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ANNUAL REPORT

2008 - 2009

- Tata SIP Fund (Scheme I & II)

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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, 2009

Dear Unitholder,

It gives us great pleasure to enclose schemewise audited financials as on 31st March, 2009. This Report is in continuation of the 'Performance and Portfolio of the Schemes' Report as on 31st March, 2009 published by us earlier.

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

Tata SIP Fund Scheme I:

The fund has been systematically investing in equities as per the mandate and has out performed the BSE SENSEX in a difficult environment.

Performance at a glance (% as on 31st March, 2009)

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata SIP Fund Scheme I	-27.57	NA	NA	-13.06 (05/03/07)
BSE SENSEX	-37.94	NA	NA	-11.18

Past performance may or may not be sustained in future.

Return for period upto 1 year is absolute and for more than one year is compounded annualised. Returns are for growth option.

Tata SIP Fund Scheme II:

The fund has been systematically investing in equities as per the mandate and has out performed the BSE SENSEX in a difficult environment.

Performance at a glance (% as on 31st March, 2009)

	Last 1 year	Last 3 years	Last 5 years	Since Inception
Tata SIP Fund Scheme II	-28.57	NA	NA	-17.63 (01/07/07)
BSE SENSEX	-37.94	NA	NA	-20.95

Past performance may or may not be sustained in future.

Return for period upto 1 year is absolute and for more than one year is compounded annualised. Returns are for growth option.

The year that was:

Equity:

In the Financial Year 2008-09, equity markets witnessed a sharp correction with the Nifty and the Sensex each down by 38% and 36% respectively. It was a very volatile (with a downward bias) ride for markets as well for economic indicators. Global markets performance was worse with MSCI Emerging Market Index falling 46% and the MSCI World Index falling 44% Year on Year, reflecting the fact that the Indian markets were led down, more by global concerns rather than domestic events. On the macro environment, however, the Indian markets ended the fiscal with some positives with a collapse in commodity prices (being a net commodity consumer), fall in interest rates and inflation from highs, and government fiscal and monetary push for growth.

Other than in April'08 and March '09, FIIs were net sellers throughout the year. Global markets were reeling under the impact of the credit crisis leading to significant risk aversion and liquidity contraction. Also, the strong bull market over the last few years and the Indian market out performance could have resulted in some profit booking from this market. For the fiscal, FIIs were net sellers in cash equities to the extent of USD 10.3 billion compared to being net buyers of USD 13.2 billion in the previous year. Slow but sure emergence of Equity as an asset class for Indians could be seen from DII purchases -Domestic Mutual funds were net buyers to the extent of USD 1.6 billion compared to being net buyers of USD 4 billion in the previous year. During the fiscal, large cap(-38%) stocks continued to perform better than mid cap (-54%) and small(-58%) stocks. Barring a lone month of August when there was some improvement in mid caps, the market reflected extreme risk aversion throughout the year and large cap stocks did better. In terms of sectoral performance Auto(-32%), FMCG(-11%), Health Care(-27%), IT (-36%), Oil & Gas (-30%) and PSU(30%), indices outperformed the Sensex, while Banking(-42%), Consumer Durables(-58%), Capital Goods(-54%), Metals(-59%), Power(-42%) and Realty(-79%) lagged the Sensex.

The beginning of FY 08-09 was characterized by the onset of a credit crisis originating in heavily debt laden developed markets like US, UK etc. Tough credit conditions were brought on by Bear Sterns bankruptcy in March 08 which then was exacerbated by oil touching USD 149 per Barrel on 3rd July 08, followed by Lehman Brothers bankruptcy on 15th September 08. In the past year most investable asset classes like crude oil, stocks, real estate, agriculture commodities, metals etc saw extreme volatility. The year started with inflation shooting up and the RBI raising key rates like CRR and Repo rate upto July. Food and Fuel were the main culprits of higher inflation. Influenced by global trends and the slow down in IIP growth, the central bank then started a rate lowering cycle from October onwards. Rupee reflected increased risk aversion and the selling pressure from the FIIs by ending at Rs.50.5 against the dollar- 28% depreciation from Rs.40.10 a year earlier.

In terms of corporate performance the year saw further consolidation with growth slowing down. The initial signs of slow down came in the March '08 quarterly numbers with slight moderation in top line as well as bottom line as rising input costs ate into margins. Profit growth further weakened in the September quarter on the back of high raw material costs and interest rates. The first half of the year saw growth slowing down but the second half pulled down the overall growth. The December quarter saw corporate earnings moving into de-growth following the volatility in input prices and tightness in credit markets. There were several aberrations in the quarter in currency movements, commodity price trends etc which impacted corporate performance adversely.

The severe fall in the equity markets saw valuations going down significantly to sub 10 levels for the Indian market which was at the lower end of the P/E band that the market historically enjoyed. Though valuations were in an attractive zone, uncertainty about the future and the sheer impact of the rapid deterioration would have numbed the best of investors. Since bottoming out in September '08, the markets

were range bound for some time and beginning March 09 markets have been rallying with the basic theme that incremental data is less bad than earlier. There was improvement in risk appetite with money moving out of the US Dollar assets to commodities, emerging markets etc. Along with risk appetite which improved due to the signals from various governments that they would infuse liquidity and protect large institutions from a collapse, there also emerged some 'Green Shoots' globally be it in the US, China or in India in terms of economic performance indicators. In May 09 India had more to celebrate, with a game changing electoral verdict, which gave the ruling coalition a stronger mandate to pursue reforms. The new government is expected to facilitate infrastructural development while pushing the inclusive growth agenda further.

Debt:

In the first half of 2008-09, financial markets suffered the full might of the subprime-crisis that first broke-out in August 2007. World credit markets froze, major banks suffered huge losses and needed re-capitalization and financial markets went for a tail-spin. Global markets witnessed huge volatility until the world governments and central banks came together to stabilize the markets with injection of huge liquidity and aggressive rate cuts, pumping fresh capital in troubled banks and buying out their bad assets. Global economic momentum suffered massive set-back with major economies getting into recession and the emerging countries witnessing significant slowdown in growth rates. A blessing in disguise was sharp correction in commodity and oil prices. In second-half of 2008-09, following the easing of policy rates by major central banks and correction in commodity prices, inflation across the globe eased dramatically and interest rates declined, setting the ground for a massive rally in bond prices. With credit markets also opening back again, corporate spreads also contacted sharply from the multi-decade high that it hit earlier at the peak of the crisis. However, by Q4, the massive government stimulus for banks and economy resulted in higher fiscal deficit and larger government borrowings started to put pressure on long term bond yields.

FUTURE OUTLOOK:

EQUITY

In the last four months since mid march, the markets globally have recovered significantly. Between March and May, the Indian market underperformed many of the other emerging markets. However, post the election results, the Indian market out performed most other markets and this strong move has taken India to among the best performing markets globally in this year. Money waiting on the side lines prior to the elections suddenly rushed in which also helped in pushing the market to a higher range very sharply. In terms of valuations the Indian market as mentioned above has done a mean reversion to the long term average which is a P/E around 16x on one year forward earnings. The current valuation is factoring in expectation of higher growth probably in FY'11 as FY'10 may continue with the same trend and is likely to show subdued growth. In predicting a recovery it is possible for the markets to get ahead of reality, as they had in the sell off earlier in FY09.

In the current year the markets are likely to be influenced by global events, data flow and any improvement in corporate performance in the next few quarters especially in the second half of the year which could lead to an upgrade of the earnings growth estimates by the street. Reforms & new initiatives from the government may impact the economy only from the next year onwards. While a recovery or a bounce in equity markets globally and in India was expected, the speed of the rally has taken everyone by surprise. This also probably means that many investors have not participated in this rally and therefore more money could be waiting to get invested including domestic retail money. However, for the market to continue with the same momentum it would need a lot of follow through positive factors from the global and domestic economy. Also since this re-rating of the Indian markets came on the back of a stable government in power, the out performance over other markets going forward would depend on the delivery of reforms and the execution by the government

We feel that over the next few months there could be negative news flow from the global economy and from domestic corporates which could give opportunities to invest. A delayed monsoon would be a worry, but a pick up in latter months should ensure minimal damage to the rural growth story. There are also a lot of expectations from the yet to be presented Finance Budget. However what is most important is that there is a change in the outlook from the last year which was fraught with uncertainty to a more positive future. Given a stable government in India and a recovery, albeit slow, in the global economy over this year and next, declines could now be looked at as buying opportunities with valuations in mind.

DEBT OUTLOOK

Un-precedent measures, in recent quarters, by way of fiscal stimulus, re-capitalization, liquidity injection and rate -cuts by world governments and central banks, following the melt down in financial markets post the sub-prime crisis and amidst a sharp slowdown in economic momentum, have begun to bear results. As the economists have been saying, the green shoots are visible all over. Economic data has shown steady improvement and the financial markets have also stabilized. Equity and commodity markets have seen a sharp rally in the past few months demonstrating the optimism that has now replaced the extreme pessimism earlier.

