249,026	2,590,877,322	1,375,741,012	1,121,564,373	1,275,083,582	1,459,373,703
ASSETS							
Investments	IV	2,239,588,141	2,458,557,006	1,356,121,458	1,076,805,155	1,233,579,478	1,393,354,360
Deposits	V	20,000,000	20,000,000				
Other Current Assets	VI	3,111,009	14,775,882	19,619,554	44,759,218	6,610,462	22,120,696
Deferred Revenue Expenditure	VII	50,549,876	117,544,434	14,893,642	23,898,647		
TOTAL		2,293,249,026	2,590,877,322	1,375,741,012	1,121,564,373	1,275,083,582	1,459,373,703

	Schedule	TBF		TEMF		TEOF	
		As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07
LIABILITIES							
Unit Capital	I	416,845,677	353,127,811	2,121,265,054	3,602,628,280	1,702,092,513	1,809,684,003
Reserves & Surplus	II	1,698,101,504	1,162,927,305	154,206,411	271,553,759	3,249,817,046	2,551,355,306
Current Liabilities & Provisions	III	18,697,055	9,260,372	718,112,538	267,333,651	34,533,732	62,499,039
TOTAL		2,133,644,236	1,525,315,488	2,993,584,003	4,141,515,690	4,986,443,291	4,423,538,348
ASSETS							
Investments	IV	1,958,079,289	1,478,322,672	1,951,411,470	3,498,528,843	4,828,959,824	4,355,331,062
Deposits	V	101,500,000	1,500,000	971,000,000	521,000,000	100,000,000	-
Other Current Assets	VI	74,064,947	45,492,816	71,172,533	21,338,784	57,483,467	68,207,286
Deferred Revenue Expenditure	VII			-	100,648,063		
TOTAL		2,133,644,236	1,525,315,488	2,993,584,003	4,141,515,690	4,986,443,291	4,423,538,348

	Schedule	TEQPEF		TIFSA		TIFNA	
		As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07
LIABILITIES							
Unit Capital	I	393,497,913	360,408,387	14,775,680	10,744,901	20,705,385.00	15,114,439.00
Reserves & Surplus	II	861,371,057	485,296,368	42,203,629	24,959,301	38,809,705.06	20,991,842.38
Current Liabilities & Provisions	III	40,360,266	28,688,529	2,542,769	296,524	2,585,390.50	16,137,675.00
TOTAL		1,295,229,236	874,393,284	59,522,078	36,000,726	62,100,481	52,243,956
ASSETS							
Investments	IV	1,275,493,571	829,415,651	58,839,364	35,229,733	60,854,420	41,137,669
Deposits	V						
Other Current Assets	VI	12,768,872	32,419,073	682,714	770,993	1,246,061	11,106,287
Deferred Revenue Expenditure	VII	6,966,793	12,558,560				
TOTAL		1,295,229,236	874,393,284	59,522,078	36,000,726	62,100,481	52,243,956

Significant Accounting Policies and
Notes to the Accounts

IX

Balance Sheet as at 31st March, 2008

(Rupees)

	Schedule	TGF		TLSTF		TMCF	
		As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07
LIABILITIES							
Unit Capital	I	414,348,047	390,090,313	119,733,436	81,762,078	750,435,633	1,177,644,040
Reserves & Surplus	II	343,958,666	308,201,872	246,816,439	278,268,063	374,446,476	375,015,851
Current Liabilities & Provisions	III	67,708,749	319,629,867	11,442,473	2,389,094	36,054,030	14,536,294
TOTAL		826,015,462	1,017,922,052	377,992,348	362,419,235	1,160,936,139	1,567,196,185
ASSETS							
Investments	IV	803,265,673	787,083,950	373,770,219	357,353,203	1,081,920,303	1,483,395,602
Deposits	V	-	50,000,000				
Other Current Assets	VI	22,749,789	180,838,102	4,222,129	5,066,032	28,442,137	10,653,743
Deferred Revenue Expenditure	VII					50,573,699	73,146,840
TOTAL		826,015,462	1,017,922,052	377,992,348	362,419,235	1,160,936,139	1,567,196,185

	Schedule	TPEF	
		As At 31-Mar-08	As At 31-Mar-07
LIABILITIES			
Unit Capital	I	745,896,885	879,274,390
Reserves & Surplus	II	2,411,476,803	2,180,565,425
Current Liabilities & Provisions	III	52,941,498	78,636,887
TOTAL		3,210,315,186	3,138,476,702
ASSETS			
Investments	IV	3,038,564,033	3,098,247,996
Deposits	V	80,000,000	-
Other Current Assets	VI	91,751,153	40,228,706
Deferred Revenue Expenditure	VII		
TOTAL		3,210,315,186	3,138,476,702

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 **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

M. Venugopal
Fund Manager

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

(Rupees)

	Schedule	TCBF		TSEF/TCS		TDYF	
		Year Ended 31-Mar-08	Period Ended 31-Mar-07	Year Ended 31-Mar-08	Period Ended 31-Mar-07	Year Ended 31-Mar-08	Year Ended 31-Mar-07
INCOME							
Dividend		22,948,739	15,909,998	27,077,250	76,227,200	35,023,711	55,220,535
Interest	VIII	7,144,110	16,548,814	1,924,577	4,973,804	504,446	646,144
Profit on sale / redemption of investments		561,972,391	72,817,868	625,701,801	699,434,676	436,139,543	486,848,690
Profit on inter- scheme transfer / sale of investments	-	64	-	-	-	-	-
Other income	-	-	-	-	-	-	-
TOTAL (A)		592,065,240	105,276,680	654,703,628	780,635,744	471,667,700	542,715,369
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		120,341,724	12,741,490	40,045,132	80,139,436	12,698,652	68,674,417
Loss on inter- scheme transfer / sale of investments	-	-	-	-	-	-	-
Management fees		29,614,819	15,453,312	18,094,061	34,375,973	17,598,038	20,817,588
Trusteeship fees		271,089	309,195	155,878	1,239,862	150,917	676,097
Staff cost including salaries allowances, contributions to Provident Fund, Gratuity, etc.	-	-	-	-	-	-	-
Office and administrative expenses	-	-	-	-	-	-	-
Registration and local charges	-	-	-	-	-	-	-
Commission to Agents		11,517,225	9,779,886	16,380,834	6,309,057	10,428,863	-
Publicity expenses		4,828,996	1,276,445	4,965,162	4,644,566	2,343,111	1,396,680
Audit fees		196,630	140,450	196,630	374,927	196,630	140,450
Other operating expenses		12,835,182	4,047,320	10,113,365	8,483,960	6,618,149	6,566,407
Deferred revenue expenses written off		40,366,711	26,577,087	65,124,911	102,903,001	9,005,005	8,980,402
Depreciation of fixed assets	-	-	-	-	-	-	-
Custodian fees & expenses		553,179	336,420	399,311	1,273,987	320,966	383,608
Registrar's fees & expenses		3,559,849	1,730,643	3,642,946	4,521,605	2,862,255	2,839,505
Less : Amount recovered on sale of units on account of management expenses		-	-	-	-	-	-
Provision / (reversal) for diminution in value of investments		30,955,989	162,817,395	(11,717,776)	148,598,460	(16,232,558)	25,121,845
TOTAL (B)		255,041,393	235,209,643	131,019,620	402,936,611	41,870,222	146,025,862
Surplus / (Deficit) (A - B)		396,689,507	337,023,847	(129,932,963)	523,684,008	377,699,133	429,797,478
Increase / (decrease) in unrealised appreciation in value of investments		257,157,987	251,051,070	(122,903,748)	(648,328,236)	27,432,742	(478,781,459)
Surplus after considering unrealised appreciation / (diminution) in value of investments		594,181,834	121,118,107	400,780,260	(270,629,103)	457,230,220	(82,091,953)
Add / (Less): Income Equalisation Account		(44,370,530)	(712,566)	(110,038,871)	(37,048,418)	(103,116,228)	(92,124,143)
		549,811,304	120,405,541	290,741,389	(307,677,521)	354,113,992	(174,216,096)
Add : Surplus brought forward		120,405,541	-	486,452,358	794,129,879	994,233,906	1,282,856,115
Transfer from Reserves	-	-	-	-	-	-	-
Prior Period Income	-	-	-	-	-	-	-
Surplus / (Deficit) after adjustments		670,216,845	120,405,541	777,193,747	486,452,358	1,348,347,898	1,108,640,019
Appropriations		-	-	-	-	-	-
Income Distribution / Units Capitalisation		-	-	52,942,082	-	55,774,576	114,406,113
Tax on dividend distributed	-	-	-	-	-	-	-
Less : Transfer from Unit Premium Reserve		-	-	-	-	-	-
Add : Amount of load transferred		-	-	-	-	-	-
Amount (Payable) / Receivable to AMC		-	-	-	-	-	-
Surplus/Deficit carried forward		670,216,845	120,405,541	724,251,665	486,452,358	1,292,573,322	994,233,906
Income (Gross) as a percentage to Average Net Assets		21.27	7.21	41.57	23.63	30.94	29.18
Recurring Expenses as a percentage to Average Net Assets		2.28	2.27	2.39	2.16	2.39	2.33

Significant Accounting Policies and Notes to the Accounts IX

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

(Rupees)

	Schedule	TBF		TEMF		TEOF	
		Year Ended 31-Mar-08	Period Ended 31-Mar-07	Year Ended 31-Mar-08	Period Ended 31-Mar-07	Year Ended 31-Mar-08	Year Ended 31-Mar-07
INCOME							
Dividend		6,245,149	12,927,914	27,298,080	39,027,446	25,327,087	54,989,297
Interest	VIII	39,108,141	31,323,823	9,327,068	21,921,157	18,325,021	8,924,223
Profit on sale / redemption of investments		508,729,263	307,534,029	1,660,227,876	491,368,766	1,641,863,866	1,028,886,104
Profit on inter- scheme transfer / sale of investments		-	63,836	-	98,241	-	-
Other income		-	(0)	-	-	-	-
TOTAL (A)		554,082,553	351,849,602	1,696,853,024	552,415,610	1,685,515,974	1,092,799,624
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		47,298,425	61,320,668	713,582,373	493,753,203	241,649,147	202,660,359
Loss on inter- scheme transfer / sale of investments		15,178	1,276,205	-	565,276	-	-
Management fees		22,202,272	17,392,829	35,787,862	30,621,459	53,108,699	45,580,163
Trusteeship fees		196,961	509,438	332,821	838,618	506,218	1,457,080
Staff cost including salaries allowances, contributions to Provident Fund, Gratuity, etc.		-	-	-	-	-	-
Office and administrative expenses		-	-	-	-	-	-
Registration and local charges		-	-	-	-	-	-
Commission to Agents		4,385,681	7,960,727	13,023,523	11,118,568	28,361,076	30,293,707
Publicity expenses		5,041,501	649,177	5,977,087	4,963,224	5,485,472	2,175,192
Audit fees		196,630	140,450	196,630	196,630	207,866	404,824
Other operating expenses		10,552,334	5,097,499	13,686,877	8,698,882	14,098,659	9,740,013
Deferred revenue expenses written off		-	-	84,697,493	101,443,604	-	-
Depreciation of fixed assets		-	-	-	-	-	-
Custodian fees & expenses		1,082,581	473,418	3,075,543	3,631,728	1,096,106	1,271,734
Registrar's fees & expenses		3,740,175	2,434,345	5,206,996	4,852,197	10,888,622	6,739,382
Less : Amount recovered on sale of units on account of management expenses		-	-	-	-	-	-
Provision / (reversal) for diminution in value of investments		151,562,414	20,645,007	175,294,771	94,225,231	289,973,123	161,704,468
TOTAL (B)		246,274,152	117,899,763	1,050,861,976	754,908,620	645,374,988	462,026,922
Surplus / (Deficit) (A - B)		307,808,401	233,949,839	645,991,048	(202,493,010)	1,040,140,986	630,772,702
Increase / (decrease) in unrealised appreciation in value of investments		(41,956,755)	(122,132,852)	(334,501,674)	506,527,839	36,630,748	(571,125,867)
Surplus after considering unrealised appreciation / (diminution) in value of investments		265,851,646	111,816,987	311,489,374	304,034,829	1,076,771,734	59,646,835
Add / (Less): Income Equalisation Account		207,163,320	(29,348,387)	64,474,616	16,835,642	(86,688,548)	83,884,538
Add : Surplus brought forward		473,014,966	82,468,600	375,963,990	320,870,471	990,083,186	143,531,373
Transfer from Reserves		1,116,681,985	1,090,189,427	320,870,471	-	2,443,930,126	2,622,908,069
Prior Period Income		-	-	-	-	-	-
Surplus / (Deficit) after adjustments		1,589,696,951	1,172,658,027	696,834,461	320,870,471	3,434,013,312	2,766,439,442
Appropriations							
Income Distribution / Units Capitalisation		50,371,902	55,976,042	120,543,270	263,003,617	322,509,316	-
Tax on dividend distributed		-	-	-	-	-	-
Less : Transfer from Unit Premium Reserve		-	-	-	-	-	-
Add : Amount of load transferred		-	-	-	-	-	-
Amount (Payable) / Receivable to AMC		-	-	-	-	-	-
Surplus/Deficit carried forward		1,539,325,049	1,116,681,985	576,291,191	320,870,471	3,171,009,695	2,443,930,126
Income (Gross) as a percentage to Average Net Assets	28.21	23.63	50.59	18.40	33.39	25.37	
Recurring Expenses as a percentage to Average Net Assets	2.41	2.33	2.30	2.04	2.25	2.27	

