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**STATEMENT OF ADDITIONAL INFORMATION (SAI)
OF
TATA MUTUAL FUND**

Fort House, 221 Dr. D. N. Road, Mumbai - 400 001 Tel: (022) 66578282 Fax: (022) 22613782

Website: www.tatamutualfund.com E-mail: kiran@tataamc.com

STATEMENT OF ADDITIONAL INFORMATION (SAI)

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STATEMENT OF ADDITIONAL INFORMATION (SAI)

This Statement of Additional Information (SAI) contains details of Tata Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference (is legally a part of the Scheme Information Document).

This SAI is dated 30th June, 2009.

I. INFORMATION ABOUT SPONSOR, AMC AND TRUSTEE COMPANIES

A. Constitution of the Mutual Fund

Tata Mutual Fund has been constituted as a trust on 9th May, 1995 in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882) with Tata Sons Limited (TSL) and Tata Investment Corporation Limited (TICL) as the Sponsors and the Settlers and Tata Trustee Company Private Limited (TTCPL) as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908. The Mutual Fund was registered with SEBI on 30th June, 1995 under Registration Code MF/023/95/9.

Tata Mutual Fund (TMF) has been constituted as a Trust in accordance with the provisions of The Indian Trusts Act, 1882 (2 of 1882) and is registered as a Trust under The Indian Registration Act, 1908. TMF was registered with Securities & Exchange Board of India (SEBI) and commenced operation by launching its first scheme on 30th August 1995. Tata Sons Limited (TSL) and Tata Investment Corporation Ltd (TICL) are the Sponsors and the Settlers and Tata Trustee Company Private Limited is the Trustee Company. The Trustee Company has appointed Tata Asset Management Limited (TAML) as the Asset Management Company. TSL and TICL have made an aggregate initial contribution of Rs.1 lac towards setting up of TMF.

Share holding pattern of Tata Asset Management Ltd (TAML) and Tata Trustee Company Pvt Ltd (TTCPL)

	TAML	TTCPL
Tata Sons Ltd	67.91%	50%
Tata Investment Corporation Ltd	32.09	50%

B. Sponsors

Tata Mutual Fund is sponsored by Tata Sons Limited (TSL) and Tata Investment Corporation Limited (TICL). The Sponsors are the Settlers of the Mutual Fund Trust. The Sponsors has entrusted a sum of Rs. 1 lac to the Trustee as the initial contribution towards the corpus of the Mutual Fund.

1. Tata Sons Limited (TSL)

Tata Sons Limited is the promoter and the principal investment holding company of the Tata group. Established as a trading firm in 1868, it is the promoter of many Tata companies and holds the promoter shareholding along with other entities in listed companies such as India's largest IT Services company, Tata Consultancy Services Limited, Tata Motors Limited, Tata Steel Limited, Tata Power Company Limited and Tata Tea Limited, to name a few. It is also the majority shareholder in unlisted companies such as Tata Asset Management Limited, Tata AIG Life Insurance Company Limited and Tata AIG General Insurance Company Limited - in the financial services segment.

Tata companies operate in seven business sectors: communications and information technology, engineering, materials, services, energy, consumer products and chemicals. They are, by and large, based in India and have significant international operations. The total revenue of Tata companies, taken together, was \$62.5 billion (around Rs. 251,543 crore) in 2007-08, with 61 per cent of this coming from business outside India. (Source: www.tata.com)

Financial Performance of TSL:

(Rs. in crores)

Particulars	2005 – 2006	2006 – 2007	2007 – 2008
Net Worth	9277.26	12163.54	11564.64
Total Income	1867.57	3852.51	4476.67
Profit after tax	1612.31	3335.94	3779.80
Assets Under Management (if applicable)	N.A	N.A	N.A

2. Tata Investment Corporation Limited (TICL)

Tata Investment Corporation Ltd. was promoted by Tata Sons Ltd. in 1937, with the main objective of being an investment company, and was initially called The Investment Corporation of India Ltd. It remained closely held till 1959, when it was listed on the Bombay Stock Exchange. Over the years, TICL has built up a portfolio of investments of quoted and unquoted securities of a book value of Rs. 888.19 crores as on 31st March, 2008. Its realizable value of investment as on 31st March, 2008. was Rs. 3065.72 crores, spread over 184 companies.

Financial Performance of TICL:

(Rs. In crores)

Particulars	2005 – 2006	2006 – 2007	2007 – 2008
Net Worth	174.85	209.17	245.25
Total Income	170.88	204.14	210.08
Profit after tax	163.14	181.65	185.85
Assets Under Management (if applicable)	N.A	N.A	N.A

C. The Trustee

Tata Trustee Company Private Limited, through its Board of Directors, shall discharge its obligations as trustee of Tata Mutual Fund. The Trustee ensures that the transactions entered into by the AMC are in accordance with the SEBI Regulations and will also review the activities carried on by the AMC.

Details of Directors of Tata Trustee Company Private Limited:

Name	Age/Qualification	Brief Experience
Mr. S. M. Datta	79 years Mr. S. M. Datta obtained a Post-graduate Degree in Science & Technology from Calcutta University and is a Chartered Engineer and Fellow of the Institution of Engineers [India] and Indian Institute of Chemical Engineers, and Honorary Fellow, All-India Management Association.	<p>He is Chairman of Castrol India Ltd., Philips Electronics India Ltd., BOC India Limited, IL&FS Investment Managers Ltd., Tata Trustee Company Private Ltd., Reach (Cargo Movers) Pvt Ltd and Peerless Hospitex Hospital & Research Centre Ltd. Also He is a non-executive, independent Director on the Board of several other Companies.</p> <p>He was the Chairman of Hindustan Lever Ltd. as well as all Unilever Group Companies in India and Nepal from 1990 to 1996. He had joined HLL in 1956 as a Management Trainee soon after his post-graduation in Technology.</p> <p>He is actively associated with a number of Management and Research Institutes in India. He is a Member, Court of Governors, Administrative Staff College of India, Hyderabad, and Board of Governors, IIM Calcutta. He was formerly Chairman of the Board of Governors of IIM Bangalore and Goa Institute of Management. He was a Member of the Review Committee of IIMs [Indian Institutes of Management], HRD Ministry, Government of India.</p> <p>He is past President of the Associated Chambers of Commerce & Industry, Council of EU Chambers of Commerce in India, Bombay Chamber of Commerce & Industry, and Indian Chemical Manufacturers Association.</p>
Mr. I. Hussain	62 years Mr. Hussain graduated in Economics from St Stephens College Delhi. He is a fellow member of the Institute of Chartered Accountants in England & Wales.	<p>He joined the Board of The Indian Tube Company (a Tata Steel associate company) in 1981. Thereafter, he moved to Tata Steel in 1983 after Indian Tube was merged with Tata Steel.</p> <p>He joined the Board of Tata Sons as an Executive Director on July 1999 and was appointed as Finance Director of Tata Sons Ltd. with effect from July -2000. In his capacity as Executive Director – Finance of Tata Sons, Mr Hussain is in effect the finance head of the entire group of Tata companies. Prior to joining Tata Sons he was the Senior Vice President and Executive Director – Finance in Tata Steel for almost 10 years.</p> <p>Besides being on the Board of Tata Sons Limited, he is the Chairman of Voltas Limited, the new age business company Tata Sky Limited and Tata Steel Asia Holdings Pte. Ltd. He is also on the Board of several other Tata Companies including Tata Trustee Company Private Ltd.</p>
Mr. J. N. Godrej	60 years Mr. J. N. Godrej graduated in Mechanical Engineering from Illinois Institute of Technology, USA.	<p>Mr. Jamshyd N. Godrej is the Chairman of the Board of Godrej & Boyce Manufacturing Company Limited.</p> <p>Mr. Godrej is the Chairman of Aspen Institute – India. He is the Vice President of World Wide Fund for Nature – International and is a Trustee and President Emeritus of World Wide Fund for Nature – India. He is a Director of World Resources Institute, USA; and a Director of ClimateWorks Foundation, USA. He is the Past President of Confederation of Indian Industry and also the Past President of the Indian Machine Tool Manufacturers' Association.</p> <p>Mr. Godrej is the Chairman of the CII Sohrabji Godrej Green Business Centre. The Centre is housed in a LEED Platinum demonstration building which is the first green building in India and the greenest building in the world at the time when it was rated. The Green Business Centre is a Centre of Excellence for green buildings, energy, energy conservation, non-conventional energy sources, water policy, water conservation, etc.</p> <p>The President of India conferred on Mr. Godrej the "Padma Bhushan" on 3rd April 2003.</p>
Mr. N. J. N. Vazifdar	61 years Mr. N.J.N. Vazifdar graduated from the Bombay University (Sydenham College of Commerce & Economics). He has completed his Masters in Management Studies (MMS) with specialisation in Finance He is a Fellow member of The Institute of Company Secretaries of India (ICSI) (Past President of ICSI) and also a member of the Institute of Chartered Accountants of India (ICAI).	<p>Mr. Vazifdar has over 25 years experience in the accounting, finance and corporate secretarial functions and Compliance, having worked in leading Indian companies and foreign collaborations in India such as Godrej (1975-79), Colour-Chem (1979-90), Mahindra Ugine (1990-95) and Kotak Mahindra (1996-2003) He is a member on the Boards of other companies as an Independent Director and his advice is frequently sought on issues relating to corporate laws and corporate governance.</p>

Duties and Responsibilities of the Trustee Company

- (1) The trustees and the asset management company shall with the prior approval of the Board enter into an investment management agreement.
- (2) The investment management agreement shall contain such clauses as are mentioned in the Fourth Schedule and such other clauses as are necessary for the purpose of making investments.
- (3) The trustees shall have a right to obtain from the asset management company such information as is considered necessary by the trustees.
- (4) (A) The trustees shall ensure before the launch of any scheme that the asset management company has:-
 - (a) Systems in place for its back office, dealing room and accounting.
 - (b) Appointed all key personnel including fund manager(s) for the scheme(s) and submitted their bio-data which shall contain the educational qualifications, past experience in the securities market with the trustees, within 15 days of their appointment.
 - (c) Appointed auditors to audit its accounts.
 - (d) appointed a compliance officer who shall be responsible for monitoring the compliance of the Act, rules and regulations, notifications, guidelines instructions etc issued by the Board or the Central Government and for redressal of investors' grievances;
 - (e) Appointed registrars and laid down parameters for supervision.
 - (f) Prepared a compliance manual and designed internal control mechanisms including internal audit systems.
 - (g) Specified norms for empanelment of brokers and marketing agents;
 - (h) obtained, wherever required under these regulations, prior inprinciple approval from the recognised stock exchange(s) where units are proposed to be listed.(B) The compliance officer appointed under clause (d) of sub-regulation (4) shall immediately and independently report to the Board any non-compliance observed by him.
- (5) The trustees shall ensure that an asset management company has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with any broker.
- (6) The trustees shall ensure that the asset management company has not given any undue or unfair advantage to any associates or dealt with any of the associates of the asset management company in any manner detrimental to interest of the unitholders.
- (7) The trustees shall ensure that the transactions entered into by the asset management company are in accordance with these regulations and the scheme.
- (8) The trustees shall ensure that the asset management company has been managing the mutual fund schemes independently of other activities and have taken adequate steps to ensure that the interest of investors of one scheme are not being compromised with those of any other scheme or of other activities of the asset management company.
- (9) The trustees shall ensure that all the activities of the asset management company are in accordance with the provisions of these regulations.
- (10) Where the trustees have reason to believe that the conduct of business of the mutual fund is not in accordance with these regulations and the scheme they shall forthwith take such remedial steps as are necessary by them and shall immediately inform the Board of the violation and the action taken by them.
- (11) Each trustee shall file the details of his transactions of dealing in securities with the Trust on a quarterly basis.
- (12) The trustees shall be accountable for, and be the custodian of, the funds and property of the respective schemes and shall hold the same in trust for the benefit of the unit holders in accordance with these regulations and the provisions of trust deed.
- (13) The trustees shall take steps to ensure that the transactions of the mutual fund are in accordance with the provisions of the trust deed.
- (14) The trustees shall be responsible for the calculation of any income due to be paid to the mutual fund and also of any income received in the mutual fund for the holders of the units of any scheme in accordance with these regulations and the trust deed.
- (15) (A) The trustees shall obtain the consent of the unitholders:-
 - (a) whenever required to do so by the Board in the interest of the unitholders: or
 - (b) whenever required to do so on the requisition made by threefourths of the unit holders of any scheme: or
 - (c) when the majority of the trustees decide to wind up or prematurely redeem the units: or(B) The trustees shall ensure that no change in the fundamental attributes of any scheme or the trust or fees and expenses payable or any other change which would modify the scheme and affects the interest of unitholders, shall be carried out unless:-
 - (i) a written communication about the proposed change is sent to each unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the mutual fund is situated; and
 - (ii) the unitholders are given an option to exit at the prevailing Net Asset Value without any exit load.
- (16) The trustees shall call for the details of transactions in securities by the key personnel of the asset management company in his own name or on behalf of the asset management company and shall report to the Board, as and when required.
- (17) The trustees shall quarterly review all transactions carried out between the mutual funds, asset management company and its associates.
- (18) The trustees shall quarterly review the networth of the asset management company and in case of any shortfall, ensure that the asset management company make up for the shortfall as per clause (f) of sub-regulation (1) of regulation 21.
- (19) The trustees shall periodically review all service contracts such as custody arrangements, transfer agency of the securities and satisfy itself that such contracts are executed in the interest of the unitholders.
- (20) The trustees shall ensure that there is no conflict of interest between the manner of deployment of its networth by the asset management company and the interest of the unitholders.

- (21) The trustees shall periodically review the investor complaints received and the redressal of the same by the asset management company.
- (22) The trustees shall abide by the Code of Conduct as specified in the Fifth Schedule.
- (23) The trustees shall furnish to the Board on a half yearly basis:-
- (a) a report on the activities of the mutual fund covering the detail as prescribed by SEBI.
 - (b) a certificate stating that the trustees have satisfied themselves that there have been no instances of self dealing or front running by any of the trustees, directors and key personnel of the asset management company;
 - (c) a certificate to the effect that the asset management company has been managing the schemes independently of any other activities and in case any activities of the nature referred to in sub-regulation (2) of regulation 24 have been undertaken by the asset management company and has taken adequate steps to ensure that the interest of the unitholders are protected.
- (24) The independent trustees referred to in sub-regulation (5) of regulation 16 shall give their comments on the report received from the asset management company regarding the investments by the mutual fund in the securities of group companies of the sponsor.
- (25) Trustees shall exercise due diligence as under:
- A. General Due Diligence:**
- (i) The Trustees shall be discerning in the appointment of the directors on the Board of the asset management company.
 - (ii) Trustees shall review the desirability of continuance of the asset management company if substantial irregularities are observed in any of the schemes and shall not allow the asset management company to float new schemes.
 - (iii) The trustees shall ensure that the trust property is properly protected, held and administered by proper persons and by a proper number of such persons.
 - (iv) The trustee shall ensure that all service providers are holding appropriate registrations from the Board or concerned regulatory authority.
 - (v) The trustees shall arrange for test checks of service contracts.
 - (vi) Trustees shall immediately report to the Board of any special developments in the mutual fund.
- B. Specific Due Diligence:**
The Trustees shall:
- (i) Obtain internal audit reports at regular intervals from independent auditors appointed by the Trustees.
 - (ii) Obtain compliance certificates at regular intervals from the asset management company
 - (iii) Hold meeting of trustees more frequently.
 - (iv) Consider the reports of the independent auditor and compliance reports of asset management company at the meetings of trustees for appropriate action.
 - (v) Maintain records of the decisions of the Trustees at their meetings and of the minutes of the meetings.
 - (vi) Prescribe and adhere to a code of ethics by the Trustees, asset management company and its personnel.
 - (vii) Communicate in writing to the asset management company of the deficiencies and checking on the rectification of deficiencies.
- (26) Notwithstanding anything contained in sub-regulations (1) to (25), the trustees shall not be held liable for acts done in good faith if they have exercised adequate due diligence honestly.
- Provided further that in case of a real estate mutual fund scheme, the title deed of real estate assets held by it may be kept in the custody of a custodian registered with the Board.
- (27) The independent directors of the trustees or asset management company shall pay specific attention to the following, as may be applicable, namely:
- (i) The Investment Management Agreement and the compensation paid under the agreement.
 - (ii) Service contract with affiliates – whether the asset management company has charged higher fees than outside contractors for the same services.
 - (iii) Selection of the asset management company's independent directors.
 - (iv) Securities transactions involving affiliates to the extent such transactions are permitted.
 - (v) Selecting and nominating individuals to fill independent director's vacancies.
 - (vi) Code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions.
 - (vii) The reasonableness of fees paid to sponsors, asset management company and any others for services provided.
 - (viii) Principal underwriting contracts and their renewals.
 - (ix) Any service contract with the associates of the asset management company.
- (28) In carrying out his/her responsibilities as a member of the Board of Trustee, each Trustee shall maintain an arms' length relationship with other companies, or institutions or financial intermediaries or any body corporate with which he may associated in any transaction also involving the mutual fund.
- (29) No Trustee shall participate in the meetings of the Board of Trustee when any decisions for investments in which he/she may be interested are taken.
- (30) All the Trustee shall furnish to the Board of Trustee, particulars of interest which he/she, may have in any other company, or institution or financial intermediary or any corporate by virtue of his/her position as director, partner or with which he/she may be associated in any other capacity.
- (31) No amendments to the trust deed shall be carried out without the prior approval of the SEBI and unitholders' approval would be obtained where it affects the interests of the unitholders.