However, one collateral damage of the massive fiscal stimulus has been the sharp spike in fiscal deficit. In India, Fiscal deficit for FY 2008-09 is pegged at 6.2% of GDP against initial budget estimate of 2.5%. Similarly Fiscal deficit for 2009-10 is projected at 5.5% of GDP. Inevitably, resultant larger government borrowing will put upward pressure on bond yields. Benchmark 10 year GOI yield, after hitting a multi year low below 5% in early Jan'09s has since hardened to hover in 6.75-7% range, a massive correction of 200bps + in a short time. Situation is similar across global market. For example, inspite of lowering the Fed rate to 0-0.25% band and buy-back of treasury securities by Fed, US 10 year treasury yields are currently around 3.75% rebounding from a low of 2.05% in Dec 08.

In India, like elsewhere, this is inspite of a significant easing of inflation (0.48% as of May 23'2009), multiple rate cuts and massive open market operations by RBI and with oil prices remaining low in recent months.

RBI's monetary policy stance remains explicitly accommodative. Liquidity in the system remains high. RBI has successfully blunted the upward pressure on interest rates through large open market operations. Till overseas capital flows resume again, continued RBI intervention and supportive underlying economic and inflationary environment should keep interest rates range bound although markets could be volatile. In the medium to long term, interest rates are likely to be stable with downward bias.

FUNDS UNDER MANAGEMENT - OPERATIONS

Tata Mutual Fund today manages thirty-eight open ended schemes of which fifteen are equity schemes, two are balanced schemes, twenty are debt schemes, one is Equity Linked Saving Scheme (ELSS) and thirteen are close ended schemes of which two are equity scheme, four are balanced schemes, five are debt schemes, and two are Equity Linked Saving Scheme (ELSS). The AMC continues its focus on fund performance and marketing / sales efforts to serve our investors better.

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 Tata Mutual Fund (TMF). TMF was registered with SEBI on 30th June, 1995.

b) Tata Trustee Company Private Limited

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

c) Asset Management Company

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

The Trustee Company has appointed TAML as the Asset Management Company for TMF. The shareholders of TAML are TSL and TICL. TAML has entered into an Investment Management Agreement dated 9th May, 1995 with TTCPL, pursuant to which TAML will run the operations of TMF and manage the assets of TMF's Schemes. TAML, having its registered office at, Fort House, 221 Dr. D. N. Road, Mumbai 400 001 is a Company incorporated under the Companies Act, 1956 on 15th March 1994 and was approved to act as an Asset Management Company for TMF by SEBI on 30th June, 1995. The networth of TAML as on May 31, 2009 is approximately about Rs. 100.04 crores. TAML is currently managing thirty-eight open-ended schemes and thirteen close ended schemes.

3. Investment Objectives of the Schemes

TSIPF1 / TSIPF2: A 36 months close ended hybrid scheme. The primary Investment Objective of the scheme is to achieve a long term growth. The scheme seeks to achieve its investment objective by investing systematically in the Equity / Equity related instruments. However there can be no assurance that the investment objective of the scheme will be realized, as actual market movements may be at variance with anticipated trends.

4. Significant Accounting Policies:

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

5. Unclaimed Dividend & Redemptions: Nil

6. Statutory Information:

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

For Tata Trustee Company Private Limited,

S. M. Datta
Chairman

Place: Mumbai
Date : July 10, 2009

Encl. Schemewise Audited Accounts and Auditor's Report

Abbreviations of the Scheme Name:

TSIPF1 - Tata SIP Fund Scheme I and **TSIPF2** - Tata SIP Fund Scheme II these schemes have 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 SIP FUND SCHEME-1** ("the Fund") as at 31st March, 2009 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 Part B 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, 2009 and
 - (ii) in the case of the Revenue Account, of the deficit of the Fund for the year ended on that date.

For DELOITTE HASKINS & SELLS
Chartered Accountants

Z.F. Billimoria
Partner
(Membership No. 42791)

MUMBAI, 10th July, 2009

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 SIP FUND 2** ("the Fund") as at 31st March, 2009 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 Part B 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, 2009 and,
 - (ii) in the case of the Revenue Account, of the deficit of the Fund for the year ended on that date.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

Z.F. Billimoria
Partner
(Membership No. 42791)

MUMBAI, 10th July, 2009

Balance Sheet of Tata SIP Fund Scheme-1
as at 31st March, 2009

	Schedule	As At	As At
		31-Mar-09	31-Mar-08
		(Rupees)	(Rupees)
LIABILITIES			
Unit Capital	I	2,412,048,469	2,667,830,607
Reserves & Surplus	II	(607,528,421)	87,711,824
Current Liabilities & Provisions	III	8,974,432	11,892,528
TOTAL		1,813,494,480	2,767,434,959
ASSETS			
Investments	IV	1,760,275,229	2,621,583,935
Other Current Assets	V	9,516,284	44,166,844
Deferred Revenue Expenditure	VI	43,702,967	101,684,180
TOTAL		1,813,494,480	2,767,434,959
Significant Accounting Policies and Notes to the Accounts	VIII		

Revenue Account of Tata SIP Fund Scheme-1
for the year ended 31st March, 2009

	Schedule	Year Ended 31-Mar-09 (Rupees)	Year Ended 31-Mar-08 (Rupees)
INCOME			
Dividend		14,371,651	3,302,117
Interest	VII	87,566,679	223,413,769
Profit on sale / Redemption of investments		31,865,066	9,380,355
Profit on inter- scheme transfer / sale of investments		1,760,550	1,864,910
TOTAL (A)		135,563,946	237,961,151
EXPENSES AND LOSSES			
Loss on sale / redemption of investments		314,692,703	11,000,093
Loss on inter scheme transfer / sale of investments		18,037,984	11,305
Management fees		23,804,900	31,940,543
Trusteeship fees		32,295	29,435
Commission to Agents		8,411,635	16,618,062
Publicity expenses		3,415,448	1,891,567
Audit fees		193,025	84,270
Other operating expenses		5,382,096	7,592,592
Deferred revenue expenses written off	VI	48,957,593	58,026,037
Custodian fees & expenses		495,065	700,375
Registrar's fees & expenses		3,652,062	2,543,262
Provision for diminution in value of investments		361,381,261	96,011,054
TOTAL (B)		788,456,067	226,448,595
Surplus / (Deficit) (A - B)		(652,892,121)	11,512,556
Increase / (Decrease) in unrealised appreciation in value of investments		(44,453,439)	86,819,521
Surplus / (Deficit) after considering unrealised appreciation / (diminution) in value of investments		(697,345,560)	98,332,077
Add / (Less) : Income Equalisation Account		2,810,482	(10,474,441)
		(694,535,078)	87,857,636
Add : Surplus brought forward		105,785,957	17,928,321
Surplus / (Deficit) carried forward		(588,749,121)	105,785,957
Income (Gross) as a percentage to Average Net Assets		6.16	7.74
Recurring Expenses as a percentage to Average Net Assets		2.06	2.00
Significant Accounting Policies and Notes to the Accounts	VIII		

	As At 31-Mar-09 (Rupees)	As At 31-Mar-08 (Rupees)
Schedule I - Unit Capital		
Initial Capital (300,825,727.000 Units of the face value of Rs. 10/- each)	3,008,257,270	3,008,257,270
Unit Capital		
Opening Balance (266,783,060.738 units (previous year 300,810,369.171 Units) of the face value of Rs. 10/- each)	2,667,830,607	3,008,103,692
Add : Units reissued during the year (Nil units (Previous year 15,360.820 units) of the face value of Rs.10/- each)	-	153,608
	2,667,830,607	3,008,257,300
Less : Units repurchased during the year (25,578,213.868 units (previous year 34,042,669.253 units) of the face value of Rs.10/- each)	255,782,138	340,426,693
Units Closing Balance (241,204,846.870 units (previous year 266,783,060.738 Units) of the face value of Rs. 10/- each)	2,412,048,469	2,667,830,607
Schedule II - Reserves & Surplus		
Unit Premium Reserve		
Opening Balance	(18,074,133)	-
Less : Deduction during the year	(705,167)	(18,074,133)
Closing Balance	(18,779,300)	(18,074,133)
Revenue Account	(588,749,121)	105,785,957
	(607,528,421)	87,711,824
Schedule III - Current Liabilities & Provisions		
Current Liabilities		
Management Fees Payable	853,974	1,254,225
Trusteeship Fees Payable	29,760	26,282
Selling Commission / Brokerage	1,575,941	903,401
Advertisement & Publicity	563,902	1,936,805
Audit Fees	193,025	84,270
Custodian Fees & Expenses	36,573	56,033
Registrar's Fees & Expenses	579,466	491,158
Other Expenses	5,141,791	7,140,354
	8,974,432	11,892,528