Significant Accounting Policies and Notes to the Accounts IX

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

(Rupees)

	Schedule	TEQPEF		TIFNA		TIFSA	
		Year Ended 31-Mar-08	Year Ended 31-Mar-07	Year Ended 31-Mar-08	Year Ended 31-Mar-07	Year Ended 31-Mar-08	Year Ended 31-Mar-07
INCOME							
Dividend		10,638,606	19,014,571	451,466	325,038	475,394	166,645
Interest	VIII	1,773,022	318,653	25,524	4,362	48,853	-
Profit on sale / redemption of investments		499,922,839	239,872,397	3,966,886	3,415,963	11,536,625	6,728
Profit on inter- scheme transfer / sale of investments		-	-	-	-	-	-
Other income		-	-	251,713	-	-	-
TOTAL (A)		512,334,467	259,205,621	4,695,589	3,745,363	12,060,872	173,373
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		2,639,604	5,490,109	239,612	119,414	484,895	-
Loss on inter- scheme transfer / sale of investments		-	-	-	-	-	-
Management fees		12,481,419	9,105,648	208,824	85,445	272,328	62,560
Trusteeship fees		124,818	320,901	4,654	1,918	5,349	1,289
Staff cost including salaries allowances, contributions to Provident Fund, Gratuity, etc.		-	-	-	-	-	-
Office and administrative expenses		-	-	-	-	-	-
Registration and local charges		-	-	-	-	-	-
Commission to Agents		8,804,549	5,910,387	-	102,785	-	53,016
Publicity expenses		1,516,960	647,254	173,769	-	217,171	-
Audit fees		196,630	112,360	140,450	39,326	140,450	39,326
Other operating expenses		4,753,068	3,795,305	46,835	1,279	30,152	5,859
Deferred revenue expenses written off		5,591,767	5,576,488	-	-	-	-
Depreciation of fixed assets		-	-	-	-	-	-
Custodian fees & expenses		318,903	277,493	27,884	23,176	27,819	13,376
Registrar's fees & expenses		2,326,146	1,755,216	91,489	22,257	106,404	13,787
Less : Amount recovered on sale of units on account of management expenses		-	-	-	-	-	-
Provision / (reversal) for diminution in value of investments		129,354,186	25,820,991	2,422,525	275,943	2,778,800	301,350
TOTAL (B)		168,108,050	58,812,152	3,356,042	671,543	4,063,369	490,563
Surplus / (Deficit) (A - B)		344,226,417	200,393,469	1,339,547	3,073,820	7,997,503	(317,190)
Increase / (decrease) in unrealised appreciation in value of investments		(30,272,381)	(160,091,034)	1,869,673	(879,484)	1,674,188	1,486,869
Surplus after considering unrealised appreciation / (diminution) in value of investments		313,954,036	40,302,436	3,209,220	2,194,336	9,671,692	1,169,680
Add / (Less): Income Equalisation Account		66,126,135	(86,148,914)	7,902,633	6,984,081	6,072,199	12,561,645
		380,080,171	(45,846,478)	11,111,853	9,178,417	15,743,890	13,731,324
Add : Surplus brought forward		685,101,724	730,948,202	20,943,705	11,765,288	18,291,006	4,559,682
Transfer from Reserves		-	-	-	-	-	-
Prior Period Income		-	-	-	-	-	-
Surplus / (Deficit) after adjustments		1,065,181,895	685,101,724	32,055,558	20,943,705	34,034,896	18,291,006
Appropriations							
Income Distribution / Units Capitalisation		12,449,141	-	-	-	-	-
Tax on dividend distributed		-	-	-	-	-	-
Less : Transfer from Unit Premium Reserve							
Add : Amount of load transferred							
Amount (Payable) / Receivable to AMC		-	-	-	-	-	-
Surplus/Deficit carried forward		1,052,732,754	685,101,724	32,055,558	20,943,705	34,034,896	18,291,006
Income (Gross) as a percentage to Average Net Assets		40.84	28.00	10.12	19.54	22.59	1.34
Recurring Expenses as a percentage to Average Net Assets		2.43	2.37	1.50	1.44	1.50	1.47

Significant Accounting Policies and Notes to the Accounts

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

(Rupees)

	Schedule	TGF		TLS		TMCF	
		Year Ended 31-Mar-08	Year Ended 31-Mar-07	Year Ended 31-Mar-08	Year Ended 31-Mar-07	Year Ended 31-Mar-08	Year Ended 31-Mar-07
INCOME							
Dividend	VIII	6,278,515	3,431,750	4,426,874	4,371,712	9,562,127	26,994,768
Interest		6,230,277	2,332,237	1,475,346	699,918	4,375,687	2,544,562
Profit on sale / redemption of investments		298,664,547	84,725,588	215,485,957	111,111,090	451,014,531	502,306,255
Profit on inter- scheme transfer / sale of investments		-	-	-	-	-	-
Other income		-	-	-	-	-	-
TOTAL (A)		311,173,339	90,489,575	221,388,177	116,182,720	464,952,345	531,845,585
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		81,652,329	54,657,783	5,802,375	4,307,808	137,510,768	68,997,345
Loss on inter- scheme transfer / sale of investments		-	-	-	-	-	-
Management fees		13,046,215	4,586,679	6,781,744	4,376,792	16,586,762	22,534,944
Trusteeship fees		107,376	127,051	54,256	118,354	140,804	744,664
Staff cost including salaries allowances, contributions to Provident Fund, Gratuity, etc.		-	-	-	-	-	-
Office and administrative expenses		-	-	-	-	-	-
Registration and local charges		-	-	-	-	-	-
Commission to Agents		6,501,451	3,077,712	2,248,632	1,735,636	5,521,934	10,760,515
Publicity expenses		880,279	-	1,383,241	-	1,034,939	1,863,971
Audit fees		168,540	112,360	140,450	84,270	196,630	273,280
Other operating expenses		3,378,452	507,476	1,836,100	1,120,445	2,854,380	7,075,451
Deferred revenue expenses written off		-	-	-	-	22,573,142	22,511,466
Depreciation of fixed assets		-	-	-	-	-	-
Custodian fees & expenses		326,913	96,392	131,944	103,074	286,826	440,353
Registrar's fees & expenses		2,041,431	457,053	987,560	604,221	7,542,604	3,116,520
Less : Amount recovered on sale of units on account of management expenses		-	-	-	-	-	-
Provision / (reversal) for diminution in value of investments		18,207,849	8,167,495	140,663,526	6,543,115	(38,216,885)	55,114,016
TOTAL (B)		126,310,835	71,790,001	160,029,828	18,993,715	156,031,904	193,432,525
Surplus / (Deficit) (A - B)		184,862,503	18,699,574	61,358,349	97,189,005	308,920,441	338,413,060
Increase / (decrease) in unrealised appreciation in value of investments		62,050,499	(3,755,150)	(120,504,866)	(48,288,515)	(15,982,476)	(500,980,503)
Surplus after considering unrealised appreciation / (diminution) in value of investments		246,913,003	14,944,424	(59,146,517)	48,900,490	292,937,965	(162,567,443)
Add / (Less): Income Equalisation Account		45,561,272	309,180,313	62,348,625	(18,868,453)	(78,358,915)	(37,088,656)
Add : Surplus brought forward		299,492,152	339,817,737	385,947,923	362,721,788	828,382,461	1,028,038,560
Transfer from Reserves		-	-	-	-	-	-
Prior Period Income		-	-	-	-	-	-
Surplus / (Deficit) after adjustments		591,966,427	663,942,474	389,150,031	392,753,825	1,042,961,511	828,382,461
Appropriations							
Income Distribution / Units Capitalisation		270,416,344	364,450,322	107,405,495	6,805,902	46,191,669	-
Tax on dividend distributed		-	-	-	-	-	-
Less : Transfer from Unit Premium Reserve		-	-	-	-	-	-
Add : Amount of load transferred		-	-	-	-	-	-
Amount (Payable) / Receivable to AMC		-	-	-	-	-	-
Surplus/Deficit carried forward		321,550,083	299,492,152	281,744,536	385,947,923	996,769,842	828,382,461
Income (Gross) as a percentage to Average Net Assets		29.06	24.66	40.92	33.18	31.72	25.47
Recurring Expenses as a percentage to Average Net Assets		2.47	2.44	2.50	2.33	2.33	2.24

Significant Accounting Policies and Notes to the Accounts

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

(Rupees)