Supervision over TAML:

The Trustee Company monitors the activities of TAML on an ongoing basis by having in place, a number of checks and balances and asking for various reports besides periodic review of the various activities of TAML. Specific amongst such systems is the periodic MIS reporting to be submitted by TAML at each Meeting of the Board of Directors of the Trustee Company (held at least on a quarterly basis), which includes:

1. NAV calculations, movement of Net Assets and Valuation matrix/methodology.
2. Balance sheet and Revenue & Expenditure Accounts
3. Scheme wise breakup of Industry Exposure in Equities/Securities.
4. Investments in Associate/Group Companies (alongwith justification)
5. Investment in Corporates who have invested in the Scheme.
6. Company wise List of Investments
7. Broker-wise transactions.

Besides, the bi-monthly compliance reports which are submitted by TAML to SEBI are also placed before the Board of Directors of the Trustee Company and discussed. Reports of the independent Internal auditors are sent directly to the Chairman of the Trustee Company and also placed before the Audit Committee of Directors, who seek explanation and clarifications from TAML on the points brought out in the report and thereafter report the same to the main Board. Periodic declarations are taken from the staff and Directors of TAML and placed before the Board of Directors of the Trustee Company to peruse and to ascertain that there have been no instances of self dealing or front running. Meetings of the Board of Directors of the Trustee Company are held (atleast) once every quarter wherein atleast one independent Director is required along with other Directors to form effective quorum.

During the period ended May 2009 there were seven Board Meetings of the Trustee Company.

Power to make rules:

The Trustee company may, from time to time, as per provisions of SEBI Regulations (with the prior permission from the Unitholders in case of change of fundamental attributes in accordance with Clause 15 of Regulation 18 of the SEBI (Mutual Funds) Regulations, 1996 and otherwise to be in conformity with the SEBI Regulations or to reflect the change in rules and regulations generally applicable to mutual funds or trusts), prescribe such forms and make such rules for the purpose of giving effect to the provisions of the Scheme, with the power to the Trustee Company/Asset Management Company to add to, alter or amend all or any of the forms and rules that may be framed from time to time.

The trustees shall ensure that no change in the fundamental attributes of any scheme or the trust or fees and expenses payable or any other change which would modify the scheme and affect the interests of unitholders, shall be carried out unless :-

- (i) a written communication about the proposed change is sent to each unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the mutual fund is situated; and
- (ii) the unitholders are given an option to exit at the prevailing Net Asset Value without any exit load.

Power to remove difficulties:

If any difficulty arises in giving effect to the provisions of the Scheme, the Trustee Company may take such steps which are not inconsistent with these provisions, which appear to them to be necessary or expedient, for the purpose of removing the difficulties.

D. 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 the details of which are stated in the clause "Condensed Financial Information (CFI)". The Asset Management Company shall be entitled to fees as stated in the clause on "Investment Management Fee". The appointment of TAML as the Asset Management Company can be terminated with the approval of SEBI and upon resolution by the Trustee Company, or by 75% of the Unitholders of the Scheme.

AMC has obtained registration from SEBI vide Registration No. INP000001058 dated September 14, 2004 to act as a Portfolio Manager under SEBI (Portfolio Managers) Regulations, 1993. The AMC has commenced the Portfolio Management activities, after complying with the regulatory requirements. Apart from this, the AMC is also managing two offshore schemes named as 'Tata Offshore India opportunities Scheme' and 'Tata Offshore India Infrastructure Scheme'. The same are not in conflict with the mutual fund activities.

1. Details of AMC Directors:

Name	Age/Qualification	Brief Experience
<p>Mr. F. K. Kavarana</p>	<p>65 years Mr. F. K. Kavarana graduated with a B.Com (Hons.) degree from the University of Bombay in 1963, and with an MBA from the Wharton School, University of Pennsylvania in 1970. He is a fellow member of the Institute of Chartered Accountants in England & Wales</p>	<p>He has a vast exposure to Capital Markets both local and international. Besides being on the Board of Tata Sons Ltd., the holding company of the Tata group, Mr. Kavarana is on the Board of a number of organisations as under:</p> <p>He is the Chairman of Tata Projects Ltd, Tata AIG Life Insurance Co. Ltd, Tata AIG General Insurance Co. Ltd, Tata Tea Inc., Tatatech Inc., Trent Ltd, Trent Brands Ltd.</p> <p>As Director he is on the Board of Tata Industries Ltd, Tata Tea Ltd, Akzo Nobel Coatings India Private Ltd, Sika Properties Private Ltd, Tata Overseas Development Company Ltd, Tata International (UK) Ltd, Tata Precision Industries (Pte) Ltd, Tata Technologies Pte Ltd, Titan International Marketing Ltd, Titan International Holdings B. V., Titan International Investments B.V., ELXSI Corporation, St. James Court Hotel Ltd, Tetley Group / Tata Tea (GB) Ltd, Tata Tea (GB) Investments Ltd, Tata Asset Management (Mauritius) Pvt. Ltd, Tata India Opportunities Fund (Mauritius), Tata India Infrastructure Fund (Mauritius), Tata Indian Debt Securities Fund (Mauritius), Consilience Technologies, Consolidated Coffee Inc – USA, Eight O' Clock Coffee Company – USA, Tata Capital Ltd, Tata Reality Initiatives Fund 1, Mauritius, Tata Enterprises Overseas Ltd, Tata Capital Pte Ltd, Singapore, New Star India Equity (Mauritius), Tata Capital Advisers Pte Limited, Singapore, Tata Capital Markets Pte Limited, Singapore.</p>
<p>Mr. M. L. Apte</p>	<p>77 years Mr. M. L. Apte graduated with a B.A degree from Elphinston College, Mumbai in 1952.</p>	<p>He is the Chairman of Dr. Writer's Food Products Pvt. Ltd.</p> <p>He is the Director of Apte Amalgamations Ltd. and many other companies including Bajaj Hindustan Ltd, Kulkarni Power Tools Ltd, The Bombay Burmah Trading Corporation Ltd, Standard Industries Ltd, Raja Bahadur International Ltd., Grasim Industries Ltd, Zodiac Clothing Company Ltd.</p> <p>He is a member of various organisations such as Audit Committee of Grasim Industries Ltd., Audit Committee of Zodiac Clothing Company Ltd., Audit Committee of Standard Industries Ltd, Audit Committee of Bombay Burmah Trading Corporation Ltd., Share Transfer Committee of Zodiac Clothing Company Ltd., Share Transfer Committee of Bombay Burmah Trading Corporation, Share Allotment Committee of Zodiac Clothing Company Ltd., Remuneration Committee of Bajaj Hindustan Ltd., Remuneration Committee of Standard Industries Ltd., Compensation Committee of Zodiac Clothing Co. Ltd.,</p> <p>He is also associated as Trustee with Victoria Memorial School for the Blind and with Mahalaxmi Temple Charities.</p>
<p>Mr. A. Hasib</p>	<p>80 years Mr. A. Hasib a post graduate with a M.A. degree, L.L.B (Aligarh) and M. Sc (Eco) from London.</p>	<p>He has been a lecturer at Aligarh Muslim University, Executive Director - Reserve Bank of India, Consultant - NABARD, World Bank and UNDP. As the IMF Adviser in Iraq and Fiji, he took part in a number of national and international conferences/seminars. He was a visiting specialist in South East Asia, New Zealand and Australia (SEANZA) Central Banking Courses in Malaysia, Philippines, Iran, and Korea. He has been Chairman/member of a number of committees, including Taxation Enquiry Committee (Maharashtra) and Economic and Research Foundation of Indian Chamber of Commerce, as well as was Director of Research of Banking Commission (Govt. of India) and Director General of Urban Banking Development Institute (Bombay Mercantile Cooperative Bank).</p>
<p>Mr. A. R. Gandhi</p>	<p>66 years Mr. Arunkumar Gandhi is a fellow member of the Institute of Chartered Accountants in England and Wales and the Institute of Chartered Accountants of India. He is an associate member of the Chartered Institute of Taxation, London.</p>	<p>He is a director on the Board of Directors of Tata Sons Ltd and is a member of the Group Corporate Centre of the Tata Companies.</p> <p>Prior to joining Tata Sons, he was with M/s N. M. Rajji & Co., Chartered Accountants. He joined the firm as a partner in July 1969 and in 1993 became a senior partner. The firm has more than 60 years of professional standing. He joined Tata Sons Limited as an Executive Director on 18th August 2003 and continued in that position till 17th August 2008.</p> <p>Mr. Gandhi has been assisting the Tata Group in acquiring diverse assets and companies across the globe. This has enabled the Tata Group to acquire critical assets, resources and access to world class R&D facilities.</p> <p>In the course of his professional career, Mr. Gandhi has worked on numerous mergers and acquisitions, both crossborder and domestic transactions.</p> <p>Mr. Gandhi has been a member of various committees constituted by industry forums and regulatory bodies such as SEBI's Takeover Panel Exemption Committee and the Institute of Chartered Accountants of India's Accounting Standards Board among various others.</p>

Mr. Ved Prakash Chaturvedi	44 years Mr. V. P. Chaturvedi graduated with a B.E degree (Engg) and has done his PGDM from IIM Bangalore.	During the early days of his career, Mr. V. P. Chaturvedi was a Rating Analyst with CRISIL and thereafter with Banque Nationale De Paris as Manager, looking after management of debt exposure to large corporates. Thereafter, he was with Sun F&C AMC Ltd. as Head of Research and Fund Manager after which he was Chief Investment Officer at SBI Funds Management Pvt. Ltd. From SBI Funds Management Pvt. Ltd. he moved to Cholamandalam Asset Management Company Ltd. as Chief Executive Officer after which he moved to Tata Asset Management Ltd. as Chief Executive Officer and currently he is Managing Director of the Company. He is also a Director of Association of Mutual Funds in India (AMFI) and Tata Pension Management Ltd.
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2. Duties and Obligations of TAML

- (1) The asset management company shall take all reasonable steps and exercise due diligence to ensure that the investment of funds pertaining to any scheme is not contrary to the provisions of these regulations and the trust deed.
- (2) The asset management company shall exercise due diligence and care in all its investments decisions as would be exercised by other persons engaged in the same business.
 - (2A) The asset management company shall obtain, wherever required under these regulations, prior in-principle approval from the recognized stock exchange(s) where units are proposed to be listed.
- (3) The asset management company shall be responsible for the acts of commissions or omissions by its employees or their persons whose services have been procured by the asset management company.
- (4) The asset management company shall submit to the trustees bi-monthly reports of each year on its activities and the compliance with these regulations.
- (5) The trustees at the request of the asset management company may terminate the assignment of the asset management company at any time:

Provided that such termination shall become effective only after the trustees have accepted the termination of assignment and communicated their decision in writing to the asset management company.
- (6) Notwithstanding anything contained in any contract or agreement or termination, the asset management company or its directors or other officers shall not be absolved of liability to the mutual fund for their acts of commission or omissions, while holding such position or office.
 - (6A) The Chief Executive Officer (whatever his designation may be) of the asset management company shall ensure that the mutual fund complies with all the provisions of the regulations and the guidelines or circulars issued in relation thereto from time to time and that the investments made by the fund managers are in the interest of the unit holders and shall also be responsible for the overall risk management function of the mutual fund.

Explanation: For the purpose of this sub-regulation, the words 'these regulations' shall mean and include the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time.
 - (6B) The fund manager (whatever the designation may be) shall ensure that the funds of the schemes are invested to achieve the objectives of the scheme and in the interest of the unit holders.
- (7) (a) An asset management company shall not through any broker associated with the sponsor, purchase or sell securities, which is average of 5% or more of the aggregate purchases and sale of securities made by the mutual fund in all its schemes.

Provided that for the purpose of this sub-regulation, aggregate purchase and sale of securities shall exclude sale and distribution of units issued by the mutual fund.

Provided further that the aforesaid limit of 5% shall apply for a block of any three months
- (b) An asset management company shall not purchase or sell securities through any broker [other than a broker referred to in clause (a) of sub-regulation (7)] which is average of 5% or more of the aggregate purchases and sale of securities made by the mutual fund in all its schemes, unless the asset management company has recorded in writing the justification for exceeding the limit of 5% and reports of all such investments are sent to the trustees on a bi-monthly basis.

Provided that the aforesaid limit shall apply for a block of three months.
- (8) An asset management company shall not utilise the services of the sponsor or any of its associates, employees or their relatives, for the purpose of any securities transaction and distribution and sale of securities:

Provided that an asset management company may utilise such services if disclosure to that effect is made to the unit holders and the brokerage or commission paid is also disclosed in the half yearly annual accounts of the mutual fund.

Provided further that the mutual funds shall disclose at the time of declaring half-yearly and yearly results:

 - (i) any underwriting obligations undertaken by the schemes of the mutual funds with respect to issue of securities of associate companies.
 - (ii) Devolvement, if any;
 - (iii) Subscription by the schemes in the issues lead managed by associate companies.
 - (iv) Subscription to any issue of equity or debt on private placement basis where the sponsor or its associate companies have acted as arranger or manager.
- (9) The asset management company shall file with the trustees the details of transactions in securities by the key personnel of the asset management company in their own name or on behalf of the asset management company and shall also report to the Board, as and when required by the Board.
- (10) In case the asset management company enters into any securities transactions with any of its associates a report to that effect shall be sent to the trustees at its next meeting.
- (11) In case any company has invested more than 5 per cent of the net asset value of a scheme, the investment made by that scheme or by any other scheme of the same mutual fund in that company or its subsidiaries shall be brought to the notice of the trustees by the asset management company and be disclosed in the half yearly and annual accounts of the respective schemes with justification for such investment provided the latter investment has been made within one year of the date of the former investment calculated on either side.

- (12) The asset management company shall file with the trustees and the Board :-
- detailed bio-data of all its directors alongwith their interest in other companies within fifteen days of their appointment ;and
 - any change in the interests of directors every six months.
 - a bi-monthly report to the trustees giving details and adequate justification about the purchase and sale of the securities of the group companies of the sponsor or the asset management company as the case may be, by the mutual fund during the said quarter.
- (13) Each director of the Asset Management Company shall file the details of his transactions of dealing in securities with the trustees on a quarterly basis in accordance with the guidelines issued by the Board.
- (14) The asset management company shall not appoint any person as key personnel who has been found guilty of any economic offense or involved in violation of securities laws.
- (15) The asset management company shall appoint registrars and share transfer agents who are registered with the Board.
- Provided if the work relating to the transfer of units is processed in-house, the charges at competitive market rates may be debited to the scheme and for rates higher than the competitive market rates, prior approval of the trustees shall be obtained and reasons for charging higher rates shall be disclosed in the annual accounts.
- (16) The asset management company shall abide by the Code of Conduct as specified in the Fifth Schedule.