	As At 31-Mar-09 (Rupees)	As At 31-Mar-08 (Rupees)
Schedule IV - Investments		
(Market / Yield to maturity / Fair value)		
Equity Shares	1,281,697,476	1,011,319,610
Privately Placed Debentures / Bonds	96,858,775	200,552,792
Debentures listed / awaiting listing on recognised stock exchange	100,251,956	677,683,509
Certificate Of Deposit	192,408,822	722,355,628
Reverse Repos	89,058,200	9,672,396
	1,760,275,229	2,621,583,935
Schedule V - Other Current Assets		
Balances with banks in current account	2,623,092	3,159,305
Outstanding and accrued income	5,880,601	41,007,539
Others *	1,012,591	-
	9,516,284	44,166,844
* Refer Note No. 5 of Schedule VIII Part B- Notes to the Accounts		
Schedule VI - Deferred Revenue Expenditure		
Opening Balance	101,684,180	176,016,312
Less : Amount written off during the year	48,957,593	58,026,037
Less : Amount recovered on redeemed units	9,023,620	16,306,095
Amount deferred to subsequent years	43,702,967	101,684,180
Schedule VII - Interest Income		
Debentures / Bonds / Asset Backed Securities	41,030,730	79,066,524
Discounted Securities	42,078,720	141,373,519
Reverse Repos	4,457,229	2,973,726
	87,566,679	223,413,769

Schedule VIII - Statement of significant accounting policies of Tata SIP Fund Scheme - 1 (TSIPF1) and Notes forming part of the Accounts for the year ended 31st March, 2009.

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. With effect from 1st October, 2008 Registrar’s fees and expenses have been allocated to the schemes in proportion to the number of live folios in the schemes.

3. DEFERRED REVENUE EXPENDITURE:

This being a close ended hybrid 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. 43,702,967/- (previous year Rs.101,684,180/-) 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 (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 equity instruments, the last available quoted price within a period of Fifteen days prior to the valuation date is used for valuation purposes.

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

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. Non-Traded Securities :

- a. Non-Traded/Thinly Traded Debt Securities/Asset Backed Securities (other than Floating Rate Debt 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, 2009. The values applied by TAML for “investment grade” debt securities are on the basis of valuation yields determined by Credit Rating Information Services of India Limited (CRISIL). In the opinion of TAML, these yields determine fair and reasonable values and such basis of valuation is approved by the Tata Trustee Company Private Limited. These securities have been valued on the basis of valuation principles laid down by SEBI for the same.

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

This basis of valuation is in accordance with SEBI guidelines.

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

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

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

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

The aggregate fair value of “investment grade” debt securities as at 31st March, 2009 is Rs.197,110,731/-(previous year Rs.878,236,301/-). The value of “below investment grade” debt securities as at 31st March, 2009 is Rs. Nil. The balances existing as maturity 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. CBLO Investment:

CBLO investments are valued at cost.

vi. Reverse Repo Investment :

Investment bought on Repo basis are valued at cost.

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, 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 :

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

B. Notes attached to and forming part of the accounts for the year ended 31st March, 2009

1. The aggregate value of purchases and sales of investments for the year ended 31st March, 2009 expressed as a percentage of average weekly net assets is as under :

Particulars	As at 31-3-09		As at 31-3-08	
	Value* Rs.	%	Value* Rs.	%
Aggregate value of Purchases	5,938,131,570	269.83	2,791,561,771	90.75
Aggregate value of Sales	6,214,511,194	282.39	2,191,603,819	71.24

*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, 2009 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, 2009.
(Refer Annexure 3).
5. Amount receivable from AMC Rs.1,012,591/- (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 below

Current Year			Previous Year		
Dates		% of Daily Net Asset	Dates		% of Daily Net Asset
From	To		From	To	
01-04-08	04-03-09	0.0010%	01-04-07	31-03-08	0.0010%
05-03-09	31-03-09	0.0100%			

7. Contingent liabilities as at 31st March, 2009 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	2008 – 2009 Rs.	2007 – 2008 Rs.	% equity capital held by the sponsors and its subsidiary / associates as at 31 st March, 2008
Tata Securities Private Limited	Selling Commission	7624	81,987	#
Amit Nalin Securities Private Limited	Brokerage on Securities Transactions	202,725	0	#
Tata Asset Management Limited	Management Fees	23,804,900	31,940,543	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	32,295	29,435	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 31-03-09		As at 31-03-08	
Face Value	10.00		10.00	
Net Asset Value	Growth Dividend	7.4813 7.4813	Growth Dividend	10.3288 10.3288

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

Particulars	2008 – 2009 Rs.	2007 – 2008 Rs.
Unrealised appreciation	44,532,403	88,985,842
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, 2009.
12. Unclaimed redemption/dividend amount, since the inception of the scheme has been invested separately, only in money market instruments and the investors who have claimed their dividend amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR/9/120/2000 dated 24th November, 2000. As at 31st March, 2009 the unclaimed redemption/dividend amount is Rs.Nil for Nil investors (previous year Rs.Nil for Nil investors).
13. In accordance with Regulation 44 (1) of the SEBI (Mutual Funds) Regulations, 1996, securities purchased should be held in the name of the scheme. As at 31st March, 2009, reverse repos aggregating to Rs. 89,058,200/- (previous year Rs. 9,672,396/-) 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.

Investments in group / associate companies

Annexure - 1
(Amount in Rs.)

Name of the Company	TSIPF1	TSIPF2
Castrol India Ltd.	-	-
Grasim Industries Ltd.	-	-
The Indian Hotels Co. Ltd.	-	-
Kansai Nerolac Paints Ltd.	-	-
Tata Iron & Steel Co Ltd.	28,737,000	-
Tata Chemicals Ltd	9,153,000	4,152,044
Tata Communications Ltd	-	-
Tata Consultancy Services Ltd.	-	-
Tata Elxsi Ltd	-	-
Tata Motors Ltd.	-	-
Tata Power Company Ltd.	72,825,948	-
Tata Tea Ltd.	-	50,613,103
Titan Industries Ltd.	24,332,880	-
Trent Ltd.	-	-
Voltas Ltd.	-	-
TOTALS	135,048,828	54,765,147

Disclosure under Regulation 25(11) of SEBI Regulations as amended

Annexure - 2

Company which have invested	Schemes in which companies have invested more than 5% of the Net Assets	Schemes which have invested	Aggregate cost of Acquisition during the year ended 31st March, 2009 Rs.	Outstanding as at 31st March, 2009 at Fair / Market Value Rs.
Allahabad Bank	TLF	TDBF	1,007,403,230.32	0.00
		TFF	8,143,797,268.60	0.00
		TFHA56	232,664,302.00	0.00
		TFHA70	49,454,886.40	0.00
		TFHA77	289,010,292.30	0.00
		TFHA78	771,786,256.80	0.00
		TFIF3A	244,184,600.55	0.00
		TFIPB2	345,399,117.00	0.00
		TFRLTF	198,216,000.00	0.00
		TFRSTF	1,488,756,068.10	0.00
		TIFA	97,929,313.00	0.00
		TIPF	748,799,898.03	0.00
		TLF	9,420,451,967.67	1,674,518,630.00
		TLMF	193,239,279.40	0.00
TSTBF	583,725,550.00	244,712,975.00		
TTMF	173,399,976.35	49,285,320.00		
Bharti Airtel Ltd..	TLF	TCF	43,778,572.25	43,806,000.00
		TCS	63,509,680.00	56,322,000.00
		TDYF	9,439,234.00	9,387,000.00
		TEGF	102,597,310.20	70,997,010.00
		TEMF	54,006,282.50	40,677,000.00
		TEOF	171,567,546.26	114,771,720.00
		TEQPEF	9,439,234.00	9,387,000.00
		TGEIFA	8,226,798.50	4,380,600.00
		TGEIFB	67,157,848.74	55,445,880.00
		TIFNA	2,673,615.88	3,859,000.25
		TIFSA	1,335,452.77	2,647,759.80
		TIGIF	460,057,609.93	333,648,399.00
		TISF	405,255,458.00	617,664,600.00
		TLS	24,091,326.30	18,774,000.00
		TOIIS	166,564,801.79	131,418,000.00
		TOIOS	886,198,914.90	1,157,730,000.00
		TSIPF1	35,688,076.35	24,575,791.80
TSIPF2	15,066,486.33	15,641,871.00		
TTAF1	40,639,945.51	60,233,250.00		
TTOFE	198,220,923.16	124,784,520.00		
TTSF96	48,860,283.02	41,709,570.00		
TYCF	14,591,194.00	12,516,000.00		
Corporation Bank	TIF	TDBF	236,306,259.00	0.00
		TFF	2,482,461,416.87	391,406,800.00
		TFHA68	91,136,100.00	0.00
		TFHA75	225,868,036.00	0.00
		TFHA77	487,078,500.00	0.00
		TFIPC3	4,814,915.64	0.00
		TFRLTF	225,450,000.00	0.00
		TFRSTF	488,097,270.50	489,258,500.00
		TLF	3,228,645,547.23	982,891,200.00
TTMF	457,180,042.95	0.00		