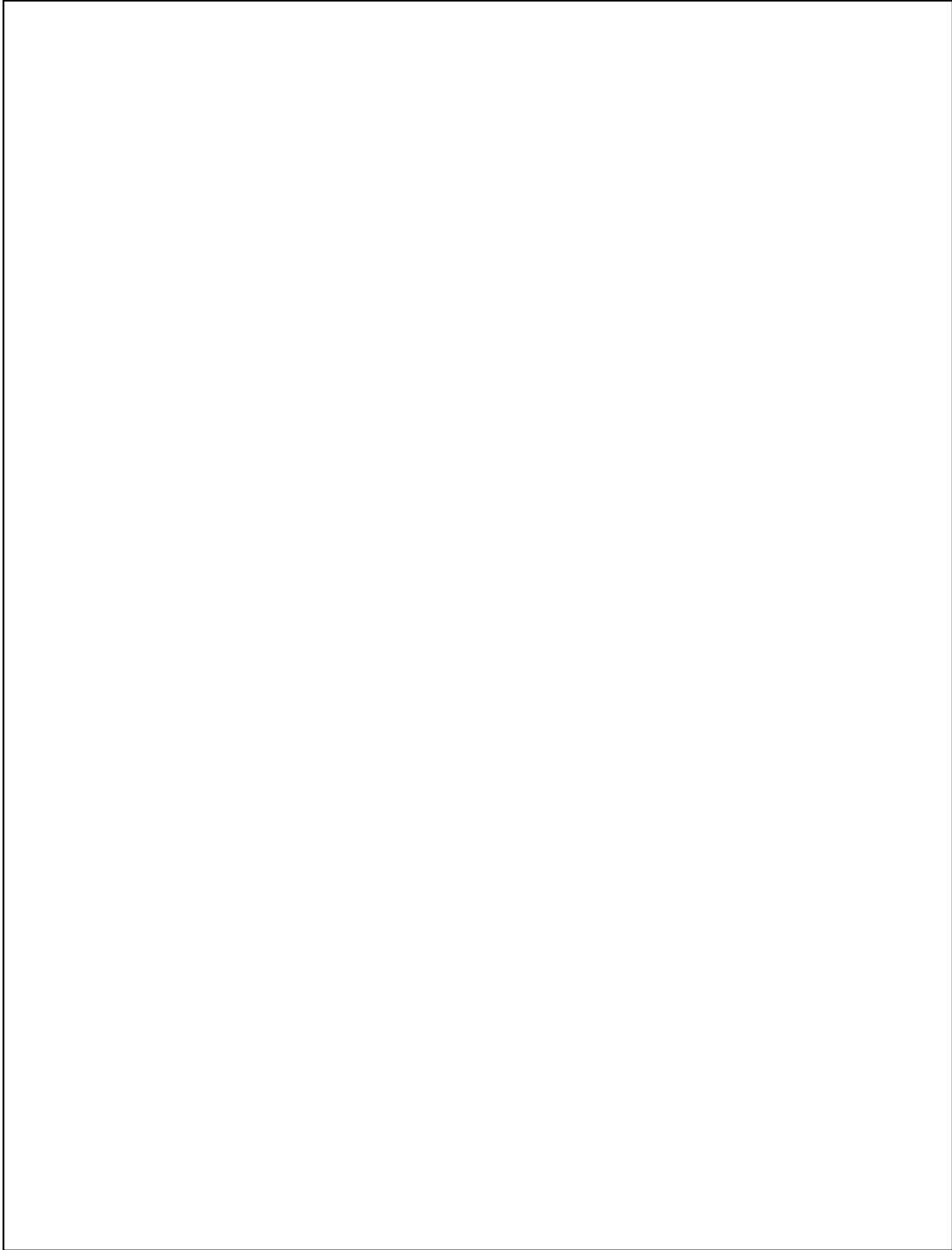
Schedule	TPEF	
	Year Ended 31-Mar-08	Year Ended 31-Mar-07
INCOME		
Dividend	17,762,609	36,742,067
Interest VIII	11,960,955	7,952,114
Profit on sale / redemption of investments	1,151,730,393	827,358,403
Profit on inter- scheme transfer / sale of investments	-	-
Other income	300	-
TOTAL (A)	1,181,454,257	872,052,584
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	122,675,060	152,188,635
Loss on inter- scheme transfer / sale of investments	-	-
Management fees	37,264,782	31,065,871
Trusteeship fees	347,590	970,944
Staff cost including salaries allowances, contributions to Provident Fund, Gratuity, etc.	-	-
Office and administrative expenses	-	-
Registration and local charges	-	-
Commission to Agents	12,771,104	18,714,831
Publicity expenses	15,532,391	2,152,473
Audit fees	196,630	196,630
Other operating expenses	8,657,662	7,649,453
Deferred revenue expenses written off	-	-
Depreciation of fixed assets	-	-
Custodian fees & expenses	847,714	1,020,643
Registrar's fees & expenses	5,058,984	4,467,618
Less : Amount recovered on sale of units on account of management expenses -	-	-
Provision / (reversal) for diminution in value of investments	193,064,420	55,205,525
TOTAL (B)	396,416,337	273,632,623
Surplus / (Deficit) (A - B)	785,037,920	598,419,961
Increase / (decrease) in unrealised appreciation in value of investments (18,810,570)	(416,031,680)	-
Surplus after considering unrealised appreciation / (diminution) in value of investments	766,227,350	182,388,281
Add / (Less): Income Equalisation Account	(175,852,013)	121,447,610
	590,375,337	303,835,891
Add : Surplus brought forward	2,300,411,269	1,996,580,508
Transfer from Reserves	-	-
Prior Period Income	-	-
Surplus / (Deficit) after adjustments	2,890,786,606	2,300,416,399
Appropriations		
Income Distribution / Units Capitalisation	200,009,087	5,130
Tax on dividend distributed	-	-
Less : Transfer from Unit Premium Reserve	-	-
Add : Amount of load transferred	-	-
Amount (Payable) / Receivable to AMC	-	-
Surplus/Deficit carried forward	2,690,777,519	2,300,411,269
Income (Gross) as a percentage to Average Net Assets	34.09	30.53
Recurring Expenses as a percentage to Average Net Assets	2.33	2.32

Significant Accounting Policies and Notes to the Accounts

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Expertise that's trusted



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

(Rupees)

	TCBF		TSEF		TDYF	
	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
Schedule I - Unit Capital						
Initial Capital	2,598,583,096	2,598,583,096	5,657,284,776	5,657,249,776	4,022,885,292	4,022,875,512
<u>Unit Capital</u>						
Units Opening Balance	2,470,132,574	2,598,583,096	1,794,596,614	4,325,888,255	1,015,433,852	1,613,158,585
Add : Unit Capital reissued during the year	-	-	94,363,332	164,376,789	26,846,096	94,298,517
	2,470,132,574	2,598,583,096	1,888,959,946	4,490,265,044	1,042,279,948	1,707,457,102
Less : Unit Capital repurchased during the Year	672,058,224	128,450,522	902,978,386	2,695,668,430	341,631,626	692,023,250
Unit Capital Closing Balance	1,798,074,350	2,470,132,574	985,981,560	1,794,596,614	700,648,322	1,015,433,852

	TBF		TEMF		TEOF	
	As At	As At	As At	Period Ended	As At	As At
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
Schedule I - Unit Capital						
Initial Capital	687,320,000	687,320,000	3,940,857,765	3,940,857,765	-	-
<u>Unit Capital</u>						
Units Opening Balance	353,127,811	357,956,547	3,602,628,280	3,940,857,765	1,809,684,003	1,745,169,380
Add : Unit Capital reissued during the year	188,809,763	99,010,413	8,598,379	-	885,012,160	1,156,045,830
	541,937,574	456,966,960	3,611,226,659	3,940,857,765	2,694,696,163	2,901,215,210
Less : Unit Capital repurchased during the Year	125,091,897	103,839,149	1,489,961,605	338,229,485	992,603,650	1,091,531,207
Unit Capital Closing Balance	416,845,677	353,127,811	2,121,265,054	3,602,628,280	1,702,092,513	1,809,684,003

	TEQPEF		TIFSA		TIFNA	
	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
Schedule I - Unit Capital						
Initial Capital	1,027,403,636	1,027,403,636	62,048,515	62,048,515	17,006,139	17,006,139
<u>Unit Capital</u>						
Units Opening Balance	360,408,387	489,674,761	10,744,901	1,592,023	15,114,439	6,288,325
Add : Unit Capital reissued during the year	163,174,411	34,973,241	24,149,870	9,964,895	15,785,254	19,874,691
	523,582,798	524,648,002	34,894,771	11,556,918	30,899,693	26,163,016
Less : Unit Capital repurchased during the Year	130,084,885	164,239,615	20,119,091	812,017	10,194,308	11,048,577
Unit Capital Closing Balance	393,497,913	360,408,387	14,775,680	10,744,901	20,705,385	15,114,439

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

	TGF		TLS		TMCF	
	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07
Schedule I - Unit Capital						
Initial Capital	-	-	155,780,000	155,780,000	4,175,557,051	4,175,557,051
<u>Unit Capital</u>						
Units Opening Balance	390,090,313	161,412,511	81,762,078	95,026,157	1,177,644,040	2,056,666,771
Add : Unit Capital reissued during the year	341,065,231	321,815,872	127,776,712	33,079,732	40,187,771	375,689,645
	731,155,544	483,228,383	209,538,790	128,105,889	1,217,831,811	2,432,356,416
Less : Unit Capital repurchased during the Year	316,807,497	93,138,070	89,805,354	46,343,811	467,396,178	1,254,712,376
Unit Capital Closing Balance	414,348,047	390,090,313	119,733,436	81,762,078	750,435,633	1,177,644,040
TPEF						
				As At 31-Mar-08	As At 31-Mar-07	
Schedule I - Unit Capital						
Initial Capital				37,811,000	37,811,000	
<u>Unit Capital</u>						
Units Opening Balance				879,274,390	896,139,945	
Add : Unit Capital reissued during the year				364,368,797	672,986,212	
				1,243,643,187	1,569,126,157	
Less : Unit Capital repurchased during the Year				497,746,302	689,851,767	
Unit Capital Closing Balance				745,896,885	879,274,390	

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

(Rupees)

	TCBF		TSEF		TDYF	
	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
Schedule II						
RESERVES & SURPLUS :						
Unit premium reserve						
Opening Balance	(11,056,387)	-	(390,894,793)	(102,443,324)	(579,529,918)	(400,976,184)
Add : Addition / (deduction) during the year	(179,539,752)	(11,056,387)	(62,998,348)	(288,451,469)	(154,453,221)	(178,553,734)
	(190,596,139)	(11,056,387)	(453,893,141)	(390,894,793)	(733,983,139)	(579,529,918)
Less : Transfer to / (from) revenue account for the year	-	-	-	-	-	-
Closing Balance	(190,596,139)	(11,056,387)	(453,893,141)	(390,894,793)	(733,983,139)	(579,529,918)
Accumulated Load						
Opening Balance	-	-	44,235,553	17,285,650	3,395,126	1,133,880
Add : Collection during the year	-	-	1,167,582	26,949,903	894,266	2,261,246
	-	-	45,403,135	44,235,553	4,289,392	3,395,126
Less : Utilised towards agents commission	-	-	45,374,684	-	-	-
Less : Transferred to AMC	-	-	-	-	-	-
Less : Transfer to revenue account	-	-	28,451	44,235,553	4,289,392	3,395,126
Closing Balance	-	-	28,451	44,235,553	4,289,392	3,395,126
Revenue Account	670,216,845	120,405,541	724,251,665	486,452,358	1,292,573,322	994,233,906
	479,620,706	109,349,154	270,386,975	139,793,118	562,879,575	418,099,114

	TBF		TEMF		TEOF	
	As At	As At	As At	Period Ended	As At	As At
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
Schedule II						
RESERVES & SURPLUS :						
Unit premium reserve						
Opening Balance	42,367,926	40,356,087	(49,316,712)	-	82,283,181	106,713,729
Add : Addition / (deduction) during the year	116,285,638	2,011,839	(372,928,393)	(49,316,712)	(22,174,107)	(24,430,548)
	158,653,564	42,367,926	(422,245,105)	(49,316,712)	60,109,074	82,283,181
Less : Transfer to / (from) revenue account for the year	-	-	-	-	-	-
Closing Balance	158,653,564	42,367,926	(422,245,105)	(49,316,712)	60,109,074	82,283,181
Accumulated Load						
Opening Balance	3,877,394	40,063	-	-	25,141,999	21,523,430
Add : Collection during the year	19,675,768	6,398,489	160,325	-	39,556,278	38,605,487
	23,553,162	6,438,552	160,325	-	64,698,277	60,128,917
Less : Utilised towards agents commission	23,430,271	2,561,158	-	-	46,000,000	34,986,918
Less : Transferred to AMC	-	-	-	-	-	-
Less : Transfer to revenue account	-	-	-	-	-	-
Closing Balance	122,891	3,877,394	160,325	-	18,698,277	25,141,999
Revenue Account	1,539,325,049	1,116,681,985	576,291,191	320,870,471	3,171,009,695	2,443,930,126
	1,698,101,504	1,162,927,305	154,206,411	271,553,759	3,249,817,046	2,551,355,306

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

(Rupees)

	TEQPEF		TIFSA		TIFNA	
	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
Schedule II						
RESERVES & SURPLUS :						
Unit premium reserve						
Opening Balance	(200,947,748)	(133,199,334)	6,639,880	(1,603,857)	(195,446)	(4,908,171)
Add : Addition / (deduction) during the year	4,844,695	(67,748,414)	1,527,465	8,243,737	6,949,544	4,712,725
	(196,103,053)	(200,947,748)	8,167,345	6,639,880	6,754,098	(195,446)
Less : Transfer to / (from) revenue account for the year	-	-	-	-	-	-
Closing Balance	(196,103,053)	(200,947,748)	8,167,345	6,639,880	6,754,098	(195,446)
Accumulated Load						
Opening Balance	1,142,392	5,178	28,415	-	243,583	136
Add : Collection during the year	9,598,964	1,137,214	892,650	329,344	385,922	449,265
	10,741,356	1,142,392	921,065	329,344	629,505	449,401
Less : Utilised towards agents commission	6,000,000	-	919,677	300,929	629,456	205,818
Less : Transferred to AMC						
Less : Transfer to revenue account	-	-	-	-	-	-
Closing Balance	4,741,356	1,142,392	1,388	28,415	49	243,583
Revenue Account	1,052,732,754	685,101,724	34,034,896	18,291,006	32,055,558	20,943,705
	861,371,057	485,296,368	42,203,629	24,959,301	38,809,705	20,991,842

	TGF		TLS		TMCF	
	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
Schedule II						
RESERVES & SURPLUS :						
	423,899	309,931	198,302	199,250	571,310	746,986
Unit premium reserve	95,407	119,299	48,243	111,096	125,676	698,554
Opening Balance	443,733	11,434,605	178,391	543,066	7,467,359	2,614,022
Add : Addition / (deduction) during the year	412,834	102,417	390,874	277,661	-	2,164,198
	168,540	112,360	140,450	84,270	196,630	140,450
Less : Transfer to / (from) revenue account for the year	15,458	27,092	9,844	7,973	22,623	29,767
Closing Balance	393,382	34,257	188,101	116,193	5,464,220	845,569
	1,081,116	120,351	755,553	579,031	473,507	4,622,848
Accumulated Load						
Opening Balance	10,684,613	92,449,726	1,283,089	-	5,705,700	-
Add : Collection during the year	-	-	-	-	-	-
	-	-	-	-	-	-
Less : Utilised towards agents commission	51,065,261	1,118,416	7,679,884	64,220	1,415,989	1,796,570
	233,160	1,501,981	297,028	5,106	147,676	876,704
Less : Transferred to AMC						
Less : Transfer to revenue account	-	-	-	-	-	-
Closing Balance	-	2,691,227	-	-	-	-
	2,691,346	209,608,205	272,714	401,228	14,463,340	626
Revenue Account	67,708,749	319,629,867	11,442,473	2,389,094	36,054,030	14,536,294