3. Information on Key Personnel:

Name	Designation	Total Exp (yrs)	Age	Qualification	Brief Experience
Ved Prakash Chaturvedi	Managing Director	19	44	BE, PGDM	SBI Funds Management Ltd - From August 1998 to November 1999 – Chief Investment Officer - Reporting to the Managing Director. Cholamandalam Asset Management Company Ltd – From December 1999 to January 2002 – Chief Executive Officer - Reporting to the Board of Directors. Tata Asset Management Ltd. - From January 2002 to date - Appointed as Chief Executive Officer. From October 2004 to date as Managing Director, he is the overall in charge of the Company - Reporting to the Board of Directors.
Hormuz A. Bulsara	Chief Operating Officer	22	46	B.Com, LLB, FICWA, FCS, FCA	Tata Asset Management Ltd - From June 1994 to date – joined as Financial Controller and Company Secretary. Currently as the Chief Operating Officer, he looks after the Compliance, Finance, Infotech, Investor Services, Business Excellence, Legal, Corporate Affairs, Human Resources and Administrative functions of the Fund House. He has been involved in the setting up of the Tata Mutual Fund – Reporting to Managing Director.
Latha Rajaraman	Head – Investor Services	28	53	B. Sc, CAIIB	Tata Asset Management Ltd - From July 1995 to date, joined as Manager Investor Services, Currently as Head, of Investor Services, has been directly interfacing with various investors at the corporate and retail level and looks after Registrar and Investor related matters - Reporting to the Chief Operating Officer.
Venugopal M.	Head - Equities (Domestic Funds)	13	38	B. Sc, MBA	Tata Asset Management Ltd - From June 95 to date, joined as management trainee, Currently as Head Equities (Domestic Funds) – Reporting to Managing Director.
Upesh Shah	Head - Compliance, Risk & Audit	15	40	B.Com, ICWA, ACA	IDBI Principal Asset Mgt Co Ltd – From August 1996 to March 2003 as Compliance Officer. Tata Asset Management Ltd - From April 2003 to March 2005 – Joined as Deputy General Manager Compliance - Reporting to the Chief Operating Officer. ICICI Prudential AMC Ltd - From April 2005 to June 2005 – Assistant Vice President Internal Audit – Reporting to Senior Vice President - Compliance. Tata Asset Management Ltd - From July 2005 to date, as Head, Compliance, Audit and Risk – Reporting to the Chief Operating Officer.
Emron Samuel	Head Sales & Marketing	16	41	B Com, ACA	Standard Chartered Bank (erstwhile ANZ Grindlays Bank) – From November 1997 to December 1999 – as Manager - Fixed Income Sales (Treasury). Standard Chartered AMC Pvt Ltd. (SCMF) – From December 1999 to May 2008 – as Senior Vice President & Head Sales. IDFC AMC Pvt Ltd. (IDFC AMC) – From June 2008 to March 2009 – as Head Sales. Tata Asset Management Ltd – From March 2009 to date as Head Sales & Marketing

Mahendra Kumar Jajoo	Head - Fixed Income & Structured Products	16	41	B.Com, CA, CS, CFA	ICICI Ltd. - From December 1997 to February 1999 as Assistant Vice President – Investment. ABN Amro Securities India Pvt Ltd - From March 1999 to December 2004 as Head – Primary Dealership. ABN AMRO AMC - From January 2005 to June 2008 as CIO – Fixed Income and Structured Products. Tata Asset Management Ltd - From June 2008 to date as Head – Fixed Income and Structured Products – Reporting to Managing Director.
Pradeep Gokhale	Head – Research / Fund Manager	19	43	B.Com, CA, CFA	Credit Analysis and Research Ltd – From April 1995 to September 2004 as Deputy General Manger. Tata Asset Management Ltd - From September 2004 to date, joined as Deputy General Manager – Investment. Currently as Head – Research / Fund Manager.

The Investment Process:

According to the terms of the respective offer document of each scheme under consideration, decisions regarding the debt asset allocation, industry selection, stock selection, etc are taken.

The investment committee of the AMC (comprising MD / CIO, Fund Managers and Analysts) is in overall charge of formulating broad investment policies, strategies and is responsible for its implementation. Based on the in house research / external research, Fund Manager prepares the strategy and proposal to buy/sell the securities keeping in view the specific mandate and objectives of the schemes. Investment committee discusses the same and approves / rejects the recommendations of fund manager. For equities, the concerned fund manger has an authority to buy/sale securities which are part of approved universe.

The existing portfolio is reviewed regularly by the Investment Committee and the respective Fund Manager(s) and based on the discussions (which would involve fundamental reasons such as past performance, future outlook etc.), decisions are taken to add/ reduce/ exit from securities.

Justification for all investment decisions are recorded in writing. SEBI norms regarding maximum exposure per scrip, investment with respect to the equity capital of a company, investment in group companies, etc are strictly adhered to. Interscheme transfers are made as per the market price or the valuations being followed, so that neither of the schemes is benefited or adversely affected.

Perfomance of the scheme and complete portfolio statement elaborating various classifications, limits and valuations is placed for scrutiny before the Board of Directors of the AMC and the Trustee Company at their Board Meetings.

E. Service Providers

1. Custodian:

Sr. No.	Name and Address of Custodians	SEBI Registration Number	Schemes
1	CITI Bank N.A. a) Dr. Annie Besant Road, Worli, Mumbai 400 018 b) 50/F, Citibank Tower, Citibank Plaza, 3Garden Road, Central Hong Kong.	IN/CUS/004	Tata Balanced Fund (TBF) Tata Young Citizens' Fund (TYCF) Tata Income Fund (TIF) Tata Monthly Income Fund (TMIF) Tata Liquid Fund (TLF) Tata Short Term Bond Fund (TSTBF) Tata Income Plus Fund (TIPF) Tata Equity Opportunities Fund (TEOF) Tata Dynamic Bond Fund (TDBF) Tata Floating Rate Fund (Long & Short term) (TFRLTF/TFRSTF) Tata MIP Plus Fund (TMPF) Tata Treasury Manager Fund (TTMF) Tata Indo-Global Infrastructure Fund (TIGIF) Tata Growing Economies Infrastructure Fund (TGEIF)
2	HDFC Bank Limited Custody & Depository Services, Trade World, A - Wing, Kamla Mill Compound Senapati Bapat Marg, Lower Parel (West), Mumbai 400 013.	IN/CUS/001	Tata Tax Saving Fund (TTSF) Tata Pure Equity Fund (TPEF) Tata Life Sciences & Technology Fund (TLSTF) Tata Equity P/E Fund (TEQPEF) Tata Infrastructure Fund (TISF) Tata Floater Fund (TFF) Tata Contra Fund (TCF) Tata Tax Advantage Fund 1 (TTAF) Tata SIP Fund (TSIPF) Tata Infrastructure Tax Saving Fund (TITSF)
3	Standard Chartered Bank Securities Services 23/25, M. G. Road, Mumbai 400 001.	IN/CUS/006	Tata Select Equity Fund (TSEF) Tata Gilt Securities Fund (TGSF) Tata Short Maturity Fund (TGSMF) Tata Index Fund (TIFN/TIFS) Tata Growth Fund (TGF) Tata Dividend Yield Fund (TDYF) Tata Service Industries Fund (TSIF) Tata Mid Cap Fund (TMCF) Tata Equity Management Fund (TEMF) Tata Liquidity Management Fund (TLMF) Tata Capital Builder Fund (TCBF)

			Tata Fixed Horizon Fund Series 5 (TFHFS5) Tata Fixed Horizon Fund Series 13 (TFHFS13) Tata Fixed Horizon Fund Series 18 (TFHFS18) Tata Fixed Horizon Fund Series 20 (TFHFS20) Tata Fixed Income Portfolio Fund (TFIPF) Tata Fixed Investment Plan – 2 (TFIP2) Tata Fixed Investment Plan – 4 (TFIP4) Tata Smart Investment Plan – 1 (TSMART1)
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2. Transfer Agent

Sr. No.	Name of Registrars and Principal business address	SEBI Registration Number	Schemes
1	Computer Age Management Services (Private) Limited (Cams), New No.10 (Old No.178), MGR Salai, Nungambakkam, Chennai - 600 034	INR000002813	Tata Balanced Fund, Tata Young Citizen Fund, Tata Tax Savings Fund, Tata Select Equity Fund, Tata Pure Equity Fund, Tata Life Sciences & Technology Fund, Tata Index Fund, Nifty and Sensex, Tata Equity Opportunities Fund, Tata Growth Fund, Tata Equity P/E Fund, Tata Dividend Yield Fund, Tata Infrastructure Fund, Tata Mid Cap Fund, Tata Tax Advantage Fund 1, Tata SIP Fund, Tata Capital Builder Fund, Tata Equity Management Fund, Tata MIP Plus Fund, Tata Monthly Income Fund, Tata Income Fund, Tata Liquid Fund, Tata Gilt Securities Fund / Short Maturity Fund, Tata Short Term Bond Fund, Tata Income Plus Fund, Tata Dynamic Bond Fund, Tata Floating Rate Fund (Long & Short term), Tata Floater Fund, Tata Liquidity Management Fund, Tata Treasury Manager Fund, Tata Indo-Global Infrastructure Fund, Tata Growing Economies Infrastructure Fund, Tata Fixed Horizon Fund Series 5, Tata Fixed Horizon Fund Series 20 (Scheme B), Tata Infrastructure Tax Saving Fund, Tata Smart Investment Plan – 1 and Tata Fixed Income Portfolio Fund.
2	Karvy Computershare Private Limited Karvy Plaza, H. No. 8-2-596, Avenue 4, Street No. 1, Banjara Hills, Hyderabad – 500 034	INR000000221	Tata Service Industries Fund, Tata Contra Fund, Tata Fixed Horizon Fund Series 13, Tata Fixed Investment Plan – 2, Tata Fixed Investment Plan – 4, Tata Fixed Horizon Fund Series 18 and Tata Fixed Horizon Fund Series 20 (Scheme A).

TAML and TTCPL ensures that the Registrar has adequate capacity to discharge responsibilities with regard to processing of applications and dispatching account statements to unitholders within the time limit prescribed in the Regulations and also has sufficient capacity to handle investor complaints.

3. Statutory Auditor

TTCPL shall have the financial statements for the Scheme audited by such Chartered Accountant(s) as may be appointed for that purpose by the Trustee Company. Deloitte Haskins & Sells. Chartered Accountants, "Heritage", 3rd Floor, Near Gujarat Vidhyapith, Off. Ashram Road, Ahmedabad - 380 014, have been appointed in such capacity.

4. Fund Accountant

Done In-house

5. Collecting Bankers

The list of collecting bankers during the NFO will be disclosed in the SID of the particular new scheme as and when launched. There are no collecting bankers for ongoing schemes.

II. CONDENSED FINANCIAL INFORMATION (CFI)

Brief Note on Schemes Launched:

TMF has so far launched thirty-eight open ended schemes and thirty-one close ended schemes.

Name of Schemes	Type of Scheme	Date of Launch	Date of Initial Allotment
Tata Balanced Fund [^] (TBF) (formerly known as Tata Equity Growth Fund)	Open ended Balanced	August 30, 1995	October 8, 1995
Tata Young Citizen's Fund (TYCF)	Open ended Balanced	August 30, 1995 Converted into open ended on October 30, 1998	October 14, 1995
Tata Tax Savings Fund (TTSF)	Open ended Equity Linked Tax Saving on April 1, 1999 (ELSS)	December 20, 1995 Converted into open ended	April 1, 1996
Tata Select Equity Fund (TSEF)	Open Ended Equity	April 9, 1996 Converted into open ended on August 5, 1999	May 24, 1996
Tata Income Fund (TIF)	Open ended Debt	March 19, 1997	April 28, 1997

Name of Schemes	Type of Scheme	Date of Launch	Date of Initial Allotment
Tata Pure Equity Fund^ (TPEF)	Open ended Equity	March 23, 1998	May 7, 1998
Tata Liquid Fund (TLF)	Open ended Liquid	August 24, 1998	August 30, 1998
Tata Life Sciences and Technology Fund (TLSTF)	Open ended Equity	June 7, 1999	July 2, 1999
Tata Gilt Securities Fund (TGSF)	Open ended Gilt Securities Fund	August 3, 1999	August 4, 1999
Tata Short Term Bond Fund (TSTBF)	Open ended Debt	August 8, 2002	August 9, 2002
Tata Income Plus Fund (TIPF)	Open ended Debt	November 11, 2002	December 2, 2002
Tata Monthly Income Fund* (TMIF)	Open ended Debt	December 23, 2002	April 7, 2000
Tata Fixed Horizon Fund (TFHF)	Close ended Debt	January 10, 2003	January 10, 2003
Tata Index Fund (TIFN, TIFS)	Open ended Equity	February 20, 2003	February 25, 2003
Tata Equity Opportunities Fund # (TEOF)	Open ended Equity	February 25, 1993	February 25, 1993
Tata Growth Fund# (TGF)	Open ended Equity	June 15, 1994 Converted into open ended on March 31, 2004	July 1, 1994
Tata Dynamic Bond Fund (TDBF)	Open ended Debt	September 1, 2003	September 1, 2003
Tata Floating Rate Fund (TFRSTF, TFRLTF)	Open ended Debt	December 12, 2003	December 22, 2003
Tata MIP Plus Fund (TMPF)	Open ended Debt	January 27, 2004	March 19, 2004
Tata Equity P/E Fund (TEQPEF)	Open ended Equity	May 17, 2004	June 29, 2004
Tata Dividend Yield Fund (TDYF)	Open ended Equity	September 28, 2004	November 22, 2004
Tata Infrastructure Fund (TISF)	Open ended Equity	November 25, 2004	December 31, 2004
Tata Services Industries Fund (TSIF)	Open ended Equity	February 9, 2005	April 5, 2005
Tata Fixed Horizon Fund Series 1 (TFHFS1)	Close ended Debt	March 21, 2005	Plan A- March 28, 2005
Tata Midcap Fund (TMCF)	Open ended Equity	May 19, 2005	June 29, 2005
Tata Floater Fund (TFF)	Open ended Debt	August 23, 2005	September 6, 2005
Tata Contra Fund (TCF)	Open ended Equity	September 26, 2005	November 14, 2005
Tata Fixed Horizon Fund Series 2 (TFHFS2)	Close ended Debt	November 29, 2005	Plan B- December 2, 2005 Plan A- December 29, 2005 Plan C - February 2, 2006
Tata Tax Advantage Fund 1 (TTAF1)	Close ended Equity Linked Tax Saving (ELSS)	January 16, 2006	March 16, 2006
Tata Fixed Horizon Fund Series 3 (TFHFS3)	Close ended Debt	February 1, 2006	Scheme A - February 8, 2006 Scheme F - February 13, 2006 Scheme B - February 24, 2006 Scheme C - March 2, 2006 Scheme D - March 10, 2006 Scheme G - March 24, 2006
Tata Liquidity Management Fund (TLMF)	Open ended Liquid	February 28, 2006	March 3, 2006
Tata Fixed Horizon Fund Series 5 (TFHFS5)	Close ended Debt	March 22, 2006	Scheme A - March 24, 2006 Scheme B - March 29, 2006 Scheme C- June 30, 2006 Scheme D- August 31, 2006 Scheme E-September 21,2006 Scheme G- October 18, 2006
Tata Equity Management Fund** (TEMF)	Open ended Equity	May 15, 2006	July 7, 2006
Tata Capital Builder Fund (TCBF)	Close ended Equity	July 18, 2006	September 14, 2006
Tata Fixed Horizon Fund Series 6 (TFHFS6)	Close ended Debt	August 2, 2006	Scheme A- August 2, 2006 Scheme G-September18, 2006 Scheme B- November 20,2006 Scheme H- December 5, 2006 Scheme E- February 26, 2007 Scheme C- March 8, 2007
Tata Fixed Horizon Fund Series 7 (TFHFS7)	Close ended Debt	December 20, 2006	Scheme D- January 2, 2007 Scheme A- March 15, 2007 Scheme B- March 27, 2007