Hero Honda Motors Ltd.	TFIF2A	TEGF	29,687,509.00	21,403,000.00
		TEOF	77,057,931.40	65,901,977.30
		TEQPEF	27,282,832.00	0.00
		TIFNA	288,286.64	715,528.20
		TSIPF2	11,818,830.06	14,511,234.00
		TTAF1	22,436,267.46	29,108,080.00
		TTOFE	29,639,538.00	26,753,750.00
		TTSF96	20,776,117.26	26,860,765.00
Hindalco Industries Ltd.	TFIF1A	TCF	39,177,246.00	18,535,669.80
	TFHA68	TCS	54,491,964.00	15,570,000.00
		TEQPEF	46,028,015.00	15,940,669.80
		TIFNA	526,976.11	295,383.75
		TIFSA	648,005.77	409,387.20
		TIGIF	279,492,188.00	0.00
		TISF	125,042,059.00	0.00
		TOIOS	1,064,567,956.00	481,187,113.20
Hindustan Zinc Ltd..	TFF	TCF	19,722,393.00	13,422,000.00
	TFIF2A	TCS	19,714,988.00	13,422,000.00
	TFHA78	TEGF	23,872,016.70	0.00
	TFHA79	TEQPEF	12,432,975.00	53,688,000.00
		TGEIFA	3,992,118.00	0.00
		TGEIFB	23,811,663.54	0.00
		TISF	95,535,458.00	0.00
		TMCF	18,068,962.91	8,948,000.00
		TMPF	10,153,043.00	0.00
		TOIOS	198,621,787.53	402,660,000.00
ITC Ltd.	TFRSTF	TCF	12,365,094.50	13,860,000.00
	TFIF1A	TDYF	26,952,147.00	0.00
		TEGF	72,598,412.00	52,668,000.00
		TEMF	27,982,586.00	27,720,000.00
		TEOF	148,532,693.00	59,136,000.00
		TIFNA	1,236,369.39	2,227,257.65
		TIFSA	1,271,199.44	3,114,064.80
		TOIOS	56,803,650.00	0.00
		TSIPF1	86,816,236.67	81,570,720.00
		TSIPF2	8,911,690.75	10,517,892.00
		TTOFE	131,376,229.00	60,060,000.00
		TTSF96	4,282,433.50	27,720,000.00
		TYCF	21,711,461.00	18,480,000.00
Larsen & Toubro Ltd..	TSTBF	TCBF	24,104,594.00	23,542,750.00
		TCS	12,100,685.00	0.00
		TEGF	144,498,703.00	12,768,242.30
		TEMF	56,263,156.00	41,637,035.00
		TEOF	146,809,042.50	24,842,309.80
		TEQPEF	24,669,421.50	0.00
		TGEIFA	22,629,170.68	11,939,537.50
		TGEIFB	104,603,272.21	45,437,507.50
		TIFNA	1,075,656.58	1,272,303.00
		TIFSA	1,360,431.32	2,254,722.80
		TIGIF	435,683,073.50	407,063,564.60
		TINR	15,137,734.00	6,053,850.00

		TISF	378,891,555.20	305,027,268.15
		TOIIS	221,611,594.10	0.00
		TOIOS	217,552,843.50	0.00
		TSIPF1	55,782,747.20	61,764,068.30
		TSIPF2	10,306,125.03	11,189,532.75
		TTAF1	15,386,299.00	20,179,500.00
		TTOFE	133,330,152.90	26,334,247.50
		TTSF96	13,454,590.00	16,816,250.00
		TYCF	0.00	8,206,330.00
Patni Computer Systems Ltd..	TFIF1A	TCF	9,133,280.75	18,998,000.00
		TCS	17,053,104.00	20,608,000.00
		TDYF	16,498,179.00	19,320,000.00
		TEQPEF	29,461,700.40	35,033,600.00
		TLS	1,851,988.00	15,146,493.60
		TSIF	21,329,728.50	24,472,000.00
Sesa Goa Ltd.	TFHA78	TGEIFB	26,356,288.55	0.00
		TIGIF	16,147,717.50	0.00
		TISF	0.00	0.00
		TMIF	2,018,758.25	0.00
		TSIPF1	20,056,778.84	0.00
Shree Cement Ltd..	TFIF2A	TCS	2,147,272.61	14,276,607.80
		TEQPEF	15,306,545.14	16,735,940.00
		TOIIS	16,221,412.34	28,761,705.70
		TOIOS	9,937,119.65	123,932,472.30
Sterlite Industries (I) Ltd.	TFF	TCF	7,421,509.40	0.00
	TFHA68	TEGF	33,185,207.00	19,560,750.00
		TGEIFA	7,448,720.00	0.00
		TGEIFB	24,243,037.00	0.00
		TIFNA	606,226.76	707,332.80
		TIFSA	1,104,333.08	643,370.85
		TIGIF	283,950,788.00	71,130,000.00
		TISF	321,841,414.00	117,364,500.00
		TOIIS	53,874,535.00	33,786,750.00
		TTAF1	32,732,454.50	8,891,250.00
		TTOFE	64,133,037.00	44,456,250.00
		TTSF96	32,725,800.00	8,891,250.00
Sundaram BNP Paribas Home Finance Ltd..	TFRSTF	TDBF	88,671,403.30	0.00
		TFF	243,614,250.00	0.00
		TFHA63	78,027,755.17	0.00
		TFHA66	147,209,960.93	0.00
		TFIPA1	59,741,553.40	0.00
		TFIPA2	100,780,322.18	0.00
		TLF	148,128,974.94	0.00
		TTMF	88,698,545.68	0.00
Tata Consultancy Services Ltd..	TLF	TIFNA	1,262,812.12	1,696,971.05
	TFIF1A	TIFSA	423,290.34	726,840.00
Tata Steel Ltd..	TLF	TCF	30,460,252.00	0.00
		TCS	63,810,286.50	0.00

		TEGF	6,694,748.00	0.00
		TEOF	60,258,850.00	0.00
		TEQPEF	70,569,758.80	0.00
		TGEIFA	16,272,366.40	0.00
		TGEIFB	55,785,052.60	0.00
		TIFNA	591,840.53	519,073.90
		TIFSA	530,280.27	671,560.00
		TIGIF	64,133,207.00	0.00
		TINR	16,644,181.40	0.00
		TISF	142,245,194.00	0.00
		TSIPF1	42,137,655.50	28,737,000.00
		TTAF1	42,006,473.50	8,240,000.00
		TTOFE	31,713,709.00	0.00
		TTSF96	14,958,900.50	0.00
Kansai Nerolac Paints Ltd.	TFIF1A	TDYF	0.00	9,959,177.00
		TEQPEF	0.00	10,853,917.00
			0.00	0.00
ICICI Home Finance Company Ltd.	TFRSTF	TDBF	898,600,348.00	0.00
		TFF	881,034,637.00	0.00
		TFHA56	50,410,760.00	0.00
		TFHA59	151,232,279.00	0.00
		TFHA61	100,821,519.00	0.00
		TFHA62	191,173,431.00	0.00
		TFHA63	89,816,626.00	0.00
		TFHA66	182,781,121.00	0.00
		TFHA70	84,344,127.00	0.00
		TFHA74	150,183,063.00	0.00
		TFHA75	753,005,096.00	765,584,587.00
		TFHA76	338,785,485.00	0.00
		TFHA78	700,722,458.00	391,272,962.00
		TFHA79	150,000,000.00	150,779,586.00
		TFIF2B	624,618,429.00	635,686,051.00
		TFIF4A	20,025,367.00	20,103,945.00
		TFIF4B	120,008,054.00	60,311,834.00
		TFIPA2	224,278,500.00	0.00
		TFRSTF	792,454,154.00	38,249,940.00
		TIFA	44,655,950.00	0.00
		TIPF	135,522,860.00	0.00
		TLF	2,280,926,783.00	191,427,871.00
		TLMF	46,659,907.00	0.00
		TMIF	29,878,790.00	0.00
		TMPF	49,797,983.00	0.00
		TOIIS	254,024,064.00	0.00
		TSTBF	89,311,900.00	0.00
		TTMF	183,141,336.00	0.00