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

(Rupees)

	TPEF	
	As At 31-Mar-08	As At 31-Mar-07
Schedule II		
RESERVES & SURPLUS :		
Unit premium reserve		
Opening Balance	(120,359,042)	(31,324,804)
Add : Addition / (deduction) during the year	(159,060,860)	(89,034,238)
	(279,419,902)	(120,359,042)
Less : Transfer to / (from) revenue account for the year	0	0
Closing Balance	(279,419,902)	(120,359,042)
Accumulated Load		
Opening Balance	513,198	246,443
Add : Collection during the year	21,187,313	25,654,233
	21,700,511	25,900,676
Less : Utilised towards agents commission	21,581,325	25,387,478
Less : Transferred to AMC		
Less : Transfer to revenue account	-	-
Closing Balance	119,186	513,198
Revenue Account	2,690,777,519	2,300,411,269
	2,411,476,803	2,180,565,425

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

(Rupees)

	TCBF		TSEF		TDYF	
	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
Schedule III						
Current Liabilities & Provisions						
Current Liabilities						
Management Fees Payable	1,056,380	1,169,828	646,942	909,770	636,817	720,158
Trusteeship Fees Payable	241,767	291,006	139,371	1,162,768	134,629	634,270
Selling Commission / Brokerage	825,699	4,074,318	11,212,885	3,075,395	524,615	2,189,618
Advertisement & Publicity	4,466,509	956,950	1,128,704	1,108,131	2,226,667	1,693,007
Audit Fees	196,630	140,450	196,630	140,450	196,630	140,450
Custodian Fees & Expenses	47,008	51,585	34,074	47,705	27,329	31,050
Registrar Fees & Expenses	681,049	465,477	889,074	744,004	654,080	672,231
Other Expenses	8,038,928	1,858,057	15,259,962	3,466,230	6,091,169	3,692,634
Interest payable on loans	-	-	-	-	-	-
Contract for purchase of investments	-	-	-	-	-	13,471,385
Bank account overdrawn as per books	-	-	-	-	-	-
Unclaimed distributed income	-	-	-	-	-	-
-	-	-	-	-	-	-
Repurchase amount payable	-	2,246,551	1,012,389	6,176,775	276,419	1,366,579
Inter-scheme dues	-	141,372	402,325	1,683,343	237,938	870,496
Dividend Distribution Tax						
Amount payable to AMC						
Variation Margin Payable - F&O						
Others	-	-	-	-	549,392	358,859
TOTAL	15,553,970	11,395,594	30,922,356	18,514,571	11,555,685	25,840,737

	TBF		TEMF		TEOF	
	As At	As At	As At	Period Ended	As At	As At
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
Schedule III						
Current Liabilities & Provisions						
Current Liabilities						
Management Fees Payable	1,015,695	775,763	1,095,687	1,750,045	2,198,060	1,972,042
Trusteeship Fees Payable	175,896	478,177	296,998	787,812	451,986	1,367,612
Selling Commission / Brokerage	1,688,255	1,813,047	927,337	6,313,901	14,419,998	9,523,391
Advertisement & Publicity	4,053,675	1,051,515	3,878,001	2,309,990	395,266	10,152
Audit Fees	196,630	140,450	196,630	196,630	207,866	196,630
Custodian Fees & Expenses	971,004	262,009	40,932	274,956	100,522	98,783
Registrar Fees & Expenses	1,053,235	448,125	1,223,478	1,011,814	3,846,605	211,247
Other Expenses	7,447,510	2,259,740	7,256,780	7,727,284	1,598,221	782,474
Interest payable on loans	-	-	-	-	-	-
Contract for purchase of investments	-	-	-	-	1,214,633	34,062,450
Bank account overdrawn as per books	-	-	-	-	-	-
Unclaimed distributed income	-	-	-	-	-	-
Repurchase amount payable	925,585	904,546	1,263,735	12,552,328	3,466,936	10,842,729
Inter-scheme dues	125,368	212,786	3,088,342	341,450	613,271	1,380,684
Dividend Distribution Tax						
Amount payable to AMC						
Variation Margin Payable - F&O	212,809		698,844,618	234,067,441	4,766,129	-
Others	831,393	914,214	-	-	1,254,239	2,050,845
TOTAL	18,697,055	9,260,372	718,112,538	267,333,651	34,533,732	62,499,039

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

	(Rupees)					
	TEQPEF		TIFSA		TIFNA	
	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07
	TEQPEF As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	TIFSA As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	TIFNA As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
Schedule III						
Current Liabilities & Provisions						
Current Liabilities						
Management Fees Payable	533,871	360,678	12,631	7,860	12,631	7,860
Trusteeship Fees Payable	111,271	301,135	4,788	1,229	4,788	1,229
Selling Commission / Brokerage	1,047,729	1,494,721	32,601	195,093	32,601	195,093
Advertisement & Publicity	1,673,293	1,163,159	219,592	81	219,592	81
Audit Fees	196,630	112,360	140,450	39,326	140,450	39,326
Custodian Fees & Expenses	34,074	19,213	1,294	2,996	1,294	2,996
Registrar Fees & Expenses	603,824	455,276	37,032	1,758	37,032	1,758
Other Expenses	3,111,407	2,312,367	397,442	10,767	397,442	10,767
Interest payable on loans	-	-	-	-	-	-
Contract for purchase of investments	26,700,521	20,348,341	-	-	-	-
Bank account overdrawn as per books	-	-	-	-	-	-
Unclaimed distributed income	-	-	-	-	-	-
Repurchase amount payable	623,399	1,803,285	1,688,168	9,524	1,688,168	9,524
Inter-scheme dues	2,271,144	248,325	8,771	2,301	8,771	2,301
Dividend Distribution Tax Amount payable to AMC						
Variation Margin Payable - F&O						
Others	3,453,103	69,669	-	25,589	-	25,589
TOTAL	40,360,266	28,688,529	2,542,769	296,524	2,542,769	296,524

	TGF		TLS		TMCF	
	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07
Schedule III						
Current Liabilities & Provisions						
Current Liabilities						
Management Fees Payable					22,602,125	8,408,794
Trusteeship Fees Payable	707,635,105	425,801,466	-	-	741,000	18,500
Selling Commission / Brokerage			-	-		
Advertisement & Publicity			-	-	4,752,827	-
Audit Fees					345,488	2,221,694
Custodian Fees & Expenses			-	-	-	-
Registrar Fees & Expenses					-	-
Other Expenses					-	-
Interest payable on loans						
Contract for purchase of investments						
Bank account overdrawn as per books						
Unclaimed distributed income					-	4,057
Repurchase amount payable					697	698
Inter-scheme dues					28,442,137	10,653,743
Dividend Distribution Tax Amount payable to AMC						
Variation Margin Payable - F&O						
Others						
TOTAL	69,973,266	249,315,828				
	25,657,303	111,966,656				
Provisions	803,265,673	787,083,950				



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

(Rupees)

	TPEF	
	As At 31-Mar-08	As At 31-Mar-07
Schedule III		
Current Liabilities & Provisions		
Current Liabilities		
Management Fees Payable		
Trusteeship Fees Payable	-	-
Selling Commission / Brokerage	-	-
Advertisement & Publicity	-	-
Audit Fees	-	-
Custodian Fees & Expenses	-	-
Registrar Fees & Expenses		
Other Expenses		
Interest payable on loans		
Contract for purchase of investments		
Bank account overdrawn as per books		
Unclaimed distributed income		
Repurchase amount payable		
Inter-scheme dues		
Dividend Distribution Tax		
Amount payable to AMC		
Variation Margin Payable - F&O		
Others		
TOTAL		

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

(Rupees)

	TCBF		TSEF		TDYF	
	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
Schedule IV						
Investments						
(Market / Yield to maturity / Fair value)						
Equity Shares	2,123,519,389	2,312,301,819	1,239,157,468	1,868,486,972	1,219,371,084	1,391,887,548
Preference Shares	-	-	-	-	4,637,813	-
Warrants	-	-	91,023	-	-	-
Privately Placed Debentures / Bonds	-	-	-	-	-	-
Mutual Fund Units-Offshore						
Debentures listed / awaiting listing on recognised stock exchange	-	-	-	-	-	-
Zero Coupon Bonds / Deep discount Bonds						
Fixed Coupon Floating Rate Note - Reset						
Calls paid in advance	-	-	-	-	-	-
Term loans	-	-	-	-	-	-
Securitised Debt	-	-	-	-	-	-
Mumbai Inter Bank Offer Rate						
Central and State Government Securities	-	-	-	-	-	-
Asset Backed Securities						
Treasury Bills	-	-	-	-	-	-
Commercial Paper	-	-	-	-	-	-
Certificate Of Deposit	-	28,910,220	-	-	-	-
CBLO Investments	-	-	-	-	-	-
Reverse Repos	116,068,752	117,344,967	25,453,674	-	9,570,581	1,466,812
	2,239,588,141	2,458,557,006	1,264,702,165	1,868,486,972	1,233,579,478	1,393,354,360

	TBF		TEMF		TEOF	
	As At	As At	As At	Period Ended	As At	As At
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
Schedule IV						
Investments						
(Market / Yield to maturity / Fair value)						
Equity Shares	1,408,561,386	1,092,851,398	1,726,910,069	2,950,079,903	4,189,527,230	4,227,718,411
Preference Shares	3,633,750	-	-	-	-	-
Warrants						
Privately Placed Debentures / Bonds						
Mutual Fund Units-Offshore						
Debentures listed / awaiting listing on recognised stock exchange	358,552,732	209,516,197	-	-	-	-
Zero Coupon Bonds / Deep discount Bonds						
Fixed Coupon Floating Rate Note - Reset						
Calls paid in advance						
Term loans						
Securitised Debt						
Mumbai Inter Bank Offer Rate						
Central and State Government Securities						
Asset Backed Securities						
Treasury Bills						
Commercial Paper						
Certificate Of Deposit	139,071,256	90,879,976	-	149,193,700	-	-
CBLO Investments					599,724,863	-
Reverse Repos	48,260,165	85,075,101	224,501,401	399,255,240	39,707,731	127,612,651
	1,958,079,289	1,478,322,672	1,951,411,470	3,498,528,843	4,828,959,824	4,355,331,062

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

(Rupees)

	TEQPEF		TIFSA		TIFNA	
	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
Schedule IV						
Investments						
(Market / Yield to maturity / Fair value)						
Equity Shares	1,241,195,029	829,415,651	58,459,785	35,229,733	60,259,563	41,137,669
Preference Shares	3,346,875	-	175,950	-	85,784	-
Warrants						
Privately Placed Debentures / Bonds						
Mutual Fund Units-Offshore						
Debentures listed / awaiting listing on recognised stock exchange						
Zero Coupon Bonds / Deep discount Bonds						
Fixed Coupon Floating Rate Note - Reset						
Calls paid in advance						
Term loans						
Securitised Debt						
Mumbai Inter Bank Offer Rate						
Central and State Government Securities						
Asset Backed Securities						
Treasury Bills						
Commercial Paper						
Certificate Of Deposit						
CBLO Investments						
Reverse Repos	30,951,667	-	203,629	-	509,073	-
	1,275,493,571	829,415,651	58,839,364	35,229,733	60,854,420	41,137,669

	TGF		TLS		TMCF	
	As At	As At	As At	As At	As At	Period Ended
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
Schedule IV						
Investments						
(Market / Yield to maturity / Fair value)						
Equity Shares	707,635,105	425,801,466	359,516,162	320,193,964	976,134,835	1,351,382,514
Preference Shares						
Warrants						
Privately Placed Debentures / Bonds						
Mutual Fund Units-Offshore						
Debentures listed / awaiting listing on recognised stock exchange						
Zero Coupon Bonds / Deep discount Bonds						
Fixed Coupon Floating Rate Note - Reset						
Calls paid in advance						
Term loans						
Securitised Debt						
Mumbai Inter Bank Offer Rate						
Central and State Government Securities						
Asset Backed Securities						
Treasury Bills						
Commercial Paper						
Certificate Of Deposit						
CBLO Investments	69,973,266	249,315,828				
Reverse Repos	25,657,303	111,966,656	14,254,057	37,159,239	105,785,468	132,013,088
	803,265,673	787,083,950	373,770,219	357,353,203	1,081,920,303	1,483,395,602