Name of Schemes	Type of Scheme	Date of Launch	Date of Initial Allotment
Tata Fixed Horizon Fund Series 8 (TFHFS8)	Close ended Debt	January 2, 2007	Scheme A- January 8, 2007 Scheme D- January 11, 2007 Scheme E- January 19, 2007 Scheme B- February 9, 2007 Scheme F- February 15, 2007 Scheme C- February 22, 2007 Scheme G- June 14, 2007 Scheme H- June 27, 2007
Tata SIP Fund	Close ended Balanced	January 15, 2007	TSIPF1 - March 5, 2007 TSIPF2 - July 1, 2007
Tata Fixed Horizon Fund Series 9 (TFHFS9)	Close ended Debt	February 22, 2007	Scheme D - February 28, 2007 Scheme E - March 13, 2007 Scheme A - March 13, 2007 Scheme F - March 26, 2007 Scheme B- April 17, 2007 Scheme C - April 23, 2007
Tata Fixed Horizon Fund Series 10 (TFHFS10)	Close ended Debt	March 28, 2007	Scheme D - April 17, 2007 Scheme E - May 10, 2007 Scheme H - May 24, 2007 Scheme F - June 6, 2007
Tata Fixed Horizon Fund Series 12 (TFHFS12)	Close ended Debt	May 28, 2007	Scheme A - June 8, 2007
Tata Fixed Horizon Fund Series 13 (TFHFS13)	Close ended Debt	June 14, 2007	Scheme A - June 26, 2007 Scheme B - August 14, 2007 Scheme C - August 16, 2007
Tata Fixed Horizon Fund Series 14 (TFHFS14)	Close ended Debt	August 17, 2007	Scheme A - August 23, 2007 Scheme B - September 5, 2007
Tata Fixed Horizon Fund Series 11 (TFHFS11)	Close ended Debt	August 22, 2007	Scheme D - August 27, 2007 Scheme E - August 31, 2007
Tata Treasury Manager Fund	Open ended Debt	July 10, 2007	July 13, 2007
Tata Indo-Global Infrastructure Fund	Close ended Equity	September 3, 2007	November 12, 2007
Tata Fixed Income Portfolio Fund (TFIPF)	Open ended debt	November 30, 2007	Scheme A1 - January 3, 2008 Scheme A2 - December 7, 2007 Scheme A3 - December 1, 2007 Scheme B2 - December 11, 2007 Scheme B3 - December 28, 2007 Scheme C2 - December 31, 2007 Scheme C3 - December 24, 2007
Tata Fixed Investment Plan - 1 (TFIP1)	Close ended Debt	January 24, 2008	Scheme A - March 7, 2008
Tata Fixed Horizon Fund Series 17 (TFHFS17)	Close ended Debt	February 19, 2008	Scheme D - February 22, 2008 Scheme E - May 26, 2008
Tata Growing Economies Infrastructure Fund (TGEIF)	Open ended Equity	February 18, 2008	April 10, 2008
Tata Fixed Investment Plan - 2 (TFIP2)	Close ended Debt	May 23, 2008	Scheme A - June 2, 2008
Tata Fixed Horizon Fund Series 18 (TFHFS18)	Close ended Debt	July 31, 2008	Scheme B - September 5, 2008 Scheme C - August 18, 2008 Scheme D - September 13, 2008
Tata Fixed Horizon Fund Series 19 (TFHFS19)	Close ended Debt	August 11, 2008	Scheme D - August 20, 2008 Scheme E - September 1, 2008 Scheme F - September 29, 2008
Tata Fixed Investment Plan - 4 (TFIP4)	Close ended Debt	September 10, 2008	Scheme A - September 25, 2008 Scheme B - October 27, 2008
Tata Fixed Investment Plan - 3 (TFIP3)	Close ended Debt	October 14, 2008	Scheme A - October 29, 2008 Scheme B - November 14, 2008
Tata Fixed Horizon Fund Series 20 (TFHFS20)	Close ended Debt	November 17, 2008	Scheme A - November 26, 2008 Scheme B - December 19, 2008
Tata Infrastructure Tax Saving Fund (TITSF)	Close ended Equity Linked Tax Saving (ELSS)	December 17, 2008	April 30, 2009
Tata Smart Investment Plan - 1 (TSMART1)	Close ended Balanced	April 27, 2009	Scheme A - June 12, 2009 Scheme B - June 12, 2009

In November 2001, Tata Mutual Fund and Indian Bank Mutual Fund entered into an agreement for takeover of the following close ended, running schemes of Indian Bank Mutual Fund viz: Ind Shelter (Plan A&B), Ind Tax Shield (Plan A&B) and Ind Navratna. Subsequent to the takeover the names of the schemes were changed to Tata Ind Shelter (Plan A&B), Tata Ind Tax Shield (Plan A&B) and Tata Ind Navratna. The consideration and all direct expenses in this regard were directly borne by the respective parties to the Agreement, and not debited to the Scheme accounts. An exit option at NAV, without load was provided to unitholders in view of change in the Trustee and the Asset Management Company, as well as certain modifications in scheme attributes such as issue of Account Statement instead of Unit Certificates, changing NAV related transactions to

prospective from the earlier principle of prior week NAV, etc. Thereafter, with effect from 22nd November 2001, the Tata Trustee Company Private Limited is the Trustee and Tata Asset Management Ltd. is the Asset Management Company for these funds. Tata Ind Shelter Fund Plan A and B were redeemed on 31.3.2002. On 29th March 2003 Tata Ind Tax Shield was converted into an open ended scheme (with no ELSS benefits) and named Tata Equity Opportunities Fund, With effect from 22.11.2001 the scheme is managed by TAML. The scheme with effect from 29th March, 2003 has become open ended (with no Tax benefits) and is being offered at NAV based price with applicable loads. Tata Ind Navratna was converted in to an open ended fund on 31st March, 2004 and was named as Tata Growth Fund.

^ Tata Twin Option Fund (TTOF) launched in March 1998 offered the Unitholder, the option to invest in equities of large cap companies and the balanced portfolio option which invests in both debt and equity. On 14th February 2000 Balanced Portfolio Option of Tata Twin Option Fund got merged with Tata Equity Growth Fund and the Tata Equity Growth Fund was renamed as Tata Balanced Fund while the equity option was renamed as Tata Pure Equity Fund.

* Tata Income Fund w.e.f. 27th April 2000 also offers Monthly Income and Quarterly Income options. The Monthly Income Option was hived off as separate scheme namely Tata Monthly Income Fund w.e.f. 23rd December, 2002.

** Tata Equity Management Fund initially was an 18 months close ended equity scheme. The scheme with effect from 14th January, 2008 has become open ended and is being offered at NAV based price with applicable loads, if any.

Condensed Financial Information for the Schemes launched during the last three financial years.

Sr. No.	Historical Per Unit Statistics	TSIPF2			TSIPF1			
		31/05/09	31/03/09	31/03/08	31/05/09	31/03/09	31/03/08	31/03/07
1	NAV at the beginning of the year / period	D 7.7218	D 9.9702	–	D 7.4813	D 10.3289	D 10.0595	–
		G 7.7217	G 9.9701		G 7.4813	G 10.3289	G 10.0596	
2	Dividends	–	–	–	–	–	–	–
3	NAV at the end of the year	D 10.3131	D 7.7218	D 9.9702	D 10.4898	D 7.4813	D 10.3289	D 10.0595
		G 10.3130	G 7.7217	G 9.9701	G 10.4898	G 7.4813	G 10.3289	G 10.0596
4(a)	Annualised Return (%) ** #	G 1.62	G -17.63	G -0.30	G 2.16	G -13.06	G 3.06	G 0.60
4(b)	Benchmark returns ^{^^} (%) #	7.51	-4.97	2.19	6.97	-5.33	5.03	5.29
	BSE SENSEX							
5	Net Assets at the end of the period (Rs. Crores)	71.37	56.08	75.34	251.92	180.45	275.56	302.60
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	2.19	2.17	1.62	2.33	2.06	1.99	0.12

^^ Benchmark returns has been generated based on the methodology of deploying the initial AUM of the scheme in Bank Fixed Deposit (rate of return assumed 7%) and then systematically allocating that AUM and interest income to equities over the closed ended tenor of the scheme.

Sr. No.	Historical Per Unit Statistics	TFHFS5 A26				TGEIFB	
		31/05/09	31/03/09	31/03/08	31/03/07	31/05/09	31/03/09
1	NAV at the beginning of the year/ period	D 12.1629	D 11.0908	D 10.0460	–	D 6.4130	–
		G 12.1644	G 11.0908	G 10.0460		G 6.4129	
2	Dividends	–	–	–	0.1634	–	–
3	NAV at the end of the year	D 12.3562	D 12.1629	D 11.0908	D 10.0460	D 9.4575	D 6.4130
		G 12.3577	G 12.1644	G 11.0908	G 10.0460	G 9.4581	G 6.4129
4(a)	Annualised Return (%)** #	8.42	8.32	G 7.39	G 0.46	-4.77	-35.87
4(b)	Benchmark returns (%) #	6.95	6.60	6.08	0.64	-11.82	-38.94
		Crisil Composite Bond Fund				MSCI Emerging Market Index to the extent of 70% of the net assets and BSE SENSEX to the extent of 30% of the net assets of the Plan.	
4	Net Assets at the end of the period (Rs. Crores)	19.94	19.94	28.04	35.86	154.67	105.89
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	0.20	0.20	0.20	0.20	2.45	2.34

Sr. No.	Historical Per Unit Statistics	TIGIF			TEMF			
		31/05/08	31/03/09	31/03/08	31/05/09	31/03/09	31/03/08	31/03/07
1	NAV at the beginning of the year/period	D 4.6353	D 8.2832	–	D 7.0448	D 10.2839	D 10.7531	–
		G 4.6321	G 8.2827		G 7.5942	G 11.0880	G 10.7544	
2	Dividends	–	–	–	–	–	–	–
3	NAV at the end of the year	D 6.7962	D 4.6353	D 8.2832	D 9.9438	D 7.0448	D 10.2839	D 10.7531
		G 6.7916	G 4.6321	G 8.2827	G 10.7192	G 7.5942	G 11.0880	G 10.7544
4(a)	Annualised Return (%)** #	G -22.08	G -42.68	G -17.17	G 2.42	G -9.57	G 6.14	G 7.54
4(b)	Benchmark returns (%) #	-13.31	-38.05	13.80	13.57	-0.66	28.23	24.24
		BSE SENSEX to the extent of 65% of portfolio MSCI World Index to the extent of 35% of portfolio			S & P CNX Nifty			
5	Net Assets at the end of the period (Rs. Crores)	1369.84	946.15	1802.99	201.67	144.42	227.85	387.42
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	1.73	1.66	1.73	2.40	2.39	2.30	2.17

Sr. No.	Historical Per Unit Statistics	TTMF		
		31/05/09	31/03/09	31/03/08
1	NAV at the beginning of the year/period	RIP MD 1002.0000	RIP MD 1002.0000	–
		RIPG 1162.4599	RIPG 1061.254	
		HIP DD 1009.4394	HIP DD 1001.2092	
		HIP DWLY 1010.7348	HIP DWLY 1002.4180	
		HIP MD 1001.5000	HIP MD 1001.5000	
		HIPG 1162.4660	HIPG 1060.2704	
		SHIP DD 1010.3171	SHIP DD 1003.0000	
		SHIP DWLY 1000.0000	SHIP DWLY 1004.0829	
		SHIP MD 1000.0000	SHIP MD 0000.0000	
		SHIPG 0.0000	SHIPG 1061.3996	
2	Dividends	RIP MD 10.1239	RIP MD 5.8249	RIP MD 7.1424
		HIP DD 4.7502	HIP DD 5.7470	HIP DD 6.9927
		HIP DWLY 4.3624	HIP DWLY 6.5749	HIP DWLY 6.4690
		HIP MD 9.8544	HIP MD 5.9188	HIP MD 7.2248
		SHIP DD 4.9262	SHIP DD 5.9236	SHIP DD 7.3834
		SHIP DWLY 4.4695	SHIP DWLY 6.6939	SHIP DWLY 4.9990
		SHIP MD 10.1644	SHIP MD 6.0864	
3	NAV at the end of the year	RIP MD 1002.2866	RIP MD 1002.0000	RIP MD 1002.0000
		RIPG 1174.0453	RIPG 1162.4599	RIPG 1061.254
		HIP DD 1009.4394	HIP DD 1009.4394	HIP DD 1001.2092
		HIP DWLY 1011.4957	HIP DWLY 1010.7348	HIP DWLY 1002.4180
		HIP MD 1001.7919	HIP MD 1001.5000	HIP MD 1001.5000
		HIPG 1174.2722	HIPG 1162.4660	HIPG 1060.2704
		SHIP DD 1010.3171	SHIP DD 1010.3171	SHIP DD 1003.0000
		SHIP DWLY 1000.7802	SHIP DWLY 1000.0000	SHIP DWLY 1004.0829
		SHIP MD 1000.3024	SHIP MD 1000.0000	SHIP MD 0000.0000
		SHIPG 1005.0499	SHIPG 0.0000	SHIPG 1061.3996
4(a)	Annualised return (%)** #	RIPG 8.89	RIPG 9.16	RIPG 6.13
		HIPG 8.90	HIPG 9.16	HIPG 6.03
		SHIPG 0.27	SHIPG 5.40	SHIPG 6.14
4(b)	Benchmark returns (%) #	8.96	8.70	5.11
		Crisil Short Term Bond Fund Index		
5	Net Assets at the end of the period (Rs. Crores)	72.93	25.95	471.77
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	0.36	0.21	0.15

Sr. No.	Historical Per Unit Statistics	TITSF		TCBF			
		31/05/09	31/03/09	31/05/09	31/03/09	31/03/08	31/03/07
1	NAV at the beginning of the year/period	D 10.0305	–	D 7.0323	D 12.6664	D 10.4426	–
		G 10.0305		G 7.0067	G 12.6671	G 10.4427	
2	Dividends	–	–	–	–	–	–
3	NAV at the end of the year	D 13.1998	D 10.0305	D 10.5105	D 7.0323	D 12.6664	D 10.4426
		G 13.1998	G 10.0305	G 10.4721	G 7.0067	G 12.6671	G 10.4427
4(a)	Annualised Return (%)** #	G 32.00	G 0.00	G 1.72	G -13.04	G 16.53	G 4.43
4(b)	Benchmark returns (%) # BSE SENSEX	52.85	0.00	7.66	-7.91	18.90	9.18
5	Net Assets at the end of the period (Rs. Crores)	11.99	9.11	176.10	118.75	227.76	257.95
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	2.49	2.25	2.41	2.35	2.28	1.60

Sr. No.	Historical Per Unit Statistics	TGEIFA		TFHFS13 A68		
		31/05/09	31/03/09	31/05/09	31/03/09	31/03/08
1	NAV at the beginning of the year/period	D 6.7544	–	RIP MD 0.0000	RIP MD 0.0000	–
		G 6.7548		RIP PD 11.2671	RIP PD 10.2892	
				RIPG 11.2683	RIPG 10.2892	
				IP MD 0.0000	IP MD 0.0000	
				IP PD 11.2671	IP PD 10.2892	
				IPG 11.2673	IPG 10.2892	
2	Dividends	–	–	–	–	–
3	NAV at the end of the year	D 9.1281	D 6.7544	RIP MD 0.0000	RIP MD 0.0000	RIP MD 0.0000
		G 9.1297	G 6.7548	RIP PD 11.4077	RIP PD 11.2671	RIP PD 10.2892
				RIPG 11.4089	RIPG 11.2683	RIPG 10.2892
				IP MD 10.0100	IP MD 0.0000	IP MD 0.0000
				IP PD 11.4076	IP PD 11.2671	IP PD 10.2892
				IPG 11.4079	IPG 11.2673	IPG 10.2892
4(a)	Annualised Return (%)** #	-7.68	-32.50	RIPG 9.35	RIPG 9.57	RIPG 2.89
				IPG 9.35	IPG 9.56	IPG 2.89
4(b)	Benchmark returns (%) #	-17.64	-39.74	9.47	9.19	2.17
		MSCI Emerging Market Index to the extent of 70% of the net assets and BSE SENSEX to the extent of 30% of the net assets of the Plan.		CRISIL Short Term Bond Fund Index		
5	Net Assets at the end of the period (Rs. Crores)	36.22	26.87	73.99	73.08	92.58
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	2.50	2.40	0.10	0.10	0.06

Sr. No.	Historical Per Unit Statistics	TFIPA2			TFIPA3		
		31/05/09	31/03/09	31/03/08	31/05/09	31/03/09	31/03/08
1	NAV at the beginning of the year/period	RIP MD 10.1397	RIP MD 10.0283	–	RIP MD 10.1559	RIP MD 10.0496	–
		RIPG 11.1780	RIPG 10.9214		RIPG 10.7288	RIPG 10.2620	
		IP MD 0.0000	IIP MD 10.0280		IP MD 0.0000	IP MD 10.0251	
		IPG 0.0000	IPG 10.0779		IPG 0.0000	IPG 10.0348	
2	Dividends	RIP MD 0.0162	RIP MD 0.0289	RIP MD 0.0646	RIP MD 0.0170	RIP MD 0.0285	RIP MD 0.0515
			IP MD 0.0287	IP MD 0.0603		IP MD 0.0283	
3	NAV at the end of the year	RIP MD 10.1242	RIP MD 10.1397	RIP MD 10.0283	RIP MD 10.1489	RIP MD 10.1559	RIP MD 10.0496
		RIPG 11.2198	RIPG 11.1780	RIPG 10.9214	RIPG 10.7703	RIPG 10.7288	RIPG 10.2620
		IP MD 0.0000	IP MD 0.0000	IIP MD 10.0280	IP MD 0.0000	IP MD 0.0000	IP MD 10.0251
		IPG 0.0000	IPG 0.0000	IPG 10.0779	IPG 0.0000	IPG 0.0000	IPG 10.0348
4(a)	Annualised Return (%)** #	RIPG 8.07	RIPG 8.84	RIPG 2.91	RIPG 5.23	RIPG 5.62	RIPG 2.62
				IPG 0.78			IPG 0.35
4(b)	Benchmark returns (%) # Crisil Liquid Fund Index	8.27	8.44	2.24	8.30	8.47	2.05
5	Net Assets at the end of the period (Rs. Crores)	1.23	2.67	701.05	1.39	1.82	59.10
6	Ratio of Recurring Expenses to Avg. Net Assets(%)	0.15	0.12	0.10	0.15	0.11	0.40