Tata Sip Fund Scheme-1
Portfolio as at 31st March, 2009

Annexure 3

<u>Name of the Instrument</u>	<u>Market/ Fair Value(Rs)</u>	<u>% to NAV</u>	<u>% to Category</u>
(I) EQUITY SHARES			
Auto Ancillaries	8,008,210	0.44	0.62
Amara Raja Batteries Ltd.	8,008,210		
Banks	142,151,258	7.88	11.09
Union Bank of India	41,178,463		
State Bank of India	40,646,220		
Bank of Baroda	32,016,075		
Federal Bank Ltd. .	28,310,500		
Construction	2,754,728	0.15	0.21
Madhucon Projects Ltd.	2,754,728		
Consumer Non Durables	183,534,447	10.17	14.32
ITC Ltd.	81,570,720		
United Spirits Ltd.	45,773,588		
Colgate-Palmolive India Ltd.	25,034,485		
Titan Industries Ltd.	24,332,880		
Bata India Ltd.	6,822,774		
Ferrous Metals	45,524,731	2.52	3.55
Tata Steel Ltd.	28,737,000		
Welspun Gujarat Stahl Rohren Ltd.	16,787,731		
Fertilisers	40,150,620	2.23	3.13
Chambal Fertilisers & Chemicals Ltd.	30,997,620		
Tata Chemicals Ltd.	9,153,000		
Finance	68,114,600	3.77	5.31
Power Finance Corporation Ltd.	51,947,000		
LIC Housing Finance Ltd.	16,167,600		
Gas	108,129,119	5.99	8.44
Gujarat State Petronet Ltd.	61,165,100		
Indraprastha Gas Ltd.	33,316,550		
Gail (India) Ltd.	13,647,469		
Industrial Capital Goods	74,763,620	4.14	5.83
Larsen & Toubro Ltd.	61,764,068		
Jyoti Structures Ltd.	11,115,047		
Emco Ltd.	1,884,505		
Media & Entertainment	31,061,575	1.72	2.42
Sun TV Network Ltd.	31,061,575		
Oil	95,654,078	5.30	7.46
Oil & Natural Gas Corporation Ltd.	91,957,818		
Shiv-Vani Oil & Gas Exploration Services Ltd.	3,696,260		
Petroleum Products	88,914,400	4.93	6.94
Reliance Industries Ltd.	60,928,000		
Hindustan Petroleum Corporation Ltd.	27,986,400		
Pharmaceuticals	97,835,236	5.42	7.63
Lupin Ltd.	71,559,636		
Opto Circuits (India) Ltd.	26,275,600		

Power		162,847,203	9.02	12.71
Tata Power Company Ltd.		72,825,948		
GVK Power & Infrastructure Ltd.		49,945,650		
CESC Ltd.		40,075,605		
Software		70,477,260	3.91	5.50
Infosys Technologies Ltd.		34,360,395		
Educomp Solutions Ltd.		13,798,290		
Geodesic Ltd.		12,293,765		
Tanla Solutions Ltd.		6,219,623		
Zenith Infotech Ltd.		3,805,187		
Telecom - Services		24,575,792	1.36	1.92
Bharti Airtel Ltd.		24,575,792		
Textile Products		3,226,190	0.18	0.25
Raymond Ltd.		3,226,190		
Transportation		33,974,411	1.88	2.65
Mercator Lines Ltd.		28,348,336		
Container Corporation of India Ltd.		5,626,075		
TOTAL (COST : Rs. 1,702,428,711)		1,281,697,476	71.03	100.00
(II) <u>DEBENTURES, BONDS AND ASSET BACKED SECURITIES</u>				
LISTED DEBENTURES/BONDS				
Banks		49,237,179	2.73	49.11
State Bank of Travancore		49,237,179		
Construction		51,014,777	2.83	50.89
National Capital Region Planning Board		51,014,777		
TOTAL (COST : Rs. 93,829,548)	A	100,251,956	5.56	100.00
PRIVATELY PLACED DEBENTURES/BONDS				
Auto		96,858,775	5.37	100.00
Mahindra & Mahindra Ltd.		96,858,775		
TOTAL (COST : Rs. 96,843,494)	B	96,858,775	5.37	100.00
TOTAL (COST : Rs. 190,673,042)	(A+B)	197,110,731	10.92	100.00
(III) CERTIFICATE OF DEPOSIT				
Banks		192,408,822	10.66	100.00
Yes Bank Ltd.		99,254,026		
Punjab National Bank		93,154,796		
TOTAL (COST : Rs. 187,118,097)		192,408,822	10.66	100.00
(IV) REVERSE REPO INVESTMENT		89,058,200	4.94	100.00
TOTAL INVESTMENT (COST : Rs. 2,169,278,050)	(I+II+III+IV)	1,760,275,229	97.55	100.00

Balance Sheet of Tata SIP Fund Scheme-2 as at 31st March, 2009

	Schedule	As At 31-Mar-09 (Rupees)	As At 31-Mar-08 (Rupees)
LIABILITIES			
Unit Capital	I	726,289,743	755,661,127
Reserves & Surplus	II	(165,469,971)	(2,256,025)
Current Liabilities & Provisions	III	1,783,708	1,236,283
TOTAL		562,603,480	754,641,385
ASSETS			
Investments	IV	537,003,171	698,138,074
Other Current Assets	V	8,906,403	25,241,025
Deferred Revenue Expenditure	VI	16,693,906	31,262,286
TOTAL		562,603,480	754,641,385
Significant Accounting Policies and Notes to the Accounts	VIII		

Revenue Account of Tata SIP Fund Scheme-2 for the year ended 31st March, 2009

		31-Mar-09	31-Mar-08
		(Rupees)	(Rupees)
INCOME			
Dividend		2,884,805	161,212
Interest	VII	26,780,627	39,485,267
Profit on sale / Redemption of investments		7,908,897	354,249
Profit on inter- scheme transfer / sale of investments		-	467,958
TOTAL (A)		37,574,329	40,468,686
EXPENSES AND LOSSES			
Loss on sale / redemption of investments		80,520,908	-
Loss on inter- scheme transfer / sale of investments		2,012,515	2,137,110
Management fees		7,721,223	8,015,046
Trusteeship fees		6,177	6,412
Commission to Agents		2,924,711	3,481,211
Publicity expenses		611,408	983,697
Audit fees		66,180	56,180
Other operating expenses		1,660,780	1,230,608
Deferred revenue expenses written off	VI	13,565,547	12,023,507
Custodian fees & expenses		139,536	128,561
Registrar's fees & expenses		768,097	501,245
Provision for diminution in value of investments		97,543,539	20,962,896
TOTAL (B)		207,540,621	49,526,473
Deficit (A - B)		(169,966,292)	(9,057,787)
Increase in unrealised appreciation in value of investments		4,215,096	11,974,355
Surplus / (Deficit) after considering unrealised appreciation in value of investments		(165,751,196)	2,916,567
Add / (Less) : Income Equalisation Account		2,592,476	(1,426,297)
		(163,158,720)	1,490,270
Add : Surplus brought forward		1,490,270	-
Surplus / (Deficit) carried forward		(161,668,450)	1,490,270
Income (Gross) as a percentage to Average Net Assets		5.86	6.04
Recurring Expenses as a percentage to Average Net Assets		2.17	2.15
Significant Accounting Policies and Notes to the Accounts	VIII		

	As At 31-Mar-09 (Rupees)	As At 31-Mar-08 (Rupees)
Schedule I - Unit Capital		
Initial Capital (90,930,234.899 units of the face value of Rs. 10/- each)	909,302,349	909,302,349
Unit Capital		
Opening Balance (75,566,112.723 units (previous year 90,930,234.899 units) of the face value of Rs. 10/- each)	755,661,127	909,302,349
Less : Units repurchased during the year (2,937,138.438 units (previous year 15,364,122.176 units) of the face value of Rs.10/- each)	29,371,384	153,641,222
Units Closing Balance (72,628,974.285 units (previous year 75,566,112.723 units) of the face value of Rs. 10/- each)	726,289,743	755,661,127
Schedule II - Reserves & Surplus		
Unit Premium Reserve		
Opening Balance	(3,746,295)	-
Less : Deduction during the year	(55,226)	(3,746,295)
Closing Balance	(3,801,521)	(3,746,295)
Revenue Account	(161,668,450)	1,490,270
	(165,469,971)	(2,256,025)
Schedule III - Current Liabilities & Provisions		
Current Liabilities		
Management Fees Payable	291,050	391,901
Trusteeship Fees Payable	5,446	5,676
Selling Commission / Brokerage	385,519	318,796
Advertisement & Publicity	241,787	122,972
Audit Fees	66,180	56,180
Custodian Fees & Expenses	11,650	16,280
Registrar's Fees & Expenses	106,336	106,688
Other Expenses	675,740	217,790
	1,783,708	1,236,283
Schedule IV - Investments		
(Market / Yield to maturity / Fair value)		
Equity Shares	331,439,045	197,302,160
Privately Placed Debentures / Bonds	18,552,149	136,541,379
Debentures listed / awaiting listing on recognised stock exchange	151,282,675	346,770,732
Reverse Repos	35,729,302	17,523,803
	537,003,171	698,138,074