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

(Rupees)

	TPEF	
	As At 31-Mar-08	As At 31-Mar-07
Schedule IV		
Investments (Market / Yield to maturity / Fair value)		
Equity Shares	2,541,175,027	2,716,919,080
Preference Shares	13,387,500	-
Warrants		
Privately Placed Debentures / Bonds		
Mutual Fund Units-Offshore		
Debentures listed / awaiting listing on recognised stock exchange		
Zero Coupon Bonds / Deep discount Bonds		
Fixed Coupon Floating Rate Note - Reset		
Calls paid in advance		
Term loans		
Securitised Debt		
Mumbai Inter Bank Offer Rate		
Central and State Government Securities		
Asset Backed Securities		
Treasury Bills		
Commercial Paper		
Certificate Of Deposit		
CBLO Investments	-	249,315,828
Reverse Repos	484,001,506	132,013,088
	3,038,564,033	3,098,247,996
 TOTAL		



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

(Rupees)

	TCBF		TSEF		TDYF	
	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
Schedule V						
Deposits						
Deposits with scheduled banks	-	-	-	-		
Deposits with Companies / Institutions	-	-	-	-	20,000,000	20,000,000
Others	-	-	-	-		
	-	-	-	-	20,000,000	20,000,000

	TBF		TEMF		TEOF	
	As At	As At	As At	Period Ended	As At	As At
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
Schedule V						
Deposits						
Deposits with scheduled banks	100,000,000	-			100,000,000	-
Deposits with Companies / Institutions	1,500,000	1,500,000	971,000,000	521,000,000		
Others		-	-			
	101,500,000	1,500,000	971,000,000	521,000,000	100,000,000	-

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

(Rupees)

	TEQPEF		TIFSA		TIFNA	
	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
Schedule V						
Deposits			491,776	697,261	1,213,702	11,081,009
Deposits with scheduled banks	-	-	130,000	-	15,000	-
Deposits with Companies / Institutions	-	-	-	-	-	-
Others	-	-	23,043	17,769	17,359	20,280
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	55,963	-	-	4,998
	-	-	37,895	-	-	-
	-	-	682,714	770,993	1,246,061	11,106,287

	TGF		TLS		TLCF	
	As At	As At	As At	As At	As At	Period Ended
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
Schedule V						
Deposits						
Deposits with scheduled banks	-	50,000,000	-	-	-	-
Deposits with Companies / Institutions	-	-	-	-	-	-
Others	-	-	-	-	-	-
	-	50,000,000	-	-	-	-

	TPEF	
	As At	As At
	31-Mar-08	31-Mar-07
Schedule V		
Deposits		
Deposits with scheduled banks	80,000,000	-
Deposits with Companies / Institutions	-	-
Others	80,000,000	-

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

	(Rupees)					
	TCBF		TSEF		TDYF	
	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07
	TCBF As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	TCF As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)	TDYF As At 31-Mar-08 (Rupees)	As At 31-Mar-07 (Rupees)
Schedule VI						
Other Current Assets						
Balances with banks in current account	2,985,219	3,154,052	7,125,511	9,531,957	5,718,747	5,185,266
Cheques on hand			1,235,940	15,995	239,500	18,179
Sundry Debtors						
Contract for sale of investments	-	-	13,110,358	6,555,425	-	16,406,584
Outstanding and accrued income	27,348	2,341,697	6,096	3,179,511	612,215	470,667
Advance, Deposits, etc.	-	-	-	-		
Bridge Finance	-	-	-	-	-	-
Shares / Debentures application money, pending allotment	-	9,190,350	-	-	-	-
Receivable on redemption of investment						
Receivable from the AMC						
Variation Margin - Receivable F&O						
Inter-scheme dues			1,052,420	9,532	-	-
Others *	98,442	89,783	58,401	-	40,000	40,000
	3,111,009	14,775,882	22,588,726	19,292,420	6,610,462	22,120,696

	TBF		TEMF		TEOF	
	As At 31-Mar-08	As At 31-Mar-07	As At 31-Mar-08	Period Ended 31-Mar-07	As At 31-Mar-08	As At 31-Mar-07
Schedule VI						
Other Current Assets						
Balances with banks in current account	21,194,522	23,065,385	3,820,066	1,782,272	7,553,782	16,440,445
Cheques on hand	5,605,453	270,000	81,000	-	3,163,739	12,096,351
Sundry Debtors			-	-		
Contract for sale of investments	32,527,817	-	66,754,226	-	43,170,955	16,226,102
Outstanding and accrued income	14,371,527	10,813,521	352,896	3,297,212	1,346,925	5,724,289
Advance, Deposits, etc.	-	-	-	-	-	-
Bridge Finance	-	-	-	-	-	-
Shares / Debentures application money, pending allotment	-	11,343,910	-	12,328,550	-	-
Receivable on redemption of investment						
Receivable from the AMC						
Variation Margin - Receivable F&O						25
Inter-scheme dues	320,769	-	75,817	107,264	2,191,511	4,056,423
Others *	44,859		88,528	3,823,486	56,555	13,663,651
	74,064,947	45,492,816	71,172,533	21,338,784	57,483,467	68,207,286

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

	(Rupees)					
	TEQPEF		TIFSA		TIFNA	
	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
	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 VI						
Other Current Assets						
Balances with banks in current account	10,146,484	7,381,602	491,776	697,261	1,213,702	11,081,009
Cheques on hand	1,405,691	-	130,000	-	15,000	-
Sundry Debtors	-	-	-	-	-	-
Contract for sale of investments	-	24,314,971	-	-	-	-
Outstanding and accrued income	7,293	722,500	23,043	17,769	17,359	20,280
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	1,209,125	-	-	55,963	-	4,998
Others *	279	-	37,895	-	-	-
	12,768,872	32,419,073	682,714	770,993	1,246,061	11,106,287

	TGF		TLS		TMCF	
	As At	As At	As At	As At	As At	Period Ended
	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07
Schedule VI						
Other Current Assets						
Balances with banks in current account	8,959,210	172,770,011	4,160,117	4,005,313	22,602,125	8,408,794
Cheques on hand	199,877	280,594	15,000	2,000	741,000	18,500
Sundry Debtors	-	-	-	-	-	-
Contract for sale of investments	-	-	-	-	4,752,827	-
Outstanding and accrued income	19,413	732,620	3,358	660,360	345,488	2,221,694
Advance, Deposits, etc.	-	-	-	-	-	-
Bridge Finance	-	-	-	-	-	-
Shares / Debentures application money, pending allotment	-	6,610,450	-	-	-	-
Receivable on redemption of investment	-	-	-	-	-	-
Receivable from the AMC	-	-	-	-	-	-
Variation Margin - Receivable F&O	13,549,226	-	-	-	-	-
Inter-scheme dues	2,070	444,427	43,654	398,359	-	4,057
Others *	19,993	-	-	-	697	698
	22,749,789	180,838,102	4,222,129	5,066,032	28,442,137	10,653,743

		TPEF				
		As At 31-Mar-08	As At 31-Mar-07			
		TPEF				
		As At	As At			
		31-Mar-08	31-Mar-07			
		(Rupees)	(Rupees)			
Schedule VI						
Other Current Assets						
Balances with banks in current account		5,341,979	11,442,444			
Cheques on hand		1,701,637	14,059,636			
Sundry Debtors						
Contract for sale of investments		75,888,808	-			
Outstanding and accrued income		2,321,110	2,715,612			
Advance, Deposits, etc.		-	-			
Bridge Finance		-	-			
Shares / Debentures application money, pending allotment		-	9,691,500			
Receivable on redemption of investment						
Receivable from the AMC						
Variation Margin - Receivable F&O						
Inter-scheme dues		5,393,466	2,319,514			
Others *		1,104,153	-			
		91,751,153	40,228,706			
		TCBF	TSEF	TDYE		
		As At	As At	As At	As At	
		31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	
		(Rupees)	(Rupees)	(Rupees)	(Rupees)	
Schedule VII						
Deferred Revenue Expenditure						
Opening Balance	117,544,434	150,976,000	-	-	23,898,647	32,879,049
Add: Addition during the year						
Less : Amount written off during the year	40,366,710	26,577,087	-	-	9,005,005	8,980,402
Less : Amount recovered on redeemed units	26,627,848	6,854,479	-	-		
Amount deferred to subsequent years	50,549,876	117,544,434	-	-	14,893,642	23,898,647
		TBF	TEMF	TEOF		
		As At	As At	As At	As At	As At
		31-Mar-08	31-Mar-07	31-Mar-08	31-Mar-07	31-Mar-07
		(Rupees)	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Schedule VII						
Deferred Revenue Expenditure						
Opening Balance	-	-	100,648,063	215,461,000	-	-
Add: Addition during the year						
Less : Amount written off during the year	-	-	84,697,493	101,443,604	-	-
Less : Amount recovered on redeemed units			15,950,570	13,369,333		
Amount deferred to subsequent years	-	-	-	100,648,063	-	-

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	TEQPEF		TIFS		TIFN	
	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 VII						
Deferred Revenue Expenditure						
Opening Balance	12,558,560	18,135,048	-	-	-	-
Add: Addition during the year						
Less : Amount written off during the year	5,591,767	5,576,488	-	-	-	-
Less : Amount recovered on redeemed units						
Amount deferred to subsequent years	6,966,793	12,558,560	-	-	-	-
	TGF		TLSTF		TMCF	
	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 VII						
Deferred Revenue Expenditure						
Opening Balance	-	-	-	-	73,146,840	95,658,306
Add: Addition during the year						
Less : Amount written off during the year	-	-	-	-	22,573,141	22,511,466
Less : Amount recovered on redeemed units						
Amount deferred to subsequent years	-	-	-	-	50,573,699	73,146,840
	TPEF					
	As At	As At				
	31-Mar-08 (Rupees)	31-Mar-07 (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						

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	TGF		TLSTF		TMCF	
	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 VIII						
Interest Income						
Call Money						
Other Deposits						
Term Deposits						
Debentures / Bonds / Asset Backed Securities			18,677	-	82,238	127,021
Discounted Securities	550,320	645,114	-	-	-	-
Government Securities	-	-				
Reverse Repos	5,679,957	1,687,123	1,456,669	699,918	4,293,449	2,417,541
Others	-	-	-	-	-	-
	6,230,277	2,332,237	1,475,346	699,918	4,375,687	2,544,562
TPEF						
As At						
As At						
31-Mar-08						
31-Mar-07						
(Rupees)						
(Rupees)						
Schedule VIII						
Interest Income						
Call Money						
Other Deposits						
Term Deposits						
Debentures / Bonds / Asset Backed Securities						
Discounted Securities					1,052,116	756,178
Government Securities					-	-
Reverse Repos					10,908,839	7,195,936
Others					-	-
					11,960,955	7,952,114

TATA CAPITAL BUILDER FUND (TCBF)

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

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost 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 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:

This being a close ended scheme the initial issue expenses are written off equally over the close ended period viz. 3 years. The unamortised portion of the initial issue expenses Rs. 50,549,876/- (previous period Rs. 117,544,434/-) is included in the NAV.

4. INVESTMENTS:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investments at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

5. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded 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 equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. 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. 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.

iv. Reverse Repo Investment :

Investment bought on Repo basis are valued at cost.

v. 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.Nil (previous period 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.

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

- 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	3,989,468,623	143.33	5,217,162,549	190.93
Aggregate value of Sales	2,575,438,526	92.53	3,029,278,440	110.88

*The amounts do not include reverse repo transactions.