Sr. No.	Historical Per Unit Statistics	TFHFS20 (A84)		TFIF2B	
		31/05/09	31/03/09	31/05/09	31/03/09
1	NAV at the beginning of the year/period	RIP PD 10.2600	–	RIP PD 10.7907	–
		RIP G 10.2562		RIP G 10.7913	
		IP PD 0.0000		IP PD 11.3174	
		IP G 10.2559		IP G 10.8241	
2	Dividends	–	–	–	–
3	NAV at the end of the year	RIP PD 10.4493	RIP PD 10.2600	RIP PD 10.9905	RIP PD 10.7907
		RIP G 10.4454	RIP G 10.2562	RIP G 10.9911	RIP G 10.7913
		IP PD 0.0000	IP PD 0.0000	IP PD 11.5365	IP PD 11.3174
		IP G 10.4451	IP G 10.2559	IP G 11.0336	IP G 10.8241
4(a)	Annualised Return (%)** #	RIPG 4.45	RIPG 2.56	RIPG 9.91	RIPG 7.91
		IPG 4.45	IPG 2.56	IPG 10.34	IPG 8.24
4(b)	Benchmark returns (%) # Crisil Liquid Fund Index	4.45	2.54	7.54	6.33
5	Net Assets at the end of the period (Rs. Crores)	31.72	31.25	240.25	236.00
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	0.10	0.29	0.46	0.32

Sr. No.	Historical Per Unit Statistics	TFIPB2			TFIPB3		
		31/05/09	31/03/09	31/03/08	31/05/09	31/03/09	31/03/08
1	NAV at the beginning of the year/period	RIP MD 10.0534	RIP MD 10.0201	–	RIP MD 10.0758	RIP MD 10.0162	–
		RIP QD 10.0536	RIP QD 10.0880		RIP QD 10.0335	RIP QD 10.0154	
		RIPG 11.2839	RIPG 10.2953		RIPG 12.0083	RIPG 10.2418	
		IP MD 10.0074	IP MD 10.0177		IP MD 0.0000	IP MD 10.0154	
		IP QD 10.0372	IP QD 10.0886		IP QD 0.0000	IP QD 10.0155	
		IPG 0.0000	IPG 10.0864		IPG 0.0000	IPG 0.0000	
2	Dividends	RIP MD 0.0296	RIP MD 0.0335	RIP MD 0.0687	RIP MD 0.0151	RIP MD 0.0634	RIP MD 0.0684
		RIP QD 0.0956	IP MD 0.0328	IP MD 0.0673		RIP QD 0.1878	IP MD 0.0684
							RIP QD 0.2261
							IP QD 0.2261
3	NAV at the end of the year	RIP MD 10.0567	RIP MD 10.0534	RIP MD 10.0201	RIP MD 10.0785	RIP MD 10.0758	RIP MD 10.0162
		RIP QD 10.0221	RIP QD 10.0536	RIP QD 10.0880	RIP QD 10.0704	RIP QD 10.0335	RIP QD 10.0154
		RIPG 11.3559	RIPG 11.2839	RIPG 10.2953	RIPG 12.0524	RIPG 12.0083	RIPG 10.2418
		IP MD 10.0107	IP MD 10.0074	IP MD 10.0177	IP MD 0.0000	IP MD 0.0000	IP MD 10.0154
		IP QD 10.0054	IP QD 10.0372	IP QD 10.0886	IP QD 0.0000	IP QD 0.0000	IP QD 10.0155
		IPG 0.0000	IPG 0.0000	IPG 10.0864	IPG 10.9600	IPG 0.0000	IPG 0.0000
4(a)	Annualised Return (%)** #	RIPG 9.03	RIPG 9.70	RIPG 2.95	RIPG 14.00	RIPG 15.67	RIPG 2.42
				IPG 0.86			
4(b)	Benchmark returns (%) # Crisil Liquid Fund Index	8.29	8.46	2.17	8.29	8.47	1.80
5	Net Assets at the end of the period (Rs. Crores)	1.08	8.28	98.63	0.36	0.68	59.10
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	0.15	0.12	0.10	0.15	0.15	0.40

Sr. No.	Historical Per Unit Statistics	TFHFS20 (A82)		TFIPA1		
		31/05/09	31/03/09	31/05/09	31/03/09	31/03/08
1	NAV at the beginning of the year/period	RIP PD 10.3455	–	RIP MD 10.1842	RIP MD 10.0220	–
		RIP G 10.2800		RIPG 11.1293	RIPG 10.2197	
		IP PD 0.0000		IP MD 0.0000	IP MD 10.0205	
		IP G 10.3343		IPG 0.0000	IPG 0.0000	
2	Dividends	–	–	RIP MD 0.0091	RIP MD 0.0184	RIP MD 0.0569
						IP MD 0.0547
3	NAV at the end of the year	RIP PD 10.5281	RIP PD 10.3455	RIP MD 10.1870	RIP MD 10.1842	RIP MD 10.0220
		RIP G 10.4614	RIP G 10.2800	RIPG 11.1561	RIPG 11.1293	RIPG 10.2197
		IP PD 0.0000	IP PD 0.0000	IP MD 0.0000	IP MD 0.0000	IP MD 10.0205
		IP G 10.5167	IP G 10.3343	IPG 0.0000	IPG 0.0000	IPG 0.0000
4(a)	Annualised Return (%)** #	RIPG 4.61	RIPG 2.80	RIPG 8.07	RIPG 9.00	RIPG 2.20
		IPG 5.17	IPG 3.34			
4(b)	Benchmark returns (%) # Crisil Liquid Fund Index	4.21	3.04	8.27	8.44	1.63
5	Net Assets at the end of the period (Rs. Crores)	10.69	10.50	0.11	0.16	7.62
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	0.10	0.47	0.15	0.12	0.10

Sr. No.	Historical Per Unit Statistics	TFIPC2			TFIPC3		
		31/05/09	31/03/09	31/03/08	31/05/09	31/03/09	31/03/08
1	NAV at the beginning of the year/period	RIP MD 10.0418	RIP MD 10.0105	–	RIP MD 10.0220	RIP MD 10.0147	–
		RIP HD 10.4408	RIP HD 10.2487		RIP HD 10.4325	RIP HD 10.2706	
		RIPG 11.2568	RIPG 10.2487		RIPG 11.3341	RIPG 10.2706	
		IP MD 0.0000	IP MD 10.0105		IP MD 0.0000	IP MD 10.0148	
		IP HD 0.0000	IP HD 0.0000		IP HD 0.0000	IP HD 10.2706	
		IPG 0.0000	IPG 0.0000		IPG 0.0000	IPG 0.0000	
2	Dividends	RIP MD 0.0258	RIP MD 0.1263	RIP MD 0.1023	RIP MD 0.0391	RIP MD 0.1448	RIP MD 0.0752
				IP MD 0.1023	RIP HD 0.4974		IP MD 0.0752
3	NAV at the end of the year	RIP MD 10.0375	RIP MD 10.0418	RIP MD 10.0105	RIP MD 10.0186	RIP MD 10.0220	RIP MD 10.0147
		RIP HD 10.0402	RIP HD 10.4408	RIP HD 10.2487	RIP HD 10.0211	RIP HD 10.4325	RIP HD 10.2706
		RIPG 11.3364	RIPG 11.2568	RIPG 10.2487	RIPG 11.4280	RIPG 11.3341	RIPG 10.2706
		IP MD 0.0000	IP MD 0.0000	IP MD 10.0105	IP MD 0.0000	IP MD 0.0000	IP MD 10.0148
		IP HD 0.0000	IP HD 0.0000	IP HD 0.0000	IP HD 0.0000	IP HD 0.0000	IP HD 10.2706
		IPG 0.0000	IPG 0.0000	IPG 0.0000	IPG 10.1200	IPG 0.0000	IPG 0.0000
4(a)	Annualised Return (%)** #	RIPG 9.26	RIPG 9.94	RIPG 2.49	RIPG 9.74	10.38	RIPG 2.71
4(b)	Benchmark returns (%) # Crisil Liquid Fund Index	8.27	8.45	1.71	8.29	8.47	1.89
5	Net Assets at the end of the period (Rs. Crores)	0.07	0.42	27.10	0.20	1.48	59.10
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	0.15	0.10	0.10	0.15	0.13	0.40

Sr. No.	Historical Per Unit Statistics	TFIF4A		TFIF4B		TFIF2A	
		31/05/09	31/03/09	31/05/09	31/03/09	31/05/09	31/03/09
1	NAV at the beginning of the year/period	RIP PD 10.7472	–	RIP PD 10.4859	–	RIP PD 10.8008	–
		RIP G 10.7476		RIP G 10.6854		RIP G 10.8011	
		HIP PD 0.0000		HIP PD 10.4991		IP PD 10.8008	
		HIP G 10.7472		HIP G 10.7175		IP G 10.8008	
		SHIP PD 0.0000		SHIP PD 10.5195			
		SHIP G 0.0000		SHIP G 10.7664			
2	Dividends	–	–	RIP PD 0.2907	–	–	–
				HIP PD 0.3037			
				SHIP PD 0.3236			
3	NAV at the end of the year	RIP PD 11.0015	RIP PD 10.7472	RIP PD 10.4365	RIP PD 10.4859	RIP PD 10.9572	RIP PD 10.8008
		RIP G 11.0019	RIP G 10.7476	RIP G 10.9312	RIP G 10.6854	RIP G 10.9575	RIP G 10.8011
		HIP PD 0.0000	HIP PD 0.0000	HIP PD 10.4370	HIP PD 10.4991	IP PD 10.9572	IP PD 10.8008
		HIP G 11.0015	HIP G 10.7472	HIP G 10.9640	HIP G 10.7175	IP G 10.9571	IP G 10.8008
		SHIP PD 0.0000	SHIP PD 0.0000	SHIP PD 10.4379	SHIP PD 10.5195		
		SHIP G 0.0000	SHIP G 0.0000	SHIP G 11.0141	SHIP G 10.7664		
4(a)	Annualised Return (%)** #	RIPG 10.02	RIPG 7.48	RIPG 9.31	RIPG 6.85	RIPG 9.58	RIPG 8.01
		HIPG 10.02	HIPG 7.47	HIPG 9.64	HIPG 7.17	IPG 9.57	IPG 8.01
				SHIPG 10.14			
4(b)	Benchmark returns (%) # Crisil Liquid Fund Index	9.09	7.09	8.33	6.34	8.57	7.35
5	Net Assets at the end of the period (Rs. Crores)	16.59	16.22	50.30	50.54	104.04	102.56
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	0.10	0.15	0.10	0.75	0.08	0.08

Sr. No.	Historical Per Unit Statistics	TFHFS18 (A75)		TFHFS18 (A78)		TFHFS18 (A79)	
		31/05/09	31/03/09	31/05/09	31/03/09	31/05/09	31/03/09
1	NAV at the beginning of the year/period	RIP PD 10.6964	–	RIP PD 10.6197	–	RIP PD 10.8485	–
		RIP G 10.6994		RIP G 10.6158		RIP G 10.7234	
		IP PD 10.7626		IP PD 10.6737		IP PD 10.7224	
		IP G 10.7626		IP G 10.6726		IP G 10.7224	
2	Dividends	–	–	–	–	–	–
3	NAV at the end of the year	RIP PD 10.9211	RIP PD 10.6964	RIP PD 10.8966	RIP PD 10.6197	RIP PD 11.1406	RIP PD 10.8485
		RIP G 10.9241	RIP G 10.6994	RIP G 10.8926	RIP G 10.6158	RIP G 11.0121	RIP G 10.7234
		IP PD 10.9887	IP PD 10.7626	IP PD 10.9520	IP PD 10.6737	IP PD 10.3178	IP PD 10.7224
		IP G 10.9893	IP G 10.7626	IP G 10.9509	IP G 10.6726	IP G 11.0111	IP G 10.7224
4(a)	Annualised Return (%)** #	RIPG 9.24	RIPG 6.99	RIPG 8.93	RIPG 6.16	RIPG 10.12	RIPG 7.23
		IPG 9.89	IPG 7.63	IPG 9.51	IPG 6.73	IPG 10.11	IPG 7.22
4(b)	Benchmark returns (%) # Crisil Liquid Fund Index	6.95	5.75	6.49	5.29	6.32	5.13
5	Net Assets at the end of the period (Rs. Crores)	335.74	339.63	269.82	263.26	142.63	139.07
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	0.10	0.47	0.10	0.35	0.10	0.12

Sr. No.	Historical Per Unit Statistics	TSEF	TDYF	TISF	TSIF	TPEF	TEQPEF	TEOF	TLSTF
		31/03/09	31/03/09	31/03/09	31/03/09	31/03/09	31/03/09	31/03/09	31/03/09
1	NAV at the beginning of the year/period	D 42.7431	D 16.9200	D 22.5585	D 17.2988	D 31.4905	D 31.0666	D 23.0998	D 23.4967
		G 56.4056	G 21.5484	G 31.8849	G 19.6269	G 73.5967	G 32.9947	G 71.2481	G 40.5900
2	Dividends	–	–	–	–	–	–	–	–
3	NAV at the end of the year	D 22.0929	D 11.0411	D 12.8006	D 9.4266	D 21.2629	D 20.0594	D 12.7511	D 16.7287
		G 29.1185	G 14.0171	G 18.0620	G 10.6944	G 49.0492	G 21.0536	G 38.5158	G 28.8957
4(a)	Annualised Return (%)** #	G 14.02	G 8.06	G 14.93	G 1.70	G 24.36	G 16.94	G 8.73	G 13.05
4(b)	Benchmark returns (%) # BSE SENSEX	7.77	11.84	9.50	10.37	8.30	15.75	8.03	8.99
5	Net Assets at the end of the period (Rs. Crores)	69.66	77.54	1455.91	78.30	252.98	93.37	270.01	25.17
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	2.43	2.45	1.90	2.42	2.34	2.45	2.29	2.50

Sr. No.	Historical Per Unit Statistics	TMCF	TBF	TYCF	TTSF	TIFN	TIFS
		31/03/09	31/03/09	31/03/09	31/03/09	31/03/09	31/03/09
1	NAV at the beginning of the year/period	D 14.5183	D 40.9358	G 15.8614	G 45.3809	NA 28.7487	SA 38.5334
		G 15.5506	G 59.1627			NB 0.0000	SB 0.0000
2	Dividends	-	-	-	-	-	-
3	NAV at the end of the year	D 7.3582	D 29.5963	G 13.2689	G 27.5212	NA 18.1909	SA 23.8472
		G 7.8360	G 42.7731			NB 0.0000	SB 9.3727
4(a)	Annualised Return (%)** #	G -6.29	G 13.96	G12.65	G 18.97	19.44	18.30
4(b)	Benchmark returns (%) #	2.76	NA^	NA^	8.48	18.82	19.46
		CNX Midcap Index	Crisil Balanced Fund Index	Crisil Balanced Fund Index	BSE SENSEX	S & P CNX NIFTY	BSE SENSEX
5	Net Assets at the end of the period (Rs. Crores)	54.23	163.74	128.16	95.33	6.11	4.82
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	2.37	2.38	2.43	2.45	1.50	1.49

Sr. No.	Historical Per Unit Statistics	TGF	TDBF	TFRLTF	TFRSTF	TIF	TIPF
		31/03/09	31/03/09	31/03/09	31/03/09	31/03/09	31/03/09
1	NAV at the beginning of the year/period	D 16.3725	RIP D 10.5204	D 10.1318	RIP D 10.1644	DH 11.0114	RIP D 10.4343
		G 37.5737	RIP G 13.0821	G 12.1799	RIP G 13.0090	DQ 10.4963	RIP G 13.2359
		B(G) 32.9256	HIP D 10.1897		IIP D 10.0055	GR 27.1317	HIP D 10.4446
			HIP G 13.0875		IIP G 12.7060	PD 15.7282	HIP G 13.2710
						B 13.5773	IP D 0.0000
							IP G 0.0000
2	Dividends	-	-	-	RIP D 0.0704	DQ 0.1995	-
					IIP D 0.0627	DH 0.1995	
3	NAV at the end of the year	D 8.5598	RIP D 10.1509	D 10.2918	RIP D 10.1488	DH 11.0478	RIP D 10.7615
		G 19.1849	RIP G 13.5328	G 13.3506	RIP G 14.1845	DQ 10.3208	RIP G 14.3409
		B(G) 17.2051	HIP D 9.6835		IIP D 10.0152	GR 28.3952	HIP D 10.7769
			HIP G 13.5396		IIP G 13.8781	PD 16.4612	HIP G 14.3835
						B 14.2119	IP D 0.0000
							IP G 0.0000
4(a)	Annualised Return (%)** #	5.81	RIPG 5.57	G 5.63	RIPG 6.85	G 9.14	RIPG 5.81
			HIPG 5.58		IIPG 7.42		IIPG 5.85
4(b)	Benchmark returns (%) #	5.98	6.29	6.21	RIPG 6.21	NA^	5.44
					IIPG 6.56		
		BSE SENSEX	I-Sec Composite Index	Crisil Liquid Fund Index	Crisil Liquid Fund Index	Crisil Composite Bond Fund Index	Crisil Composite Bond Fund Index
5	Net Assets at the end of the period (Rs. Crores)	36.46	13.73	9.86	209.09	111.29	2.85
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	2.50	0.12	0.10	0.26	2.23	0.11