	As At 31-Mar-09 (Rupees)	As At 31-Mar-08 (Rupees)
Schedule V - Other Current Assets		
Balances with banks in current account	2,628,450	2,380,890
Outstanding and accrued income	6,142,148	22,829,323
Inter-scheme dues	-	29,112
Others *	135,805	1,700
	8,906,403	25,241,025
* Refer Note No. 5 of Schedule VIII Part B- Notes to the Accounts		
Schedule VI - Deferred Revenue Expenditure		
Opening Balance	31,262,286	50,153,000
<u>Less</u> : Amount written off during the year	13,565,547	12,023,507
<u>Less</u> : Amount recovered on redeemed units	1,002,833	6,867,207
Amount deferred to subsequent years	16,693,906	31,262,286
Schedule VII - Interest Income		
Debentures / Bonds / Asset Backed Securities	17,688,479	31,466,370
Discounted Securities	7,259,969	5,469,653
Reverse Repos	1,832,179	2,549,244
	26,780,627	39,485,267
Schedule VIII - Statement of significant accounting policies of Tata SIP Fund Scheme - 2 (TSIPF2) and Notes forming part of the Accounts for the year ended 31st March, 2009.		
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. With effect from 1 st October, 2008 Registrar’s fees and expenses have been allocated to the schemes in proportion to the number of live folios in the schemes.		
3. DEFERRED REVENUE EXPENDITURE:		
This being a close ended hybrid scheme the initial issue expenses are written of equally over the close ended period viz. 3 years. The unamortised portion of the initial issue expenses Rs. 16,693,906/- (previous period Rs. 31,262,286/-) 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 (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 equity instruments, the last available quoted price within a period of Fifteen days prior to the valuation date is used for valuation purposes.

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

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. Non-Traded Securities :

- a. Non-Traded/Thinly Traded Debt Securities/Asset Backed Securities (other than Floating Rate Debt 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, 2009. The values applied by TAML for “investment grade” debt securities are on the basis of valuation yields determined by Credit Rating Information Services of India Limited (CRISIL). In the opinion of TAML, these yields determine fair and reasonable values and such basis of valuation is approved by the Tata Trustee Company Private Limited. These securities have been valued on the basis of valuation principles laid down by SEBI for the same.

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

This basis of valuation is in accordance with SEBI guidelines.

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

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

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

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

The aggregate fair value of “investment grade” debt securities as at 31st March, 2009 is Rs.169,834,824/- (previous period Rs.483,312,111/-). The value of “below investment grade” debt securities as at 31st March, 2009 is Rs. Nil (previous period Rs.Nil). . The balances existing as maturity proceeds due but not received and fully provided Rs. Nil (previous period Rs.Nil).

iv. Money Market Securities :

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

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

v. Asset backed Securities :

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

vi. **CBLO Investment:**

CBLO investments are valued at cost.

vii. **Reverse Repo Investment :**

Investment bought on Repo basis are valued at cost.

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

Following the issue of the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds by the Institute of Chartered Accountants of India, 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 :

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

B. Notes attached to and forming part of the accounts for the year ended 31st March, 2009

1. The aggregate value of purchases and sales of investments for the year ended 31st March, 2009 expressed as a percentage of average weekly net assets is as under :

Particulars	As at 31-3-09		As at 31-3-08	
	Value* Rs.	%	Value* Rs.	%
Aggregate value of Purchases	1,432,901,066	223.39	2,119,606,070	237.72
Aggregate value of Sales	1,472,837,503	229.62	269,329,979	30.21

*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, 2009 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, 2009.
(Refer Annexure 3).
5. Amount receivable from AMC Rs.135,805/- (previous period Rs.1,700/-) 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 1.00% of the daily net assets above Rs.100 crores (previous period : 1.25% of the daily net assets upto Rs.100 crores and 1.00% of the daily net assets above Rs.100 crores) and Trusteeship Fees are paid at the rate of 0.0010% of the daily net assets (previous period : 0.0010% of the daily net assets).
7. Contingent liabilities as at 31st March, 2009 are Rs.Nil (previous period 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	2008-09 Rs.	Period from 10-05- 2007 to 31-03-2008 Rs.	% equity capital held by the sponsors and its subsidiary / associates as at 31 st March, 2009
Tata Securities Private Limited	Selling Commission	1,238	14,701	#
Tata Asset Management Limited	Management Fees	7,721,223	8,015,046	100%*

Tata Trustee Company Private Limited	Trusteeship Fees	6,177	6,412	100%**
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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 31-03-09		As at 31-03-08	
	Face Value	10.00		10.00
Net Asset Value	Growth	7.7218	Growth	9.9701
	Dividend	7.7217	Dividend	9.9702

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

Particulars	2008-09 Rs.	Period from 10-05-2007 to 31-03-2008 Rs.
Unrealised appreciation	16,189,451	11,974,355
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, 2009.
12. Unclaimed redemption/dividend amount, since the inception of the scheme has been invested separately, only in money market instruments and the investors who have claimed their dividend amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR/9/120/2000 dated 24th November, 2000. As at 31st March, 2009 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, 2009, reverse repos aggregating to Rs. 35,729,302/- (previous period Rs. 17,523,803/-) 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 10th May, 2007 to 31st March, 2008, 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.

Portfolio as at 31st March, 2009

Annexure 3

<u>Name of the Instrument</u>	<u>Market/ Fair Value(Rs)</u>	<u>% to NAV</u>	<u>% to Category</u>
(I) EQUITY SHARES			
Auto Ancillaries	5,769,840	1.03	1.74
Exide Industries Ltd.	5,769,840		
Auto	14,511,234	2.59	4.38
Hero Honda Motors Ltd.	14,511,234		
Banks	49,313,362	8.79	14.88
HDFC Bank Ltd.	16,346,987		
State Bank of India	13,242,285		
Bank of Baroda	10,201,752		
ICICI Bank Ltd.	9,522,338		
Cement	5,483,700	0.98	1.65
Rain Commodities Ltd.	5,483,700		
Construction	4,976,790	0.89	1.50
Punj Llyod Ltd.	4,976,790		
Consumer Non Durables	47,246,989	8.42	14.26
Hindustan Unilever Ltd.	12,461,433		
United Spirits Ltd.	10,906,054		
ITC Ltd.	10,517,892		
Dabur India Ltd.	7,136,010		
Nestle India Ltd.	6,225,600		
Ferrous Metals	14,709,884	2.62	4.44
Jindal Steel & Power Ltd.	9,372,090		
Usha Martin Ltd.	5,337,794		
Fertilisers	4,152,044	0.74	1.25
Tata Chemicals Ltd.	4,152,044		
Finance	10,389,600	1.85	3.13
Rural Electrification Corporation Ltd.	10,389,600		
Industrial Capital Goods	30,820,877	5.50	9.30
Bharat Heavy Electricals Ltd.	12,726,801		
Larsen & Toubro Ltd.	11,189,532		
Voltamp Transformers Ltd.	3,767,340		
Crompton Greaves Ltd.	3,137,204		
Media & Entertainment	5,662,700	1.01	1.71
Sun TV Network Ltd.	5,662,700		
Oil	16,919,490	3.02	5.10
Oil & Natural Gas Corporation Ltd.	16,919,490		
Petroleum Products	28,769,743	5.13	8.68
Reliance Industries Ltd.	18,893,773		
Hindustan Petroleum Corporation Ltd.	9,875,970		
Pharmaceuticals	34,660,664	6.18	10.46
Divi's Laboratories Ltd.	9,297,600		
Lupin Ltd.	7,532,956		
Sun Pharmaceuticals Ltd.	6,373,766		
Dishman Pharmaceuticals & Chemicals Ltd.	6,008,103		
Ranbaxy Laboratories Ltd.	5,448,240		