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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 period : 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 below :

Current Year			Previous Period		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0100%	15-09-06	13-11-06	0.0500%
			14-11-06	31-03-07	0.0100%

6. Contingent liabilities as at 31st March, 2008 are Rs.Nil (previous period 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.	Period from 18-07-2006 to 31-03-2007 Rs.	% equity capital held by the sponsors and its subsidiary / associates as at 31 st March, 2008
Tata Securities Pvt. Limited.	Selling Commission	37,662	228,518	#
Tata Asset Management Limited	Management Fees	29,614,819	15,453,312	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	271,089	309,195	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	10.0000		10.0000	
Net Asset Value	Growth	12.6678	Growth	10.4428
	Dividend	12.6671	Dividend	10.4427

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

Particulars	2007-2008 Rs.	Period from 18-07-2006 to 31-03-2007 Rs.
Unrealised appreciation	508,209,057	251,051,070
Unprovided diminution	0	0

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/dividend amount is Rs.Nil (previous period Rs. Nil).
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. Prior period comprises the period beginning from 18th July, 2006 to 31st March, 2007, hence the prior period figures are strictly not comparable with current year. The figures for the previous period have been regrouped and reclassified wherever necessary.

TATA SELECT EQUITY FUND (TSEF)

Schedule VI - Statement of significant accounting policies of Tata Select Equity Fund (TSEF) and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost 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 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:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investment at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded 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 equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. 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. 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 effected 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. 9,000,000/- (previous year Rs. 3,698,324/-) 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	1,607,328,709	111.42	695,327,512	74.01
Aggregate value of Sales	1,624,333,715	112.60	510,181,650	54.30

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).

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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	0.0100%	01-04-06	13-11-06	0.0500%
			14-11-06	31-03-07	0.0100%

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	189,530	87,229	#
TML Financial Services Ltd	Selling Commission	157,101	300	#
Tata Asset Management Limited	Management Fees	16,972,278	11,657,395	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	144,660	304,785	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	
	Growth	Dividend	Growth	Dividend
Face Value	10.00		10.00	
Net Asset Value	56.4058	42.7432	45.0522	38.6199

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

Particulars	2007 – 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	234,420,705	301,924,767
Unprovided diminution	0	0

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 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. 514,114/- for 21 investors (previous year Rs.23,465/- for 5 investors) and the unclaimed dividend amount is Rs. 1,019,732/- for 463 investors (previous year Rs. 11,031,982/- for 467 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.**

Tata Dividend Yield Fund (TDYF)

Schedule IX - Statement of significant accounting policies of and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- c) 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
- 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. 14,893,642/- (previous year Rs. 23,898,647/-) is included in the NAV.

4. INVESTMENTS:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investment at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

5. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded 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.

In the absence of a quoted price on the valuation date for equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. These have been valued on the basis of valuation principles laid down by SEBI for the same.

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. Reverse Repo Investment :

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

iv. 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.

v. Derivatives :

Traded derivatives are valued at year-end closing market rates on the principal stock exchange on which the security is traded. On an ongoing basis, in the absence of a quoted price on the valuation date for derivatives, the last available quoted price within a period of thirty days prior to valuation date is used for valuation purposes.

Non – traded derivatives are valued in good faith by TAML on the basis of valuation principles laid down by SEBI.

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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 Nil (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. 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	
	Values*Rs.	%	Values*Rs.	%
Aggregate value of Purchases	540,746,214	35.47	753,423,908	40.50
Aggregate value of Sales	1,175,731,025	77.13	1,732,665,620	93.15

* 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	0.0100%	01-04-06	13-11-06	0.0500%
			14-11-06	31-03-07	0.0100%

6. Contingent liabilities as on 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 & its subsidiary/associates as at 31 st March, 2008
Tata Securities Pvt. Limited.	Selling Commission	187,783	227,297	#
Tata Asset Management Limited	Management Fees	17,598,038	20,817,588	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	150,917	676,097	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 on 31-03-08		As on 31-03-07	
Face Value	10.00		10.00	
Net Asset Value	Dividend	16.9199	Dividend	13.4838
	Growth	21.5482	Growth	16.4258

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

Particulars	2007 – 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	304,643,823	277,211,082
Unprovided diminution	0	0

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. 1,403,797/- for 50 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).
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 on 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.

TATA BALANCED FUND (TBF)

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

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- c) 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.
- d) Discounts / premiums to redemption value on fixed income securities are amortised on a straight-line basis over the period upto redemption.
- e) 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:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investments at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

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.

In the absence of a quoted price on the valuation date for equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

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

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. These have been valued on the basis of valuation principles laid down by The Securities and Exchange Board Of India (SEBI) for the same.

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 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. 358,552,732/- (previous year Rs. 209,516,197/-). 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.

viii. **Derivatives :**

Traded derivatives are valued at year-end closing market rates on the principal stock exchange on which the security is traded. On an ongoing basis, in the absence of a quoted price on the valuation date for derivatives, the last available quoted price within a period of thirty days prior to valuation date is used for valuation purposes.

Non – traded derivatives are valued in good faith by TAML on the basis of valuation principles laid down by SEBI.

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 23,430,271/- (previous year Rs. 2,561,158/-) 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. Details of Illiquid Securities are as follows :

Particulars	As at 31-03-08	As at 31-03-07
Total value of illiquid securities (Equity shares in Kripa Chemicals Ltd.) Rs.	1,644	1,644
Average Net Assets Rs.	1,964,117,739	1,489,240,336
% of Total value of illiquid securities to Avg. Net Assets	0.00	0.00

2. 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	7,136,877,665	363.36	2,716,720,064	182.42
Aggregate value of Sales	2,138,275,004	108.87	3,424,713,403	229.96

* The amounts do not include reverse repo transactions

3. Investments made in group / associate companies.

(Refer Annexure 1).

4. 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).

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

(Refer Annexure 3).

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6. 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	0.0100%	01-04-06	13-11-06	0.0500%
			14-11-06	31-03-07	0.0100%

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
TML Financial Services Ltd	Selling Commission	1,834,653	17,465	#
Tata Securities Pvt. Limited	Selling Commission	300,716	124,767	#
Tata Securities Pvt. Limited	Brokerage on Securities Transactions	33,750	-	#
Tata Asset Management Limited	Management Fees	22,202,272	17,392,829	100%*
Tata Trustee Company Pvt. Limited	Trusteeship Fees	196,961	509,438	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	Growth	59.1646	Growth	48.6149
	Dividend	40.9373	Dividend	35.9680

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

Particulars	2007 – 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	240,628,035	282,584,790
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 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. 728,514/- for 31 investors (previous year Rs. 29,619/- for 4 investors) and the unclaimed dividend amount is Rs. 3,155,944/- for 2,539 investors (previous year Rs. 3,158,693/- for 2,542 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 equity securities aggregating to Rs.1,644/- (previous year Rs.1,644/-) 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 EQUITY MANAGEMENT FUND (TEMF)

Schedule IX - Statement of significant accounting policies of Tata Equity Management Fund (TEMF) and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost 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 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:

This being a close ended scheme the initial issue expenses are written off equally over the close ended period viz. 18 months. The unamortised portion of the initial issue expenses is Rs. Nil (previous period Rs. 100,648,063/-) is included in the NAV

4. INVESTMENTS:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investments at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

5. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded 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 equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. 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. Money Market Securities :

Money Market instruments which are non 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.

iv. Reverse Repo Investment :

Investment bought on Repo basis are valued at cost.

v. 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 Securities and Exchange Board of India (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.

vi. Derivatives :

Traded derivatives are valued at year-end closing market rates on the principal stock exchange on which the security is traded.

On an ongoing basis, in the absence of a quoted price on the valuation date for derivatives, the last available quoted price within a period of thirty days prior to valuation date is used for valuation purposes.

Non – traded derivatives are valued in good faith by TAML on the basis of valuation principles laid down by SEBI.

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 redemption and resale load under "Accumulated Load" which is not considered for computation of the Net Asset Value. The sale and redemption load / reserve of Rs. Nil (previous period Rs. Nil) is utilised by the Fund to cover the cost of raising

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/ 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.

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	6,757,640,564	201.49	10,187,519,385	246.99
Aggregate value of Sales	5,151,993,992	153.61	7,759,298,976	188.12

*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. The scheme has the following futures contracts outstanding (Open Interest) as on 31st March, 2008 not forming part of investments in the Balance Sheet:

	31 st March, 2008	31 st March, 2007
Name of the Equity Index / Stock Futures	Nifty	Nifty
No of Contracts outstanding	600	4,000
No. Of units:		
● Long	0	0
● Short	30,000	200,000
Contract Value (Rs.)	142,312,956	760,211,560
Market Value (Rs.)	141,969,000	759,970,000

5. Statement of Portfolio with industry wise classification as at 31st March, 2008.
(Refer Annexure 3).
6. 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 period : 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 below :

Current Year			Previous Period		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0100%	10-07-06	13-11-06	0.0500%
			14-11-06	31-03-07	0.0100%

7. Contingent liabilities as at 31st March, 2008 are Rs.Nil (previous period Rs. Nil).
8. Disclosure under Regulation 25(8) of the SEBI (Mutual Funds) Regulations, 1996, 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.	Period from 15-05-06 to 31-03-07 Rs.	% equity capital held by the sponsors and its subsidiary / associates as at 31 st March, 2008
Tata Securities Pvt. Limited.	Selling Commission	27,856	224,669	#
Tata Services Limited	Conference Expenses	6,742	-	#
Tata Asset Management Limited	Management Fees	35,787,862	30,621,459	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	332,821	838,618	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	Growth	11.0864	Growth	10.7545
	Dividend	10.2824	Dividend	10.7531

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

Particulars	2007 – 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	172,026,165	506,527,839
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 amount, since the inception of the scheme have been invested separately, only in money market instruments and the investors who have claimed their redemption amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR / 9 / 120 / 2000 dated 24 November, 2000. As at 31st March, 2008 the unclaimed redemption/dividend amount is Rs.Nil (previous period 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. Prior period comprises the period beginning from 15th May, 2006 to 31st March, 2007, hence the prior period figures are strictly not comparable with current year. The figures for the previous period have been regrouped and reclassified wherever necessary.

TATA EQUITY OPPORTUNITIES FUND (TEOF)

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

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- c) 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
- d) Other income of a miscellaneous nature is accounted when it is received on ground 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:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investments at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded 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 equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. 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. 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.

iv. Reverse Repo Investment :

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

v. 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.

vi. Derivatives :

Traded derivatives are valued at year-end closing market rates on the principal stock exchange on which the security is traded. On an ongoing basis, in the absence of a quoted price on the valuation date for derivatives, the last available quoted price within a period of thirty days prior to valuation date is used for valuation purposes.

Non – traded derivatives are valued in good faith by TAML on the basis of valuation principles laid down by SEBI.

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. 46,000,000/- (previous year Rs. 34,986,918/-) 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	16,724,005,450	331.30	6,004,279,222	139.38
Aggregate value of Sales	7,221,021,163	143.05	6,196,153,457	143.83

* 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.Nil (previous year Rs. 24,089,000/-) 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 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 Period		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-07	31-03-08	0.0100%	01-04-06	13-11-06	0.0500%
			14-11-06	31-03-07	0.0100%

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
TML Financial Services Ltd	Selling Commission	744,374	938	#
Tata Securities Pvt. Limited	Selling Commission	169,955	256,366	#
Tata Securities Pvt. Limited	Brokerage on Securities Transactions	47,100	-	#
Tata Services Limited	Conference Expenses	3,370	-	#
Tata Asset Management Limited	Management Fees	53,108,699	45,580,163	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	506,218	1,457,080	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	
	Dividend	Growth	Dividend	Growth
Face Value	10.0000		10.0000	
Net Asset Value	23.0991	71.2462	19.3414	55.3201

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

Particulars	2007 – 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	1,128,596,016	1,091,965,267
Unprovided diminution	0	0

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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.970,705/- for 50 investors (previous year Rs.Nil for Nil investors) and dividend amount is Rs.628,800/- for 798 investors (previous year Rs.628,800/- for 798 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.

TATA EQUITY P/E FUND (TEQPEF)

Schedule VIII - Statement of significant accounting policies of Tata Equity P/E Fund (TEQPEF) and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- c) 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.
- 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.6,966,793/- (previous year Rs. 12,558,560/-) is included in the NAV.