Sr. No.	Historical Per Unit Statistics	TLF	TMIF	TMPF	TSTBF
		31/03/09	31/03/09	31/03/09	31/03/09
1	NAV at the beginning of the year/period	RIPGR 1873.0804	DM 11.8507	DM 10.5317	D 11.2953
		RIPFN 1144.9739	DQ 11.9989	DQ 10.3409	G 14.6616
		RIPDD 1116.8143	G 15.7590	DH 10.9312	
		HIPGR 1351.3109		G 12.9631	
		HIPDD 1114.3379			
		HIPWLY 1148.1185			
		HIPMLY 1019.5681			
		SHIPGR 1494.9019			
		SHIPDD 1114.5200			
		SHIPWLY 1152.1490			
		SHIPMLY 1149.1047			
2	Dividends	RIP FN 6.1025	DM 0.0384	–	0.0702
		RIP DD 5.7738	DQ 0.1247		
		HIP DD 5.8528			
		HIP WD 6.8915			
		HIP MD 5.5614			
		SHIP DD 6.0934			
		SHIP WD 7.1924			
		SHIP MD 6.5213			
3	NAV at the end of the year	RIPGR 2031.6337	DM 12.0154	DM 10.1354	D 11.9587
		RIPFN 1144.9739	DQ 12.1001	DQ 10.0472	G 16.3705
		RIPDD 1116.8143	G 16.7635	DH 10.5575	
		HIPGR 1467.4037		G 12.8409	
		HIPDD 1114.3379			
		HIPWLY 1146.5173			
		HIPMLY 1019.5681			
		SHIPGR 1627.0111			
		SHIPDD 1114.5200			
		SHIPWLY 1150.5049			
		SHIPMLY 1149.1047			
		SHIPPLUSDD 0.0000			
		SHIPPLUSWLY 0.0000			
		SHIPPLUSMLY 0.0000			
		SHIPPLUSGR 0.0000			
4(a)	Annualised Return (%)** #	RIPG 6.92	8.21	5.09	7.69
		HIPG 6.49			
		SHIPG 6.72			
4(b)	Benchmark returns (%) #	RIPG NA^	NA^	6.13	6.17
		HIPG 5.98			
		SHIPG 6.00			
		Crisil Liquid Fund Index	Crisil MIP Blended Index	Crisil MIP Blended Index	Crisil Short Term Bond Fund Index
5	Net Assets at the end of the period (Rs. Crores)	3997.62	21.55	34.42	262.82
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	0.33	2.00	1.62	0.80

Sr. No.	Historical Per Unit Statistics	TFF	TTAF1	TCF	TGSF	TGSMF
		31/03/09	31/03/09	31/03/09	31/03/09	31/03/09
1	NAV at the beginning of the year/period	DM 10.0356	G 11.7037	D 12.3113	RIP D 12.1550	D 10.5336
		DWLY 10.0960		G 13.2094	RIP G 25.2056	G 13.0296
		G 11.9857			RIP B 12.6593	
					HIP D 12.5249	
					HIP G 15.4432	
2	Dividends	DD 0.0587	–	–	RIP 0.1995	
		DWLY 0.0672			HIP 0.1995	
3	NAV at the end of the year	DM 10.0356	G 11.3344	D 7.3429	RIP D 12.1954	D 11.1086
		DWLY 10.0807		G 7.7998	RIP G 26.6156	G 14.5270
		G 13.0742			RIP B 13.3465	
					HIP D 12.5865	
					HIP G 16.3063	
4(a)	Annualised Return (%)** #	G 7.80	G -7.26	G -7.09	RIPG 10.77	6.43
					HIPG 4.53	
4(b)	Benchmark returns (%) #	7.14	-3.67	0.89	NA^	7.06
					6.64	
		Crisil Liquid Fund Index	BSE SENSEX	S&P CNX 500	I-Sec Composite Index	I-Sec Composite Index
5	Net Assets at the end of the period (Rs. Crores)	2553.41	146.29	71.25	348.89	285.56
6	Ratio of Recurring Expenses to Avg. Net Assets (%)	0.24	2.36	2.48	1.60	1.26

Returns for period less than 1 year are absolute returns and for period more than 1 year are compounded annualised growth rate (CAGR)

** Returns are not provided for the dividend option as the portfolios for growth and dividend option are same and returns before dividend and dividend distribution tax would be similar for both the options.

^ Data is not available for the period.

Past performance may or may not be sustain in future.

III. How to Apply

Application forms complete in all respects, accompanied by or cheque / draft are to be submitted to any of the Authorised Investor Service Centres, as stated on the back cover of the respective Schemes' Scheme Information Document (SID) or as may be declared. All cheques and bank drafts accompanying the application form should contain the application form number and the name of the applicant on its reverse. For additional instructions, investors are requested to follow the application form carefully. All cheques/ drafts by the applicants should be made out in favour of the Scheme and should be crossed "A/c Payee and Not Negotiable".

The Authorised Collection Centers / Investor Service Centres/Marketing Associates who receive the application form shall stamp and return the "Acknowledgement Slip" of the application form, thereby acknowledging receipt of the application form. The investors are requested to preserve the acknowledgement slip duly stamped by the Collection Centers / Authorised Investor Service Centres / Marketing Associates. This shall be subject to final verification and scrutiny by the Trustee Company / Asset Management Company that the cheque / demand draft and application form are in order / valid.

In case of Tata Young Citizens' Fund the donor can invest in the name of the beneficiary child. Kindly refer the scheme SID for further details.

During the New Fund Offer Period, Application form (duly completed) along with a cheque (drawn on respective centers) / DD (payable at respective center) can be submitted at the Collection Centers or Investors Service Centers mentioned in the Scheme Information Document.

For ongoing purchase and redemption, applications completed in all respects, must be submitted only at the Investors Service Centers as mentioned in this SAI

All investment cheques should be current dated. Post dated cheques will be accepted only for SIP transactions.

For schemes where CAMS is the registrar:

If there are no authorized investor services centers where the investor resides, the application form duly completed along with a DD drawn on Chennai, after deducting bank charges / commission (not exceeding rate prescribed by State Bank of India) from the amount of investment, may be sent by mail directly to the registrars super scribing the envelop as Tata Mutual Fund – Application form at the following address:

Computer Age Management Systems (CAMS)
 Unit: Tata Mutual Fund
 New No.10 (Old No.178),
 MGR Salai,
 Nungambakkam,
 Chennai - 600 034

For schemes where Karvy is the registrar:

If there are no authorized investor services centers where the investor resides, the application form duly completed along with a DD drawn on Hyderabad, after deducting bank charges / commission (not exceeding rate prescribed by State Bank of India) from the amount of investment, may be sent by mail directly to the registrars super scribing the envelop as Tata Mutual Fund – Application form at the following address:

Karvy Computershare (P) Limited
 H. No. 8-2-596, Avenue 4,
 Street no.1, Banjara Hills,
 Hyderabad – 500 034
 Andhra Pradesh

If such bank charges / commission are not deducted by the applicant, then the same may not be reimbursed. However in case of application along with local Cheque or Bank Draft payable at / from locations where TMF has its designated Authorised Investor Service Centres, Bank Draft charges/ commission may have to be borne by the applicant. In such cases the Trustee Company is entitled, in its sole and absolute discretion, to reject or accept any application.

Example:

If an amount of Rs. 10,000/- is being invested in some scheme of TMF by an investor resident in India having no specified collection centre near his / her residence, the Demand Draft charges that he /she can deduct has been illustrated below:

Investment made (Rs.) (say)	Demand Draft charges (Rs.)	The correct amount of payment after recovery of demand draft charges (Rs.)
10,000.00	50.00	9950.00

Please note that Stockinvests and Postdated Cheques, Money Orders and Postal Orders would not be accepted.

Subscription by NRIs

In terms of Schedule 5 of Notification no. FEMA 20/2000 dated May 3, 2000, RBI has granted general permission to NRIs to purchase, on a repatriation basis units of domestic mutual funds. Further, the general permission is also granted to NRIs to sell the units to the mutual funds for repurchase or for the payment of maturity proceeds, provided that the units have been purchased in accordance with the conditions set out in the aforesaid notification. For the purpose of this section, the term “mutual funds” is as referred to in Clause (23D) of Section 10 of Income-Tax Act 1961. However, NRI investors, if so desired, also have the option to make their investment on a non-repatriable basis.

Subscription by FIIs

In terms of Schedule 5 of Notification no. FEMA 20/2000 dated May 3, 2000, RBI has granted general permission to a registered FII to purchase on a repatriation basis units of domestic mutual funds subject to the conditions set out in the aforesaid notification. Further, the general permission is also granted to FIIs to sell the units to the mutual funds for repurchase or for the payment of maturity proceeds, provided that the units have been purchased in accordance with the conditions set out in the aforesaid notification. For the purpose of this section, the term “mutual funds” is as referred to in Clause (23D) of Section 10 of Income-Tax Act 1961.

Mode of Payment on Repatriation basis

NRIs

In case of NRIs and persons of Indian origin residing abroad, payment may be made by way of Indian Rupee drafts purchased abroad and payable at Mumbai or by way of cheques drawn on Non-Resident (External) (NRE) Accounts payable at par at Mumbai. Payments can also be made by means of rupee drafts payable at Mumbai and purchased out of funds held in NRE / FCNR Accounts.

In case Indian rupee drafts are purchased abroad or from Foreign Currency Accounts or Non-resident Rupee Accounts an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed.

FIIs

FIIs may pay their subscription amounts either by way of inward remittance through normal banking channels or out of funds held in Foreign Currency Account or Non-resident Rupee Account maintained by the FII with a designated branch of an authorized dealer with the approval of the RBI subject to the terms and conditions set out in the aforesaid notification.

All cheques/drafts should be made out in favour of the scheme and crossed “Account Payee Only”. In case Indian Rupee drafts are purchased abroad or from FCNR/NRE A/c. an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed.

Mode of payment on Non-Repatriation basis

In case of NRIs/Persons of Indian origin seeking to apply for Units on a non-repatriation basis, payments may be made by cheques/demand drafts drawn out of Non-Resident Ordinary (NRO) accounts/ Non-Resident Special Rupee (NRSR) accounts and Non Resident Non-Repatriable (NRNR) accounts payable at the city where the Application Form is accepted.

Refunds, interest and other distribution (if any) and maturity proceeds/repurchase price and /or income earned (if any) will be payable in Indian Rupees only. The maturity proceeds/repurchase value of units issued on repatriation basis, income earned thereon, net of taxes may be credited to NRE/FCNR account (details of which should be furnished in the space provided for this purpose in the Application Form) of the non-resident investor or remitted to the non-resident investor. Such payments in Indian Rupees will be converted into US dollars or into any other currency, as may be permitted by the RBI, at the rate of exchange prevailing at the time of remittance and will be dispatched through Registered Post at the unitholders risk. The Fund will not be liable for any loss on account of exchange fluctuations, while converting the rupee amount in US dollar or any

other currency. Credit of such proceeds to NRE/FCNR account or remittance thereof may be permitted by authorized dealer only on production of a certificate from the Fund that the investment was made out of inward remittance or from the Funds held in NRE/FCNR account of the investor maintained with an authorized dealer in India. However, there is no objection to credit of such proceeds to NRO/NRSR account of the investor if he so desires.

Subscription by Multilateral Funding Agencies, on full repatriation basis, is subject to approval by the Foreign Investment Promotion Board.

Rejection of applications

Applications not complete in any respect are liable to be rejected. The Trustee Company may reject any application not in accordance with the terms of the Scheme.

General Instructions

Documents to be submitted

In the case of applications under Power of Attorney

If any application or any request for transmission is signed by a person holding a valid Power of Attorney, the original Power of Attorney or a certified copy duly notarised should be submitted with the application or the transmission request, as the case may be, unless the Power of Attorney has already been registered with the Fund / Registrar.

Non individual investors (Corporates, Societies, Trusts, etc.) are required to submit specified documents such as Memorandums, Articles of Association, bylaws, trust deed, board resolutions and other similar documents along with the subscription application. Units allotted to the non-individual investors are subject to receipt and confirmation of correctness of such statutory documents. If required document(s) are not provided within 10 business days from the date of transaction or the documents provided by the non individual investors are insufficient / inaccurate, then the transactions are liable to be reversed with all costs and consequences to the investor.

Availability of Application Forms, Statement of Additional Information (SAI) and Scheme Information Document (SID)

Application forms and copies of SAI/SID may be obtained from the office of Tata Asset Management Limited., Offices of the Authorised Investor Service Centres listed on the Back Cover Page of Scheme Information Document or any agents of TMF.

Delivery of Account Statement by Post/Courier Services (For details kindly refer SID of individual schemes)

Investors will be sent Account Statements and Cheques by courier/ucp/registered post. The courier and the postal department as the case may be shall be treated as agents of the investor. Delivery of the statement and cheques to the courier / postal department shall be treated as delivery to the investor. The mutual fund / registrars are not responsible for any delayed delivery or non-delivery or any consequences thereof.

In case investor have opted for receipt of communication through email Mutual Fund / registrar shall not be responsible for e-mail not reaching to the investors and for all consequences thereof.

Bank Account Details

It shall be mandatory for the Unitholders to mention their bank account numbers in their applications/requests for redemptions. Unitholders are requested to give the full particulars of their Bank Account i.e. nature and number of account, name, Account Number, Nine digit MICR code No. (For Electronic Credit Facility), branch address of the bank at the appropriate space in the application form.

The Fund will disclose details of the investor's account and all his transactions to the intermediaries whose stamp appears on the application form. In addition, the Fund will disclose details as necessary, to the Fund's and investor's bankers, for the purpose of effecting payments to the investor. Further, investors' details may also be disclosed to Government Authorities such as income tax authorities, SEBI.

For faster dissemination of information, Unitholders are requested to provide their e-mail ID.

Any application for subscription / request for redemption without Bank account details will be rejected by the mutual fund.

PAN Number Details of the Investors

In order to strengthen the Know Your Client (KYC) norms and identify every participant in the securities market with their respective PAN, SEBI vide its Circular No. MRD/DoP/Cir- 05/2007 dated April 27, 2007 has made PAN the sole identification number for all participants, irrespective of the amount of transaction w.e.f July 2, 2007

Copy of a Pan card is **mandatory** for fresh subscription application, additional subscription application and application for new Systematic Investment Plan registered by investors (including NRIs).

Copy of Pan card shall be self certified by investor and by AMFI certified distributor (with ARN affixed) procuring the investment.

In case of joint holding, copy of Pan card of all joint holders is required.

Any application for fresh subscription, additional subscription and for new Systematic Investment Plan without a valid PAN will be liable to be rejected by the Mutual Fund.

In case of mis-match between PAN details provided by the investor and PAN information available on Income Tax Department's website, the Fund will cancel the allotment on units and money will be refunded to the investor.

Note: Investors are urged to refer The Income Tax Rules, 1962 or consult their Tax Advisors for further details.

Prevention of Money Laundering and Know Your Customer (KYC) Compliance:

This clause has been explained further in this SAI.