Power		8,320,868	1.48	2.51
National Thermal Power Corporation Ltd.		6,018,680		
KEC International Ltd.		2,302,189		
Software		34,089,389	6.08	10.29
Mphasis Ltd.		13,844,400		
Infosys Technologies Ltd.		12,367,093		
Oracle Financials Services Software		5,302,083		
Financial Technologies India Ltd.		1,630,337		
Tanla Solutions Ltd.		945,475		
Telecom - Services		15,641,871	2.79	4.72
Bharti Airtel Ltd.		15,641,871		
TOTAL (COST : Rs. 440,738,610)		331,439,045	59.10	100.00
(II) <u>DEBENTURES, BONDS AND ASSET BACKED</u>				
<u>SECURITIES</u>				
LISTED DEBENTURES/BONDS				
Banks		100,669,572	17.95	66.54
Export Import Bank of India		100,669,572		
Consumer Non Durables		50,613,103	9.02	33.46
Tata Tea Ltd.		50,613,103		
TOTAL (COST : Rs. 146,870,716)	A	151,282,675	26.98	100.00
PRIVATELY PLACED DEBENTURES/BONDS				
Finance		18,552,149	3.31	100.00
Housing Development Finance Corporation Ltd.		18,552,149		
TOTAL (COST : Rs. 15,981,528)	B	18,552,149	3.31	100.00
TOTAL (COST : Rs. 162,852,244)	(A+B)	169,834,824	30.28	100.00
(III) REVERSE REPO INVESTMENT		35,729,302	6.37	100.00
TOTAL INVESTMENT (COST : Rs. 639,320,156)	(I+II+III)	537,003,171	95.75	100.00

Key Statistics for the year / period ended 31st March, 2009

	TSIPF1		TSIPF2	
	31-Mar-09	31-Mar-08	31-Mar-09	31-Mar-08
1. Net Asset Value per unit Rs.				
Open	D - 10.3288 G - 10.3288	D - 10.0599, G - 10.0598	D - 9.9702 G - 9.9701	NA
High	D - 10.7408 G - 10.7409	D - 11.5487, G - 11.5487	D - 10.2589 G - 10.2587	D - 10.8203, G - 10.8202
Low	D - 6.6528 G - 6.6528	D - 10.0013, G - 10.0013	D - 7.0567 G - 7.0566	D - 9.7594, G - 9.7593
End	D - 7.4813 G - 7.4813	D - 10.3288 G - 10.3288	D - 7.7218 G - 7.7217	D - 9.9702 G - 9.9701
2. Closing Assets Under Management (Rs. in Lakhs)				
End	18,045.20	27,555.42	5,608.20	7,534.05
Average (AAuM)	22,007.04	30,762.60	6,414.36	8,916.38
3. Gross income as % of AAuM ¹	6.16%	7.74%	5.86%	6.04%
4. Expense Ratio:				
a. Total Expense as % of AAuM⁴ (plan wise)	D - 2.25% G - 2.25%	D - 2.25% G - 2.25%	D - 2.25% G - 2.25%	D - 2.25% G - 2.25%
b. Management Fee as % of AAuM⁴ (plan wise)	D - 1.25% G - 1.25%	D - 1.25% G - 1.25%	D - 1.25% G - 1.25%	D - 1.25% G - 1.25%
5. Net Income as a percentage of AAuM ²	(13.25)%	7.38%	(11.29)%	4.30%
6. Portfolio turnover ratio ³	107.16	77.14	110.18	35.16
7. Total Dividend / Bonus per unit distributed during the year / period (plan wise) (Rs.)	0.00	0.00	0.00	0.00
8. Returns:				
a. Last One Year				
Scheme	-27.57	2.67	-28.57	-
Benchmark		BSE SENSEX		
	-37.94	4.73	-37.94	-
b. Since Inception				
Scheme	-13.06	3.06	-17.63	-0.30
Benchmark		BSE SENSEX		
	-11.18	5.03	-20.95	2.19

- 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 : TSIPF 1 - 5/3/2007; TSIPF 2 - 1/7/2007
- Past performance may or may not be sustained in future.

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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 SIP Fund Scheme I and Tata SIP Fund Scheme II are only the names of the Schemes and do not in any manner indicate either the quality of the Schemes, its future prospects or the returns. • The sponsors are not responsible or liable for any loss resulting from the operations of the scheme beyond the initial contribution of Rs.1 lac made by them towards setting up the Mutual Fund. • Investment in fixed income securities are subject to interest rate risk, credit risk and liquidity risk. • Pursuant to allotment of bonus units the NAV of the schemes would fall in proportion to the bonus allotted and as a result the total value of units held by the investor would remain same. • Investment in floating rate debt instrument is subject to Basis Risk and Spread Risk. • In case of downward movement of interest rates floating rate debt instruments will give a lower return than fixed rate debt instruments. • **For scheme specific risk factors & other details please read the Scheme Information Document (SID), Statement of Additional Information (SAI) and Key Information Memorandum (KIM) of the scheme carefully before investing.**

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Date: _____

Sole / First Unitholder Name:			
Folio No. (** TCF/TSIF):			
Folio No. (Other Schemes):			
PAN Number:			
Contact Numbers:	STD Code:	Residence:	
	Office:	Mobile:	

Email Address:			
Consent to receive Email communication:	<input type="checkbox"/> Yes	<input type="checkbox"/> No	
I would like to receive Account Statements, Newsletters, Annual Reports and other Statutory information documents by email.			

PAN AND KYC COMPLIANT STATUS DETAILS (MANDATORY)

	PAN Number#	KYC Compliant Status** (If yes attach proof) KYC Mandatory for investment of Rs. 50,000 and above.	
First Applicant / Guardian*		<input type="checkbox"/> Yes	<input type="checkbox"/> No
Second Applicant		<input type="checkbox"/> Yes	<input type="checkbox"/> No
Third Applicant		<input type="checkbox"/> Yes	<input type="checkbox"/> No

*If the First Applicant is a Minor, then please state the details of Parent / Guardian. # Please attach PAN proof.

Note: (i) Please enclose PAN photocopy duly attested by distributor / Bank mandate / Judicial Authority / AMC Staff. **(ii)** In case the PAN copy is not attested, we would not be able to update our records. **(iii)** Please submit proof of KYC compliance. **(iv)** In case you have already submitted the PAN proof / KYC Compliance proof for the above Folio(s), you need not give the details once again.

FIRST HOLDERS BANK ACCOUNT DETAILS (Mandatory)

All communication/payments will be made to first applicant or to Karta in case of HUF. Bank account details of First Unitholder required without which the application would be rejected

Name of the Bank																				
Branch																				
Account Type	<input type="checkbox"/> Savings	<input type="checkbox"/> Current	<input type="checkbox"/> NRO	<input type="checkbox"/> NRNR	<input type="checkbox"/> NRE															
Account No. (in Fig.)																				
Account No. (in words)																				
Bank Address																				
	City										State									
	PIN					MICR Code					(To be filled in only if dividend is to be paid through ECS).									
	* IFSC Code for NEFT										* This is a 11 Digit Number, kindly obtain it from your Bank Branch. (Please attach copy of cancelled cheque)									

I/We would request you to replace the existing details in your records with the information provided above.

Signature of First / Sole Unitholder(s)

Signature of 2nd Unitholder(s)

Signature of 3rd Unitholder(s)

In case the mode of holding is joint, all Unitholder(s) are requested to sign. Signature(s) to be as it appears on the Scheme Investment Application Form recorded with us.

** TCF - Tata Contra Fund. ** TSIF - Tata Service Industries Fund. *IFSC (Indian Financial System Code) is the 11 digit for NEFT (National Electronic Funds Transfer). It can be obtained from your bank branch.

Please fill the form & send the same to your nearest Tata Mutual Fund branch.

BOOK-POST

If undelivered please return to:

Tata Asset Management Ltd.