4. INVESTMENTS:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investments at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

5. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded 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 equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. 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. Reverse Repo Investment :

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

iv. 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.6,000,000/- (previous year Rs.3,063,939/-) 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	2,029,757,276	161.81	491,829,827	53.12
Aggregate value of Sales	1,952,287,692	155.63	774,176,536	83.62

* 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 1.00% of the daily net assets (previous year: 1.00% of the daily net assets) 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	0.0100%	01-04-06	13-11-06	0.0500%
		14-11-06	31-03-07	0.0100%	

6. Contingent liabilities :

Particulars	31-03-2008	31-03-2007
Uncalled Liability on Partly Paid Equity Shares	-	4,054,080

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 held by the sponsors and its subsidiary / associates as at 31st March, 2008
Tata Securities Pvt. Limited.	Selling Commission	47,877	29,310	#
Tata Asset Management Limited	Management Fees	12,481,419	9,105,648	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	124,818	320,901	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	10.0000		10.0000	
Net Asset Value	Dividend	31.0665	Dividend	23.1171
	Growth	32.9942	Growth	24.1858

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

Particulars	2007 – 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	150,126,678	180,399,059
Unprovided diminution	0	0

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 24 November, 2000. As at 31st March, 2008 the unclaimed redemption amount is Rs.897,579/- for 39 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).
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.

TATA INDEX FUND - NIFTY PLAN (TIFN)

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

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost 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 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:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investments at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded 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 equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. 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. Reverse Repo Investment :

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

iv. 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. 629,456/- (previous year Rs. 205,818/-) 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	40,825,637	87.97	43,323,821	226.04
Aggregate value of Sales	24,792,383	53.42	17,147,752	89.47

* The amounts do not include reverse repo transactions.

2. Investments made in group / associate companies.
(Refer Annexure 1).

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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 0.5250% of the daily net assets (previous year : Option A - 0.5250% of the daily net assets) 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	0.0100%	01-04-06	31-03-07	0.0100%

6. Contingent liabilities :

Particulars	31-03-2008	31-03-2007
Uncalled Liability on Partly Paid Equity Shares	-	12,960

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	1,277	913	#
Tata Asset Management Limited	Management Fees	208,824	85,445	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	4,654	1,918	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	10.0000	10.0000
Net Asset Value	28.7502	23.7346

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

Particulars	2007 – 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	5,659,420	3,789,747
Unprovided diminution	0	0

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. 11,674/- for 1 investor (previous year Rs. Nil for Nil investors) and the unclaimed dividend amount is Rs. Nil for 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 Statements (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.

It may also be noted that the Fund has no reportable business as geographic segments and that transactions with and balances of the AMC and Tata Trustee Company Private Limited are disclosed in Note No. 8 above.

14. The figures for the previous year have been regrouped and reclassified wherever necessary.

TATA GROWTH FUND (TGF)

Schedule VIII – Statement of significant accounting policies of Tata Growth Fund (TGF) and Notes forming part of the Accounts for the year ended 31st March 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on “weighted average cost basis”.
- c) 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.
- 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 :

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 equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. 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. 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.

iv. Reverse Repo Investment :

Investment bought on Repo basis are valued at cost.

v. CBLO Investment:

CBLO investments are valued at cost.

vi. 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.

vii. Derivatives :

Traded derivatives are valued at year-end closing market rates on the principal stock exchange on which the security is traded. On an ongoing basis, in the absence of a quoted price on the valuation date for derivatives, the last available quoted price within a period of thirty days prior to valuation date is used for valuation purposes.

Non – traded derivatives are valued in good faith by Tata Asset Management Limited on the basis of valuation principles laid down by SEBI.

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. 12,501,500/- (previous year Rs. 13,906,278/-) 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

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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	2,675,702,693	249.92	1,833,296,396	499.64
Aggregate value of Sales	1,172,329,585	109.50	1,631,177,068	444.56

* 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. The scheme has the following futures contracts outstanding (Open Interest) as on 31st March, 2008 not forming part of investments in the Balance Sheet:

	As at 31-3-08	As at 31-3-07
Name of the Equity Index / Stock Futures	-	Nifty Index
No of Contracts outstanding	0	770
No. Of units:		
• Long	0	38,500
• Short	0	
Contract Value (Rs.)	0	148,985,452
Market Value (Rs.)	0	146,294,225

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

(Refer Annexure 3).

6. 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	0.0100%	01-04-06	13-11-06	0.0500%
			14-11-06	31-03-07	0.0100%

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	7,486	7,041	#
Tata Asset Management Limited	Management Fees	13,046,215	4,586,678	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	107,376	127,051	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	
	Dividend	Growth	Dividend	Growth
Face Value	10.00		10.00	
Net Asset Value	Dividend	16.3726	Dividend	16.5832
	Growth	37.5738	Growth	30.8049
	Growth (Bonus)	32.9256	Growth (Bonus)	26.8525

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

Particulars	2007 – 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	134,918,809	72,868,310
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 24 November 2000. As at 31st March, 2008 the unclaimed redemption amount is Rs 429,058/- for 40 investors (previous year Rs.Nil for Nil investors) unclaimed dividend amount is Rs.1,215,903/- for 1,810 investors (previous year Rs.1,215,903/- for 1,810 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 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 LIFE SCIENCES & TECHNOLOGY FUND (TLSTF)

Schedule VII - Statement of significant accounting policies of Tata Life Sciences & Technology Fund (TLSTF) and Notes forming part of the Accounts for the year ended 31st March, 2008.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex- dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- c) 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
- d) Discount / premium to the redemption value on fixed income securities are amortised on a straight-line basis over the period upto redemption.
- e) 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 scheme in proportion to their net assets.

3. INVESTMENTS:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investments at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex- bonus dates.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded 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 equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. 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. CBLO Investment:

CBLO investments are valued at cost.

iv. Reverse Repo Investment :

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

v. 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. 8,927,080/- (previous year Rs. 409,643/-) 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 net assets is as under :

Particulars	As at 31-3-08		As at 31-3-07	
	Value*Rs.	%	Value*Rs.	%
Aggregate value of Purchases	1,168,650,699	216.00	134,613,578	38.45
Aggregate value of Sales	927,862,367	171.50	216,355,645	61.79

* 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	0.0100%	01-04-06	13-11-06	0.0500%
			14-11-06	31-03-07	0.0100%

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	133,908	103,310	#
Tata Securities Pvt. Limited.	Brokerage on Securities Transactions	2,835	-	#
Tata Asset Management Limited	Management Fees	6,781,744	4,376,792	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	54,256	118,354	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	
	Growth	Dividend	Growth	Dividend
Face Value	10.00		10.00	
Net Asset Value	40.5888	23.4961	46.8266	37.7674

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

Particulars	2007– 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	3,720,278	124,225,144
Unprovided diminution	0	0

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 24 November, 2000. As at 31st March, 2008 the unclaimed redemption amount is Rs.400,845/- for 11 Investors (previous year Rs.Nil for Nil Investors) and the unclaimed dividend amount is Rs.184,799/- for 51 investors (previous year Rs.186,593/- for 52 investors).

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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.

TATA MIDCAP FUND (TMCF)

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

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- c) 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.
- 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 of Rs. 50,573,699/- (previous year Rs. 73,146,840/-) is included in the NAV.

4. INVESTMENTS:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investments at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

5. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded 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.

In the absence of a quoted price on the valuation date for equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. These have been valued on the basis of valuation principles laid down by The Securities and Exchange Board of India (SEBI) for the same.

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 :

- 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.

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The aggregate fair value of these non-traded "investment grade" debt securities as at 31st March, 2008 is Rs.Nil (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. 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. 7,117,500/- (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. 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	1,385,381,853	94.50	1,318,374,672	63.15
Aggregate value of Sales	1,796,449,903	122.55	2,593,735,725	124.23

* 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	0.0100%	01-04-06	13-11-06	0.0500%
			14-11-06	31-03-07	0.0100%

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 – 2008Rs.	2006 – 2007Rs.	% equity capital held by the sponsors and its subsidiary / associates as at 31 st March, 2008
Tata Securities Pvt. Limited.	Selling Commission	16,736	33,719	#
Tata Asset Management Limited	Management Fees	16,586,762	22,534,943	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	140,804	744,664	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		10.00
Net Asset Value	Dividend	14.5175	Dividend	13.0774
	Growth	15.5498	Growth	13.0832

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

Particulars	2007 – 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	281,277,249	297,259,725
Unprovided diminution	0	0

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. 619,052/- for 28 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).
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.

TATA PURE EQUITY FUND (TPEF)

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

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- c) 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.
- d) Discount / premium to the redemption value on fixed income securities are amortised on a straight-line basis over the period upto redemption.
- e) 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:

- a) 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.
- b) Rights entitlement pending formal allotment is accounted as investments at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

4. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded 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 equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. 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. 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.

iv. Reverse Repo Investment :

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

v. CBLO Investment:

CBLO investments are valued at cost.

vi. 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.

vii. Derivatives :

Traded derivatives are valued at year-end closing market rates on the principal stock exchange on which the security is traded. On an ongoing basis, in the absence of a quoted price on the valuation date for derivatives, the last available quoted price within a period of thirty days prior to valuation date is used for valuation purposes.

Non – traded derivatives are valued in good faith by Tata Asset Management Limited on the basis of valuation principles laid down by SEBI.

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. 21,581,325/- (previous year Rs. 25,387,478/-) 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 31 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	7,585,017,431	218.83	5,352,900,952	187.39
Aggregate value of Sales	4,958,364,052	143.05	5,298,101,534	185.47

* 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.1,081,000/- (previous year Rs. Nil) 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 1.25% 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	0.0100%	01-04-06	13-11-06	0.0500%
			14-11-06	31-03-07	0.0100%

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	551,550	346,259	#
Tata Securities Pvt. Limited	Brokerage on Securities Transactions	131,530	-	#
Tata Services Ltd.	Conference Expenses	6,742	-	#
Tata Asset Management Limited	Management Fees	37,264,782	31,065,870	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	347,590	970,944	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	Growth	73.5950	Growth	58.7579
	Dividend	31.4899	Dividend	27.8119

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

Particulars	2007 – 2008 Rs.	2006 – 2007 Rs.
Unrealised appreciation	611,314,575	630,125,146
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 redemption amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR / 9 / 120 / 2000 dated 24 November, 2000. As at 31 March, 2008 the unclaimed redemption amount is Rs.9,63,193/- for 60 investors (previous year Rs.155,301/- for 25 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 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.