IV. RIGHTS OF UNITHOLDERS OF THE SCHEME

1. Unit holders of the Scheme have a proportionate right in the beneficial ownership of the assets of the Scheme.
2. When the Mutual Fund declares a dividend under the Scheme, the dividend warrants shall be despatched within 30 days of the declaration of the dividend. Account Statement reflecting the new or additional subscription as well as Redemption / Switch of Units shall be dispatched to the Unit holder within 10 business days of the Specified Redemption Date. Provided if a Unit holder so desires the Mutual Fund shall issue a Unit certificate (non- transferable) within 30 days of the receipt of request for the certificate.
3. The Mutual Fund shall dispatch Redemption proceeds within 10 Business Days of receiving the Redemption request.
4. The Trustee is bound to make such disclosures to the Unit holders as are essential in order to keep the unitholders informed about any information known to the Trustee which may have a material adverse bearing on their investments.
5. The appointment of the AMC for the Mutual Fund can be terminated by majority of the Directors of the Trustee Board or by 75% of the Unit holders of the Scheme.
6. 75% of the Unit holders of a Scheme can pass a resolution to wind-up a Scheme.
7. The Trustee shall obtain the consent of the Unit holders:
 - whenever required to do so by SEBI, in the interest of the Unit holders.
 - whenever required to do so if a requisition is made by three- fourths of the Unit holders of the Scheme.
 - when the Trustee decides to wind up the Scheme or prematurely redeem the Units.
 - The Trustee shall ensure that no change in the fundamental attributes of any Scheme or the trust or fees and expenses payable or any other change which would modify the Scheme and affects the interest of Unit holders, shall be carried out unless :
 - (i) a written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
 - (ii) the Unit holders are given an option to exit at the prevailing Net Asset Value without any Exit Load.
8. In specific circumstances, where the approval of unitholders is sought on any matter, the same shall be obtained by way of a postal ballot or such other means as may be approved by SEBI.

V. INVESTMENT VALUATION NORMS FOR SECURITIES AND OTHER ASSETS

Valuation of Assets

NAV of the Scheme as stated in the foregoing clause for "Computation & Determination of NAV" will be determined by dividing the net assets of the Scheme by the number of outstanding Units on the valuation date.

Pursuant to Regulation 77 of the SEBI (Mutual Funds) Regulations, 1996, the following investment valuation norms are applicable to the Scheme:

Traded Securities:

1. The securities shall be valued at the last quoted closing price on the stock exchange.
2. When the securities are traded on more than one recognised stock exchange, the securities shall be valued the reasons for the selection should be recorded in writing. There should however be no objection for all scrips being valued at the prices quoted on the stock exchange where a majority in value of the investments are principally traded such as the National Stock Exchange (NSE) or The Stock Exchange, Mumbai (BSE).
3. Once a stock exchange has been selected for valuation of a particular security, reasons for change of the exchange shall be recorded in writing by the AMC.
4. When on a particular valuation day, a security has not been traded on the selected stock exchange; the value at which it is traded on another stock exchange may be used.
5. When a security (other than Government Securities) is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the selected stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than thirty days prior to valuation date in case of equity and equity related instruments and 15 days in case of debt securities.

Thinly Traded Securities:

(i) Thinly Traded Equity/Equity Related Securities:

When trading in an equity/equity related security (such as convertible debentures, equity warrants, etc.) in a month is less than Rs. 5 lacs and the total volume is less than 50,000 shares, it shall be considered as a thinly traded security and valued accordingly.

Where a stock exchange identifies the "thinly traded" securities by applying the above parameters for the preceding calendar month and publishes/provides the required information along with the daily quotations, the same can be used by the mutual funds.

If the share is not listed on the stock exchanges which provide such information, then it will be obligatory on the part of the mutual fund to make its own analysis in line with the above criteria to check whether such securities are thinly traded which would then be valued accordingly.

In case trading in an equity security is suspended upto 30 days, then the last traded price would be considered for valuation of that security. If an equity security is suspended for more than 30 days, then the Asset Management Company/Trustees will decide the valuation norms to be followed and such norms would be documented and recorded.

(ii) Thinly Traded Debt Securities:

A debt security (other than Government Securities) shall be considered as a thinly traded security if on the valuation date, there are no individual trades in that security in marketable lots (currently Rs. 5 crore) on the principal stock exchange or any other stock exchange.

A thinly traded debt security as defined above would be valued as per the norms set for non-traded debt security.

(iii) Non Traded Securities:

When a security (other than Government Securities) is not traded on any stock exchange for a period of 30 days (15 days in case of debt security) prior to the valuation date the scrip must be treated as a 'non traded' security.

Unlisted Equity Shares will be valued in accordance with the criteria laid down in SEBI circular no. MFD/CIR03/526/2002 dated May 9, 2002.

VALUATION OF NON-TRADED / THINLY TRADED SECURITIES

(i) Non-traded / thinly traded equity securities:

- (a) Based on the latest available Balance Sheet, net worth shall be calculated as follows :
- (b) Net Worth per share = [share capital + reserves (excluding revaluation reserves) – Misc. expenditure and Debit Balance in P&L A/c] Divided by No. of Paid up Shares.
- (c) Average capitalisation rate (P/E ratio) for the industry based upon either BSE or NSE data (which should be followed consistently and changes, if any noted with proper justification thereof) shall be taken and discounted by 75% i.e. only 25% of the Industry average P/E shall be taken as capitalisation rate (P/E ratio). Earnings per share of the latest audited annual accounts will be considered for this purpose.
- (d) The value as per the net worth value per share and the capital earning value calculated as above shall be averaged and further discounted by 10% for ill-liquidity so as to arrive at the fair value per share.
- (e) In case the EPS is negative, EPS value for that year shall be taken as zero for arriving at capitalised earning.
- (f) In case where the latest balance sheet of the company is not available within nine months from the close of the year, unless the accounting year is changed, the shares of such companies shall be valued at zero.
- (g) In case an individual security accounts for more than 5% of the total assets of the scheme, an independent valuer shall be appointed for the valuation of the said security.

(ii) (a) Non Traded /Thinly Traded Debt Securities of Upto 182 Days to Maturity:

As the money market securities are valued on the basis of amortization (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 period of the instruments) the same process should be adopted for non-traded debt securities with residual maturity of upto 182 days, in the absence of any other standard benchmarks in the market. All other non traded Non Government debt instruments should be valued using the method suggested in (ii)(b) hereof.

(ii) (b) Non Traded/ Thinly Traded Debt Securities of Over 182 Days to Maturity.

For the purpose of valuation, all Non Traded Debt Securities would be classified into "Investment grade" and "Non Investment grade" securities based on their credit ratings. The non-investment grade securities would further be classified as "Performing" and "Non Performing" assets

- All Non Government investment grade debt securities, classified as not traded, shall be valued on yield to maturity basis as described in the applicable SEBI circular.
- All Non Government non investment grade performing debt securities would be valued at a discount of 25% to the face value.
- All Non Government non investment grade non performing debt securities would be valued based on the provisioning norms.

The approach in valuation of non traded debt securities is based on the concept of using spreads over the benchmark rate to arrive at the yields for pricing the non traded security.

Valuation for Floating Rate Securities

Valuation of non-traded/thinly traded debt securities with floating rate of interest Non Traded/ Thinly Traded Floating rate Debt Securities upto 182 Days to the Interest Reset Date / Maturity:

The non-traded / thinly traded floating rate debt securities with upto 182 days to the next reset date/maturity will be valued at amortization (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 interest reset period of the instruments) in the absence of any other standard benchmarks in the market.

Non Traded/ Thinly Traded Floating rate Debt Securities of over 182 Days to Maturity/Interest Reset Date:

Non traded/ Thinly traded Floating rate debt securities over 182 Days to the next reset date shall be first classified into 'Investment grade' and 'Non-Investment grade' securities based on their credit ratings. The non-investment grade securities shall be further classified as 'Performing' and 'Non-Performing' assets. The securities shall be valued on the basis of the valuation principles laid down in the SEBI circular no.MFD/CIR/8/92/2000 dated September 18, 2000 as amended from time to time in the absence of any other guidelines from SEBI for the valuation of such floating rate debt instruments.

- All such floating rate Non Government investment grade debt securities, classified as not traded/thinly traded, shall be valued on yield to next reset date basis based on the yield to maturity basis as described in the SEBI circular no.MFD/CIR/8/92/2000 dated September 18, 2000.
- All Non Government non investment grade performing floating rate debt securities would be valued at a discount of 25% to the face value.
- All Non Government non investment grade non performing floating rate debt securities would be valued based on the provisioning norms.

Valuation of securities with Put/Call Options

The option embedded securities would be valued as follows:

Securities with call option

The securities with call option shall be valued at the lower of the value as obtained by valuing the security to final maturity and valuing the security to call option.

In case there are multiple call options, the lowest value obtained by valuing to the various call dates and valuing to the maturity date is to be taken as the value of the instrument.

Securities with Put option

The securities with put option shall be valued at the higher of the value as obtained by valuing the security to final maturity and valuing the security to put option

In case there are multiple put options, the highest value obtained by valuing to the various put dates and valuing to the maturity date is to be taken as the value of the instruments.

Securities with both Put and Call option on the same day

The securities with both Put and Call option on the same day would be deemed to mature on the Put/Call day and would be valued accordingly.

(ii) (c) Government securities

The scheme will use the prices for Government Securities released by an agency suggested by AMFI for the sake of uniformity in calculation of NAVs.

(iii) Liquid Securities:

- (a) Aggregate value of "illiquid securities" of scheme, which are defined as non-traded, thinly traded and unlisted equity shares, shall not exceed 15% of the total assets of the scheme and any illiquid securities held above 15% of the total assets shall be assigned zero value.

Provided that in case any scheme has illiquid securities in excess of 15% of total assets as on September 30, 2000 then such a scheme shall within a period of two years bring down the ratio of illiquid securities within the prescribed limit of 15% in the following time frame:

- (i) all the illiquid securities above 20% of total assets of the scheme shall be assigned zero value on September 30, 2001.
 - (ii) All the illiquid securities above 15% of total assets of the scheme shall be assigned zero value on September 30, 2002.
- (b) All funds shall disclose as on March 31 and September 30 the scheme-wise total illiquid securities in value and percentage of the net assets while making disclosures of half yearly portfolios to the unitholders. In the list of investments, an asterisk mark shall also be given against all such investments which are recognised as illiquid securities.
- (c) Mutual Funds shall not be allowed to transfer illiquid securities among their schemes w.e.f. October 1, 2000.
- (d) Where a scheme has illiquid securities as at September 30, 2001 not exceeding 15% in the case of an open-ended fund and 20% in the case of closed fund, the concessions of giving time period for reducing the illiquid security to the prescribed limits would not be applicable and at all time the excess over 15% or 20% shall be assigned nil value.

Valuation of Money Market Instruments

Investments in bills purchased under rediscounting scheme and short term deposits with banks shall be valued at cost plus accrual; other money market instruments shall be valued at the yield at which they are currently traded. For this purpose, non-traded instruments that are instruments not traded for a period of seven days will be valued at cost plus interest accrued till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instruments.

Valuation of Derivative Product:

1. The traded derivative shall be valued at market price in conformity with the stipulations of sub clauses (I) to (V) of clause 1 of the eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended by SEBI circular no. MFD/CIR/8/92/2000 dated September, 18, 2000.
2. The valuation of untraded derivatives shall be done in accordance with the valuation method for untraded investments prescribed in sub clauses (I) and (II) of clause 2 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended by SEBI circular no. MFD/CIR/8/92/2000 dated September, 18, 2000.

Valuation of GOLD

1. Valuation of Gold (as per SEBI (Mutual Funds) (Fourth Amendment) Regulations, 2006

Since physical gold and other permitted instruments linked to gold are denominated in gold tonnage, it will be valued based on the market price of gold in the domestic market and will be marked to market on a daily basis. However, at present, valuation of gold is governed by valuation formula prescribed under SEBI (Mutual Funds) (Fourth Amendment) Regulations, 2006 dated December 20, 2006. As per this formula, the market price of gold in the domestic market on any business day would be arrived at as under:

- 1) The gold held by a gold exchange traded fund scheme shall be valued at the AM fixing price of London Bullion Market Association (LBMA) in US dollars per troy ounce for gold having a fineness of 995.0 parts per thousand, subject to the following:
 - (a) adjustment for conversion to metric measures as per standard conversion rates;
 - (b) adjustment for conversion of US dollars into Indian rupees as per the RBI reference rate declared by the Foreign Exchange Dealers Association of India (FEDA); and
 - (c) addition of –
 - (i) transportation and other charges that may be normally incurred in bringing such gold from London to the place where it is actually stored on behalf of the mutual fund; and
 - (ii) notional customs duty and other applicable taxes and levies that may be normally incurred to bring the gold from London to the place where it is actually stored on behalf of the mutual fund:

Provided that the adjustment under clause (c) above may be made on the basis of a notional premium that is usually charged for delivery of gold to the place where it is stored on behalf of the mutual fund:

Provided further that where the gold held by a gold exchange traded fund scheme has a greater fineness, the relevant LBMA prices of AM fixing shall be taken as the reference price under this sub-paragraph.

- (2) If the gold acquired by the gold exchange traded fund scheme is not in the form of standard bars, it shall be assayed and converted into standard bars which comply with the good delivery norms of the LBMA and thereafter valued in terms of sub-paragraph (1)."

Specifications for a Good Delivery Gold Bar

The physical settlement of a loco London gold trade is a bar conforming to the following specifications:

Weight : minimum gold content: 350 fine ounces (approximately 10.9kilograms) maximum gold content: 430 fine ounces (approximately 13.4 kilograms)

The gross weight of a bar should be expressed in troy ounces, in multiples of 0.025, rounded down to the nearest 0.025 of an troy ounce.

Dimensions : the recommended dimensions for a Good Delivery gold bar are approximately as follows:

Top Surface : 255 x 81 mm
Bottom Surface : 236 x 57 mm
Thickness : 37 mm

Fineness : the minimum acceptable fineness is 995.0 parts per thousand fine gold.

Marks : Serial number
Assay stamp of refiner
Fineness (to four significant figures)
Year of manufacture (expressed in four digits)

Source : www.lbma.org.uk

Valuation Norms for Foreign Securities

On the Valuation Day, the securities issued outside India and listed on the stock exchanges outside India shall be valued at the closing price on the stock exchange at which it is listed or at the last available traded price.

However in case a security is listed on more than one stock exchange, the AMC reserves the right to determine the stock exchange, the price of which would be used for the purpose of valuation of that security.

In case any particular security is not traded on the Valuation Day, the same shall be valued "in good faith" by the asset management company on the basis of the valuation principles laid down by it or SEBI as the case may be.

Units of overseas mutual fund scheme shall be valued at last available Net Asset Value (less exit charge if applicable).

Foreign Exchange conversion

On the valuation day, all assets and liabilities in foreign currency will be valued in Indian Rupees at the RBI reference rate as at the close of banking hours on that day in India. The Trustees reserve the right to change the source for determining the exchange rate at a future date after recording the reason for such change.

VI. TAX & LEGAL & GENERAL INFORMATION

A. Taxation on Investing in Mutual Funds

A. TAX TREATMENT OF INVESTMENTS IN EQUITY ORIENTED FUNDS

Certain tax benefits as described below are available, under present taxation laws to the Unitholders holding Units of Equity Oriented Mutual Funds as an investment. The information set out below is included for general information purposes only and does not constitute legal or tax advice. In view of the individual nature of the tax consequences, each investor is advised to consult his or her own tax consultant with respect to specific tax implications arising out of their participation in the Scheme. Income Tax benefits to the mutual fund and to the unitholder is in accordance with the prevailing tax a law as certified by the mutual funds tax consultant.

i. TAX BENEFITS TO THE MUTUAL FUND

Tata Mutual Fund is a Mutual Fund registered with the Securities and Exchange Board of India and hence the entire income of the Fund will be exempt from income-tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act). The Fund is entitled to receive all income without any deduction of tax at source under the provisions of Section 196(iv), of the Act.

The equity oriented Fund is not required to pay any Dividend Distribution Tax u/s 115R of the Act.

ii. TAX BENEFITS TO THE UNITHOLDERS

Income Tax

According to Section 10(35) of the Income Tax Act, any income other than capital gain received in respect of units of a mutual fund specified under Section 10(23D) will be exempt from income-tax in the hands of the unitholders.

Capital Gains Tax

Long Term Capital Gains On Transfer of Units

Under Section 10(38), long term capital gains arising on sale of units of equity oriented funds are exempt from income tax in the hands of Unit holders, provided STT is charged on such sale by the Mutual Fund.

Short Term Capital Gains On Transfer Of Units

Section 111A provides that short-term capital gains arising on sale of units of equity oriented funds are chargeable to income tax at a concessional rate of 15% plus applicable surcharge, education cess and secondary and higher education cess as applicable, provided STT is charged on such sale by the Mutual Fund. Further, Section 48 provides that no deduction shall be allowed in respect of STT paid for the purpose of computing Capital Gains.

Capital Losses

Losses under the head "Capital Gains" cannot be setoff against income under any other head. Further within the head "Capital Gains", losses arising from the transfer of long-term capital assets cannot be adjusted against gains arising from the transfer of a short-term capital asset. However, losses arising from the transfer of short-term capital assets can be adjusted against gains arising from the transfer of either a long-term or a short-term capital asset.

Under Section 10(38) of the I.T. Act, long-term capital gains arising on sale of units of an equity oriented fund are exempt from Income Tax provided certain conditions are fulfilled. Hence, losses arising from such type of transaction of sale of units of Equity Oriented Fund would not be eligible for set-off against taxable capital gains.