Mulla House, Grnd Floor,

Homi Modi Street,

Mumbai – 400 001

INVESTOR SERVICE CENTRES - AMC OFFICES

CALL FREE : 1800 – 209 – 0101

WEST ZONE: **Mumbai:** Tata Asset Management Ltd., Mulla House, Ground Floor, 51, M.G. Road, Near Flora Fountain, Mumbai - 400 001. Tel.: 022-66315191/92/93, Fax: 022- 66315194. **Borivali:** Ground Floor, Shop No. 8, Victor Park, Behind Indryani Saree Shop, Chandarvarkar Road, Borivali (West), Mumbai - 400 092. Tel.: 022-65278852. **Ahmedabad:** 402, 'Megha House', Mithakhali - Law Garden Road, Netaji Marg, Ahmedabad - 380 006. Tel.: 079- 6541 8989/ 6544 7799. Fax: 079-2646 6080. **Pune:** Tata Asset Management Ltd., Office No. 105, D-Gold House, Near Hotel Sheetal, Dnyaneshwar Paduka Chowk, F. C. Road, Shivajinagar, Pune - 411 004. Tel.: 020-30288775/64005932, Telefax:- 30288776. **Surat:** 421, Jolly Plaza, Near Collector Office, Next to G.P. College, Athwa Gate, Surat - 395 001. Tel.: 0261-6554418 / 19, Fax: 0261-2470326. **Vadodara:** 202- 203 Madhav Complex, RC Dutt Road, GEB Circle, Alkapuri, Vadodara - 390 007. Tel.: 0265-6641888/2356114, Fax: 0265-6641999. **Rajkot:** Arhant Plaza, 201, 2nd Floor, Subhas Road, Near Moti Taki, Rajkot - 360001. Tel.: 0281-6624848/6544949. **Indore:** G-25, City Centre, 507 M.G. Road, Indore - 452 001. Tel.: 0731-4201806, Fax 0731-4201807. **Bhopal:** Tata Asset Management Ltd., MF-12, Block-A, Mansarovar Complex, Near Habibganj Railway Station, Bhopal - 462 016. Tel.: 0755- 4229379 / 4273914 / 2574198. **Nashik:** 5, Samridhi Residency, Opp Hotel City Pride, Tilakwadi, Nashik - 422 002. Tel.: 0253-6605138 / 0253-6510315, Fax: 0253-2579098. **Goa:** Tata Asset Management Ltd, FO-4, 1st Floor, Indraprastha, Above Dena Bank, Dr Shirgaonkar Road, Panjim. Goa-403001. Tel.: 0832 - 6451135/36/2422135, Fax: 0832-2422135. **Jabalpur:** TATA Asset Management Ltd., Office No. 4, 1178 , Napier Town, Home Sciences College Road, Jabalpur - 482 001(M.P.). Tel.: 0761-4074263. **Nagpur:** "Mile Stone", 1st Floor, Near Lokmat Square, Wardha Road, Ramdaspath, Nagpur - 440 010, Tel.: 0712-663 0245 / 650 2885. **EAST ZONE:** **Bhubaneswar:** Janpath Tower, Room-208, 2nd Flr, Ashok Nagar, Bhubaneswar - 751009. Tel.: 0674-2533818. **Dhanbad:** 4th flr, Room No-409, Shriram Plaza, Bank More, Dhanbad - 826 001. Tel.: 9234302478/0326-2300304. **Durgapur:** A 206, 1st Flr, Kamdhenu Bengal Shristi Complex, City Centre, Durgapur - 713 216. Tel.: 9932241935. **Guwahati:** 109, 1st Flr, Orion Tower, Christian Basti, G S Road, Raipur - 492 001 (Chhattisgarh). Tel.: 0771-2543354. **Ranchi:** Shop No 15, A C Market, Grnd Flr, C F L Church Main Road, Ranchi - 834 001. Tel.: 0651-2330704/2330226. **Patna:** 605, 6th Flr, Ashiana Harinivas, New Dak Bungalow Chowk, Patna - 800 001. Tel.: 0612-2206497/6450120. **Bhilai:** Shop No.145, Ground Floor, Chauhan Estate, Near HDFC Bank, Bhilai - 490 001. Tel.: 0788-2295625. **NORTH ZONE:** **Agra:** G-12, Block No.19/4, Vimal Tower, Sanjay Place, Agra - 282 002. Tel.: 0562-2525195. **Allahabad:** 43/1, S P Marg, 1st Floor, Opp. MAK Tower, Civil Lines, Allahabad (UP) - 211 001. Tel. :- 0532-6451122. **Amritsar:** Mezzanine floor, S.C.O – 25, B Block, District Shopping Complex, Ranjit Avenue, Amritsar – 143 001. Tel.: 98140 82808. **Chandigarh:** Cabin No.3-4-5, 1st Floor, Meeting Point, SCO - 487/488, Sector- 35C, Chandigarh - 160 022. Tel.: 0172 - 5087322 /6450322/2605320, Fax: 0172 - 2603770. **Dehradun:** Shop No. 19, Ground Floor, Shree Radha Palace, 78, Rajpur Road, Dehradun-248001, Uttarakhand. Tel.: 0135-6450877. **Jaipur:** 233, 2nd Floor, Ganpati Plaza, M I Road, Jaipur - 302 001. Tel.: 0141 - 5105177 / 78 / 2389387 / 6539009, Fax: 5105178. **Kanpur:** 4th floor, Office no. 412 - 413, KAN Chambers, 14 / 113, Civil Lines, Kanpur - 208 001. Tel.: 0512 - 2306066, Fax: 0512 - 2306065. **Delhi:** 7th Floor, No. E - H, Vandana building, 11, Tolstoy Marg, Connaught Place, New Delhi 110 001. Tel.: 011-6632411/102/103/104/105, Fax: 011-66303202. **Lucknow:** Office No.2, Saran Chambers-I, 1st Floor, 5, Park Road, Lucknow - 226 001. Tel.: 0522-6452432/4001731, Fax: 0522-2235386. **Ludhiana:** Cabin No. 201, 2nd. Floor, SCO 18, Opp Ludhiana Stock Exchange, Feroze Gandhi Market, Ludhiana - 141 001. Tel.: 0161 - 5089667/6503366, Fax: 0161-2413498. **Moradabad:** Tata Asset Management Ltd., Ground floor, Near Hotel Rajmahal, Civil Lines, Moradabad – 244 001, Tel.: 0591 - 2410667, 6535002. **Jodhpur:** Jaya Enclave, 79/4, Opp IDBI Bank, 1st A Road, Sardarpura, Jodhpur - 342 001. Tel.: 0291-6450555/2631257, Fax: 0291-2631257. **Udaipur:** Office No - 4, 2nd Floor, Madhav Appartment, Opp GPO, Chetak Circle, Udaipur - 313 001. Tel.: 0294 - 6450979/ 2429371, Fax: 0294-2429371. **Varanasi :** D-64/127, C-H Arihant Complex, Sigra, Varanasi - 221010 Tel. : 0542 - 6544655. **Jalandhar :** 2nd Floor, Above ING Vyasya Bank, Namdev Chowk, Jalandhar 144 001 Tel.: 0181-5001024/25. **SOUTH ZONE:** **Bangalore:** 4/6, Millers Road, High Grounds, Bangalore – 560 052. Tel.: 080-66561313 / 65335986 / 65335987, Fax: 080-22370512. **Calicut:** C-8 & 9, Friends Commercial Complex, Near Federal Towers, Arayadathu Palam, Mavoor Road, Calicut - 673016. Tel.: 0495-6450508. **Chennai:** TATA Asset Management Ltd, Riaz Garden, 3rd Floor, No:29, Kodambakkam High Road, Near Palmgrove Hotel, Nungambakkam, Chennai - 600 034. Tel.: 044-64541868/69/78, 64541863/64. Fax: 044-43546313. **Cochin:** 2nd Floor, Ajay Vihar, JOS Junction, M. G. Road, Cochin - 682 016. Tel.: 0484 - 2377580, 6533107, 6467813/14/15/16. Fax: 0484 - 237 7581. **Coimbatore:** 551 A, 1st Floor, West Lokamaniya Street, Near CAMS, R. S. Puram, Coimbatore - 641 002. Tel.: 0422 - 6502133/44, 4365635, Fax: 2546585. **Hyderabad:** 3rd floor, Block B, R R Estate, G.S MALL, Somajiguda, Hyderabad-82. Tel.: 040-65961237/38 & 65548290, Fax: 040-66363187. **Hubli:** 15 & 16, 2nd floor, Eureka Junction, Travellers Bangalore Road, Above ICICI Bank, Hubli - 580 029. Tel.: 0836-6450342 Fax: 4251510. **Kottayam:** C S I Ascension Square, Collectorate P. O., Kottayam - 686 002. Tel.: 9447559230. **Mangalore:** Tata Asset Management Ltd., Essel Towers, 1st Floor, Bunts Hostel Circle, Above UTI Bank, Mangalore - 575 003. Tel.: 0824-6450308. **Madurai:** A - 1st Floor, A.R. Plaza, No:16/17, North Veli Street, Madurai-625001. Tel.: 0452-6454330 Fax: 0452-4246315. **Mysore:** 847, 1st Floor, New Kantharaja Urs Road, Above New Krishna Sweets & Bakery, Kuvempu Nagar, Mysore - 570 023. Tel.: 0821-6450470 Fax: 4246676. **Salem:** Raj Towers, Ground Floor, No: 4, Brindavan Road, Fairlands, Salem - 636 016. Tel.: 0427-6451653 Fax: 4042028. **Thiruvananthapuram:** Krishna Tower, 4th Floor, Sasthamangalam, Trivandrum - 695 010 Tel.: 0471-6535431/2319139. **Trichy:** No.60/3, 'Krishna', 2nd Floor, Sastri Main Road, Tennur, Trichy - 620 017. Tel.: 0431-6455060. **Thrissur:** 4th Floor, Pathayappura buildings, Round South, Thrissur - 680 001. Tel.: 0487-6451286. **Vijaywada:** 5th Floor, KONA Heights, Opp. All India Radio, M. G. Road, Vijaywada - 520 010. Tel.: 0866-6532621. **Vishakapatnam:** Shop No : 2, 4th Floor, Door No : 46-22-44/21, Kalyan Estates, Near Hotel Dwaraka Inn, Railway Station Road, Visakhapatnam - 530016. Tel.: 0891 - 6451883 Fax: 0891-2503292.