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

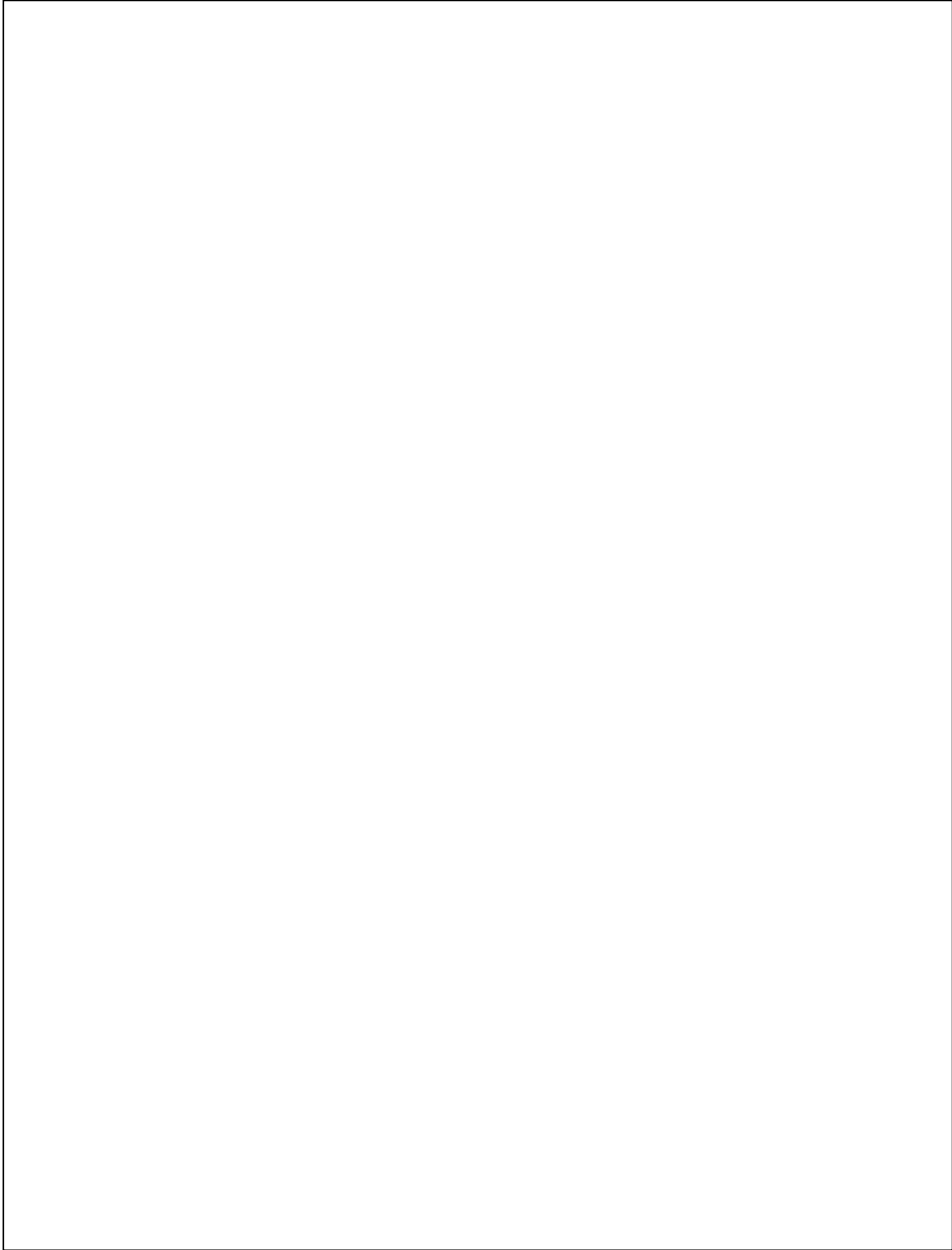
Chief Operating Officer

M. Venugopal

Fund Manager



Expertise that's trusted



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

	TLSTF		TIFN		TIFS	
	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	D - 37.7674, G - 46.8266	D - 34.9779, G - 40.7239	NA - 23.7346	NA - 20.9195	SA - 33.1693	SA - 28.3918
High	D- 39.7228 , G- 57.8690	D-40.9974, G-50.9390	NA - 38.4165	NA - 26.1916	SA - 52.1854	SA - 36.9625
Low	D- 21.4048, G- 36.9761	D-25.3380, G-29.5042	NA - 22.5567	NA - 16.6324	SA - 31.5830	SA - 23.4709
End	D - 23.4961 G - 40.5888	D - 37.7674, G - 46.8266	NA - 28.7502	NA - 23.7346	SA -38.5335	SA - 33.1693
2. Closing Assets Under Management (Rs. in Lakhs)						
End	3,665.49	3,593.03	595.28	358.73	569.39	356.40
Average (AAuM)	5,410.38	3,501.31	464.08	191.67	533.94	129.02
3. Gross income as % of AAuM ¹	40.92	33.18	10.12	19.54	22.59	1.34
4. Expense Ratio:						
a. Total Expense as % of AAuM (plan wise)	D - 2.50% G - 2.50%	D - 2.50% G - 2.50%	NA - 1.50%	NA - 1.50%	SA - 1.50%	SA - 1.50%
b. Management Fee as % of AAuM (plan wise)	D - 1.25% G - 1.25%	D - 1.25% G - 1.25%	NA - 0.525%	NA - 0.525%	SA - 0.525%	SA - 0.525%
5. Net Income as a percentage of AAuM ²	39.85%	31.95%	9.60%	18.92%	21.68%	1.34%
6. Portfolio turnover ratio ⁴	183.85	38.14	52.24	85.52	125.20	0.30
7. Total Dividend / Bonus per unit distributed during the year / period (plan wise) (Rs.)	11.50	2.50	NIL	NIL	NIL	NIL
8. Returns:						
a. Last One Year						
Scheme	-13.29	14.99	21.06	13.46	16.14	16.81
Benchmark	BSE Sensex		S & P CNX Nifty		BSE Sensex	
	19.62	15.89	23.82	12.31	19.62	15.89
b. Since Inception						
Scheme	19.18	24.18	23.01	39.02	30.29	39.20
Benchmark	BSE Sensex		S & P CNX Nifty		BSE Sensex	
	16.23	15.80	34.23	36.91	35.84	40.03

- 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: TLSTF: 02/07/1999; TIFN: 25/02/2003; TIFS: 25/02/2003
- Past performance may or may not be sustained in future.

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

	TEOF		TGF		TEQPEF	
	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	D-19.3414 G-55.3201	D-20.6873 G-53.6964	D - 16.5832 G - 30.8049 BO(G)-26.8525	D - 27.3159 G - 29.0104 BO(G)-25.2303	D-23.1171, G-24.1858	D-21.9223, G-22.8898
High	D - 34.8007 G -107.3645	D - 21.8081 G - 62.3635	D -25.3509 G - 53.2566 BO(G)-46.6704	D -30.3683 G - 34.2333 BO(G)-29.8071	D- 45.8756 G- 47.9557	D- 25.7334 G- 26.8804
Low	D- 18.5186 G- 52.9676	D- 13.2494 G- 37.8950	D -15.0303 G - 29.9636 BO(G)-26.128	D -16.3594 G - 20.4502 BO(G)-17.7574	D- 22.1982 G- 23.2069	D- 16.0469 G- 16.7534
End	D - 23.0991 G - 71.2462	D-19.3414 G -55.3201	D - 16.3726 G - 37.5738 BO(G) -32.9256	D - 16.5832 G - 30.8049 BO(G)-26.8525	D - 31.0665 G - 32.9942	D-23.1171, G-24.1858
2. Closing Assets Under Management (Rs. in Lakhs)						
End	49,332.11	43,362.44	7,517.83	6,950.33	12,501.28	8,447.60
Average (AAuM)	50,480.45	43,078.78	10,706.18	3,669.21	12,544.36	9,258.67
3. Gross income as % of AAuM ¹	33.39	25.37	29.06	24.66	40.84	28.00
4. Expense Ratio:						
a. Total Expense as % of AAuM (planwise)	D - 2.50% G - 2.50%	D - 2.50% G - 2.50%	D - 2.50% G - 2.50% BO(G) - 2.50%	D - 2.50% G - 2.50% BO(G) - 2.50%	D - 2.50% G - 2.50%	D - 2.50% G - 2.50%
b. Management Fee as % of AAuM (planwise)	D - 1.25% G - 1.25%	D - 1.25% G - 1.25%	D - 1.25% G - 1.25% BO(G) - 1.25%	D - 1.25% G - 1.25% BO(G) - 1.25%	D - 1.00% G - 1.00%	D - 1.00% G - 1.00%
5. Net Income as a percentage of AAuM ²	28.60%	20.66%	21.44%	9.77%	40.63%	27.40%
6. Portfolio turnover ratio ⁴	149.82	105.66	128.12	181.85	160.61	51.60
7. Total Dividend / Bonus per unit distributed during the year / period (plan wise) (Rs.)	3.00	2.00	D - 4.00	D - 12.00	0.50	Nil
8. Returns:						
a. Last One Year						
Scheme	28.71	3.02	22.13	5.84	36.40	5.59
Benchmark	BSE Sensex		BSE Sensex		BSE Sensex	
	19.62	15.89	19.62	15.89	19.62	15.89
b. Since Inception						
Scheme	13.88	12.90	11.37	10.56	37.41	37.78
Benchmark	BSE Sensex		BSE Sensex		BSE Sensex	
	12.07	11.55	10.19	9.48	36.65	43.44

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: TEOF: 25/02/1993; TGF: 01/07/1994; TEQPEF: 29/06/2004
6. Past performance may or may not be sustained in future.

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

	TDYF		TMCF		TEMF	
	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	D -13.4838, G-16.4258	D -15.1202, G-16.8745	D -13.0774, G -13.0832	D -13.8303, G-13.8308	D -10.7531, G -10.7545	NA
High	D- 23.9373 G- 30.4877	D- 16.4015 G- 18.3048	D - 22.9434 G - 22.9540	D - 15.0949 G - 15.0969	D -13.7907, G -14.7079	D -10.7531, G -10.7455
Low	D- 13.0793 G- 15.9334	D- 10.9985 G- 12.2751	D - 12.6580 G - 12.6637	D - 9.4423 G - 9.4431	D - 9.8732, G - 10.4875	D -10.7531, G -10.7455
End	D - 16.9199 G - 21.5482	D -13.4838, G-16.4258	D - 14.5175 G - 15.5498	D -13.0774, G -13.0832	D - 10.2824 G - 11.0864	D -10.7531, G -10.7545
2. Closing Assets Under Management (Rs. in Lakhs)						
End	12,592.38	14,301.36	11,185.23	15,402.82	22,753.78	38,741.92
Average (AAuM)	15,243.37	18,600.81	14,659.36	20,878.06	33,538.85	34,132.95
3. Gross income as % of AAuM ¹	10.06	8.18	31.72	25.47	50.59	18.40
4. Expense Ratio:						
a. Total Expense as % of AAuM (planwise)	D - 2.50% G - 2.50%	D - 2.50% G - 2.50%	D - 2.50% G - 2.50%	D - 2.50% G - 2.50%	D - 2.50% G - 2.50%	D - 2.50% G - 2.50%
b. Management Fee as % of AAuM (planwise)	D - 1.25% G - 1.25%	D - 1.25% G - 1.25%	D - 1.25% G - 1.25%	D - 1.25% G - 1.25%	D - 1.00% G - 1.00%	D - 1.00% G - 1.00%
5. Net Income as a percentage of AAuM ²	30.11%	25.48%	22.34%	22.17%	29.32%	1.70%
6. Portfolio turnover ratio ⁴	36.39	36.99	103.85	66.37	182.78	171.52
7. Total Dividend / Bonus per unit distributed during the year / period (plan wise) (Rs.)	1.00	1.00	1.00	NIL	1.00	NIL
8. Returns:						
a. Last One Year						
Scheme	31.08	-2.66	18.80	-5.40	3.09	-
Benchmark	BSE Sensex		CNX Midcap Index		S & P CNX Nifty	
	19.62	15.89	28.58	1.31	23.82	-
b. Since Inception						
Scheme	25.70	23.48	17.37	16.57	6.14	7.54
Benchmark	BSE Sensex		CNX Midcap Index		S & P CNX Nifty	
	33.29	39.58	29.25	29.64	28.23	24.24

- 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: TDYF: 22/11/2004; TMCF: 29/06/2005; TEMF: 07/07/2006
- Past performance may or may not be sustained in future.

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

	TCBF	
	31-Mar-08	31-Mar-07
1. Net Asset Value per unit Rs.		
Open	D -10.4428, G -10.4427	NA
High	D -18.0706, G -18.0716	D -10.4426, G -10.4427
Low	D -10.0330, G -10.0331	D -10.4426, G -10.4427
End	D - 12.6678 G - 12.6671	D -10.4428, G -10.4427
2. Closing Assets Under Management (Rs. in Lakhs)		
End	22,776.95	25,794.94
Average (AAuM)	27,834.34	20,657.04
3. Gross income as % of AAuM ¹	21.27	7.21
4. Expense Ratio:		
a. Total Expense as % of AAuM (planwise)	D - 2.50% G - 2.50%	D - 2.50% G - 2.50%
b. Management Fee as % of AAuM (planwise)	D - 1.25% G - 1.25%	D - 1.25% G - 1.25%
5. Net Income as a percentage of AAuM ²	16.95%	4.48%
6. Portfolio turnover ratio ⁴	100.46	81.41
7. Total Dividend / Bonus per unit distributed during the year / period (plan wise) (Rs.)	NIL	NIL
8. Returns:		
a. Last One Year		
Scheme	21.24	-
Benchmark	BSE Sensex	
	19.62	-
b. Since Inception		
Scheme	16.53	4.43
Benchmark	BSE Sensex	
	18.90	9.18

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 Date: TCBF: 14/09/2006
6. Past performance may or may not be sustained in future.

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 Balanced Fund, Tata Pure Equity Fund, Tata Select Equity Fund, Tata Life Sciences and Technology Fund, Tata Index Fund, Tata Equity Opportunities Fund, Tata Growth Fund, Tata Equity P/E Fund, Tata Dividend Yield Fund, Tata Mid Cap Fund, Tata Capital Builder Fund, Tata Equity Management Fund are only the name 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. • Tata Mid Cap Fund - Trading Volumes and Settlement Periods may restrict liquidity in equity and debt investments. In case of mid cap companies such liquidity risks is likely to be high. Further prices of stock in mid - cap companies are also likely to be more volatile. • Tata Index Fund -Tracking errors are inherent in any indexed fund and such errors may cause the Scheme to generate returns which are not in line with the performance of the Nifty/SENSEX or one or more securities covered by / included in the Nifty/SENSEX. • 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. • **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.**

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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, Samridhhi 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, 43/1 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, M1 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 Cantts, 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:** Office 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, Vijayawada – 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. **Bhubaneswar:** Janpath Tower, Room-208, 2nd Flr, Ashok Nagar, Bhubaneswar - 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.