Unabsorbed short-term capital loss can be carried forward and set off against the income under the head Capital Gains in subsequent eight assessment years.

According to Section 94(7) of the I.T. Act, if any person buys or acquires units within a period of three months prior to the record date fixed for declaration of dividend or distribution of income and sells or transfers the same within a period of nine months from such record date, then losses arising from such sale to the extent of income received or receivable on such units, which are exempt under the Income Tax Act, will be ignored for the purpose of computing his income chargeable to tax.

Further, Sub-section (8) of Section 94 provides that, where bonus Units have been issued to any person, on the basis of existing units held by such person then the loss on sale of original units shall be ignored for the purpose of computing income chargeable to tax, if the original units were acquired within three months prior to the record date fixed for receipt of bonus units and sold within nine months from such record date. However, the loss so ignored shall be considered as cost of acquisition of such bonus units held on the date of sale by such person.

TAX DEDUCTION AT SOURCE

For Income In Respect Of Units:

As per the proviso to Section 196A(1) of the Act, no tax shall be deducted at source from any income credited or paid to non-resident unitholders in respect of units of a mutual fund specified under Section 10(23D) of the Act. Similarly as per the provisions of Section 194K of the Act no tax should be withheld or deducted at source where any income is credited or paid by a mutual fund to a resident unitholders.

For Capital Gain

(a) In respect of Resident Unit holders :

No tax is required to be deducted at source on capital gains arising to any resident Unit holder (under section 194K) vide circular no. 715 dated August 8, 1995 issued by the Central Board for Direct Taxes (CBDT)..

(b) In respect of Non- Resident Unit holders:

As per the provisions of Section 195 of the Act, tax is required to be deducted at source from the redemption proceeds paid to investors; this withholding is in addition to the securities transaction tax payable, if any, by the investor. Under Section 195 of the I.T. Act, tax shall be deducted at source in respect of capital gains as under:

- **In case of non-resident unitholders -**
 - Short term capital gains 15% plus surcharge and cess
 - Long term capital gains Nil
- **In case of foreign company -**
 - Short term capital gains 15% plus surcharge and cess
 - Long term capital gains Nil

No tax would be deductible at source from the capital gains (whether long-term or short-term) arising to an FII on repurchase/redemption of units in view of the provisions of Section 196D (2) of the Act.

As per circular no. 728 dated October 1995 by CBDT, in the case of a remittance to a country with which a Double Taxation Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in DTAA whichever is more beneficial to the assessee.

Securities Transaction Tax

Securities Transaction Tax ("STT") is applicable on transactions of purchase or sale of units of an equity oriented fund entered into on a recognized stock exchange or on sale of units of an equity oriented fund to the Fund. The STT rates as applicable are given in the following table:

Taxable Securities Transaction	Rates	Payable by
Purchase of a unit of an equity oriented fund, where - The transaction of such purchase is entered into in a recognised stock exchange; and The contract for the purchase of such unit is settled by the actual delivery or transfer of such unit.	0.125%	Purchaser
Sale of a unit of an equity oriented fund, where - The transaction of such sale is entered into in a recognised stock exchange; and The contract for the sale of such unit is settled by the actual delivery or transfer of such unit.	0.125%	Seller
Sale of a unit of an equity oriented fund, where - The transaction of such sale is entered into in a recognised stock exchange; and The contract for the sale of such unit is settled otherwise than by the actual delivery or transfer of such unit.	0.025%	Seller
Sale of unit of an equity oriented fund to the Mutual Fund itself.	0.25%	Seller

The Fund is responsible for collecting the STT from every person who sells the Unit to it at the rate of 0.25%. The STT collected by the Fund during any month will have to be deposited with the Central Government by the seventh day of the month immediately following the said month.

Investments by Charitable and Religious Trusts

Units of a Fund Scheme referred to in clause 23D of section 10 of the Income Tax Act, 1961, constitute an eligible avenue for investment by charitable or religious trusts per rule 17C of the Income Tax Rules, 1962, read with clause (xii) of sub-section (5) of Section 11 of the Income Tax Act, 1961.

Wealth Tax

Units held under the Schemes of the Fund are not treated as assets as defined under Section 2(ea) of the Wealth Tax Act, 1957 and therefore would not be liable to wealth tax.

Gift Tax

The Gift-tax Act, 1958, has ceased to apply to gifts made on or after 1 October 1998. Gifts of Units, purchased under the Schemes, would therefore, be exempt from gift-tax.

Deduction under section 80C [Applicable only for ELSS schemes currently (Tata Tax Saving Fund, Tata Tax Advantage Fund- 1 and Tata Infrastructure Tax Saving Fund)]

As per the Act, section 80C is inserted from the financial year commencing on and from April 01, 2005. As per the section, subject to the provisions, an individual/HUF is entitled to a deduction from Gross Total Income upto Rs. 1,00,000/- (along with other prescribed investments) for amounts invested in any units of a mutual fund notified under section 10(23D) of the Act, under any plan formulated in accordance with such scheme as the Central Government may notify.

B. TAX TREATMENT OF INVESTMENTS IN DEBT FUNDS

Certain tax benefits as described below are available, under present taxation laws to the Unitholders holding Unit of Debt Funds as an investment. The information set out below is included for general information purposes only and does not constitute legal or tax advice. In view of the individual nature of the tax consequences, each investor is advised to consult his or her own tax consultant with respect to specific tax implications arising out of their participation in the Scheme. Income Tax benefits to the mutual fund and to the unitholder is in accordance with the prevailing tax law as certified by the mutual funds tax consultant.

i. TAX BENEFITS TO THE MUTUAL FUND

Tata Mutual Fund is a Mutual Fund registered with the Securities and Exchange Board of India and hence the entire income of the Fund will be exempt from income-tax in accordance with the provisions of Section 10(23D) of the Income-tax Act, 1961 (the Act). The Fund is entitled to receive all income without any deduction of tax at source under the provisions of Section 196(iv), of the Act.

On income distribution, if any, made by the Fund, on or after 1 April, 2004, to its Unitholders, being Individuals and Hindu Undivided Family, income-tax will be payable under Section 115R of the Act, at the rate of 14.1625 % (inclusive of surcharge and additional surcharges called Education Cess and Secondary and Higher Education Cess on income-tax), and to other Unitholders at the rate of 22.66% (inclusive of surcharge and additional surcharges called Education Cess and Secondary and Higher Education Cess on income-tax), except, inter alia, in the case of equity-oriented funds (including close ended equity funds)(i.e. such fund where the investible funds are invested by way of equity shares in domestic companies to the extent of more than 65% of the total proceeds of such Fund), where no such tax will be payable. In case of Liquid Funds and Money Market Funds, the rate of Dividend Distribution Tax is 28.325% (inclusive of surcharge and additional surcharges called Education Cess and Secondary and Higher Education Cess on income-tax).

ii. TAX BENEFITS TO THE UNITHOLDERS

Income Tax

According to Section 10(35) of the Income Tax Act, any income other than capital gain received in respect of units of a mutual fund specified under Section 10(23D) will be exempt from income-tax in the hands of the unitholders.

Capital Gains Tax

Long-term capital gains on sale of units of Mutual Funds other than equity oriented funds are not exempt from income tax under Section 10(38) of the Act in the hands of unit holders. The provisions for taxation of long-term capital gains for different categories of assessee are explained hereunder:

i) For Individuals , HUFs, Partnership Firms, Non-residents, Indian Companies, Foreign Companies

Long-term capital gains in respect of Units of Mutual Fund held for a period of more than 12 months will be chargeable under Section 112 of the Act, at a rate of 20% plus surcharge, as applicable and Education Cess and Secondary and Higher Education Cess. Capital gains would be computed after taking into account cost of acquisition as adjusted by Cost Inflation Index notified by the Central Government and expenditure incurred wholly and exclusively in connection with such transfer. In the case where taxable income as reduced by long term capital gains is below the exemption limit, the long term capital gains will be reduced to the extent of the shortfall and only the balance long term capital gains will be charged at the flat rate of 20% plus surcharge, as may be applicable and Education Cess and Secondary and Higher Education Cess.

It is further provided that an assessee will have an option to apply concessional rate of 10% plus applicable surcharge and Education Cess and Secondary and Higher Education Cess, provided the long term capital gains are computed without substituting indexed cost in place of cost of acquisition.

ii) For Non-resident Indians

Under Section 115E of the Act for non-resident Indians, income by way of long-term capital gains in respect of Units is chargeable at the rate of 20% plus applicable surcharge and Education Cess at and Secondary and Higher Education Cess. Such long-term capital gains would be calculated without indexation of cost of acquisition.

It may be possible for non-resident Indians to opt for computation of long term capital gains as per Section 112, which provides for 10% tax on long term capital gain. However, this issue is not free from doubt.

iii) For Overseas Financial Organisations (Section 115AB) and Foreign Institutional Investors (115AD)

Under Section 115AB of the Act, income earned by way of long-term capital gains in respect of units purchased in foreign currency held for a period of more than 12 months by Overseas Financial Organisation will be chargeable to tax at the rate of 10%, plus applicable surcharge and education cess and secondary and higher education cess. Such gains would be calculated without indexation of cost of acquisition. Similarly, the long term capital gain is chargeable at the rate of 10% in case of Foreign Institutional Investors covered by Section 115AD.

Exemption From Long Term capital gain:

Under Section 54EC of the Act and subject to the conditions specified therein, taxable capital gains, arising on transfer of a long term capital asset, shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months from the date of transfer subject to an upper limit of Rs. 50 lakhs per year per tax payer. No deduction from the amount of income with reference to such investment shall be allowed under section 80C.

Under Section 54F of the Act and subject to the conditions specified therein, in the case of an individual or a HUF, capital gains (subject to the exemption of long-term capital gains provided for in section 10(38) of the Act, discussed elsewhere in this Statement) arising on transfer of a long term capital asset (not being a residential house) are not chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period in a residential house. If part of such net consideration is invested within the prescribed period in a residential house, then such gains would not be chargeable to tax on a proportionate basis. For this purpose, net consideration means full value of the consideration received or accruing as a result of the transfer of the capital asset as reduced by any expenditure incurred wholly and exclusively in connection with such transfer.

C. SHORT TERM CAPITAL GAINS ON TRANSFER OF UNITS

Short term capital gains in respect of Units held for a period of less than 12 months is added to the total income. Total income including short-term capital gains is chargeable to tax as per the relevant slab rates. However, in case of Foreign Institutional Investors, and the companies short term capital gain will be chargeable to tax at the rate of 30% plus applicable surcharge and education cess and secondary and higher education cess. In case of foreign companies the tax rate would be 40% plus applicable surcharge and education cess.

D. CAPITAL LOSSES

Losses under the head "Capital Gains" cannot be setoff against income under any other head. Further within the head "Capital Gains", losses arising from the transfer of long-term capital assets cannot be adjusted against gains arising from the transfer of a short-term capital asset. However, losses arising from the transfer of short-term capital assets can be adjusted against gains arising from the transfer of either a long-term or a short-term capital asset.

Unabsorbed short-term capital loss can be carried forward and set off against the income under the head Capital Gains in subsequent eight assessment years.

According to Section 94(7) of the Income Tax Act, if any person buys or acquires units within a period of three months prior to the record date fixed for declaration of dividend or distribution of income and sells or transfers the same within a period of nine months from such record date, then losses arising from such sale to the extent of income received or receivable on such units, which are exempt under the Income Tax Act, will be ignored for the purpose of computing his income chargeable to tax.

Further, Sub-section (8) of Section 94 provides that, where additional Units have been issued to any person without any payment, on the basis of existing units held by such person then the loss on sale of original units shall be ignored for the purpose of computing income chargeable to tax, if the original units were acquired within three months prior to the record date fixed for receipt of additional units and sold within nine months from such record date. However, the loss so ignored shall be considered as cost of acquisition of such additional units held on the date of sale by such person.

Tax Deduction at Source

For Income in Respect of Units:

As per the proviso to Section 196A(1) of the Act, no tax shall be deducted at source from any income credited or paid to non-resident unitholders in respect of units of a mutual fund specified under Section 10(23D) of the Act. Similarly as per the provisions of Section 194K of the Act no tax should be withheld or deducted at source where any income is credited or paid by a mutual fund to a resident unitholders.

For Capital Gain

(a) In respect of Resident Unit holders:

No tax is required to be deducted at source on capital gains arising to any resident Unit holder (under section 194K) vide circular no. 715 dated August 8, 1995 issued by the Central Board for Direct Taxes (CBDT)..

(b) In respect of Non- Resident Unit holders:

As per the provisions of Section 195 of the Act, tax is required to be deducted at source from the redemption proceeds paid to investors; this withholding is in addition to the securities transaction tax payable, if any, by the investor. Under Section 195 of the Act, tax shall be deducted at source in respect of capital gains as under:

- **In case of non-resident unitholders -**

Short term capital gains	30% plus surcharge and cess
Long term capital gains	20% plus surcharge and cess
- **In case of foreign company -**

Short term capital gains	40% plus surcharge and cess
Long term capital gains	20% plus surcharge and cess

No tax would be deductible at source from the capital gains (whether long-term or short-term) arising to an FII on repurchase/redemption of units in view of the provisions of Section 196D (2) of the Act.

As per circular no. 728 dated October 1995 by CBDT, in the case of a remittance to a country with which a Double Taxation Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in DTAA whichever is more beneficial to the assessee.

Investments by Charitable and Religious Trusts

Units of a Fund Scheme referred to in clause 23D of section 10 of the Income Tax Act, 1961, constitute an eligible avenue for investment by charitable or religious trusts per rule 17C of the Income Tax Rules, 1962, read with clause (xii) of sub-section (5) of Section 11 of the Income Tax Act, 1961.

Wealth Tax

Units held under the Schemes of the Fund are not treated as assets as defined under Section 2(ea) of the Wealth Tax Act, 1957 and therefore would not be liable to wealth tax.

Gift Tax

The Gift-tax Act, 1958, has ceased to apply to gifts made on or after 1 October 1998. Gifts of Units, purchased under the Schemes, would therefore, be exempt from gift-tax.

B. Legal Information**Listing, Transfer & Pledge of Units****a) Listing****For open ended schemes:**

As the Fund will be repurchasing the Units on an ongoing basis, the units of the Scheme are not proposed to be listed on any Stock Exchange. The Trustee may, at its sole discretion, cause the units under the Scheme to be listed on one or more Stock Exchange. Notification of the same will be made through Investor Service Centers or the AMC and as may be required by the respective Stock Exchanges.

For close ended schemes:

In accordance with SEBI Circular No. SEBI/IMD/CIR No.12/147132/08 dated December 11, 2008 all close ended schemes (except Equity Linked Savings Schemes) launched after 12th December, 2008 will be listed on the National Stock Exchange (NSE) and / or Bombay Stock Exchange (BSE).

b) Transfer

As the Fund will be repurchasing the Units on an ongoing basis, no transfer facility is envisaged.

c) Pledge

Units under the schemes can be pledged (converted into money) with scheduled banks, financial institutions, NBFCB, or any other body by the unitholders as security for raising loans. TMF will take note of such pledge / charge in its records. A standard form / appropriate documentation has been drafted for this purpose and is available on request. However, disbursement of such loans will be at the entire discretion of scheduled banks, financial institutions, NBFCB, or any other body concerned and TMF assumes no responsibility therefore.

Nomination Facility

As per AMFI Circular No. 35/MEM-COR/65/07-08 dated February 15, 2008, The Fund proposes to follow following procedure with respect to Multiple Nomination:

An Investor can have a maximum of three nominees. It is mandatory for the investor to indicate clearly the percentage of allocation / share (in case of more than one nominee) in favour of each of the nominees against their name and such allocation / share should be in whole number without any decimals making a total of 100%. If percentage of allocation / share for each of the nominees is not indicated by the investor, the AMC, by invoking default option shall settle the claim equally amongst all the nominees.

If an application is made in the name of a single individual holder, the Unitholders under this scheme, can write to the registrar requesting for a Nomination Form to nominate a successor to receive the Units upon his / her death, as provided in the Regulations. All payments and settlements made to such nominee and a receipt thereof shall be a valid discharge by the Fund. Unitholders being either parent or lawful guardian on behalf of a minor and power of attorney holder of an eligible institution, societies, Funds, bodies corporate, partnership firms and HUF shall have no right to make any nomination. Nomination in favour of Non-Residents will be governed by the rules formulated by Reserve Bank of India from time to time.

The provisions for nomination with regard to Mutual Funds would be as per Section 56 and Section 69 (regarding the right of the beneficiary to transfer possession) of the Indian Trusts Act, 1882 since the Mutual Fund is formed as a Trust under the said Act.

The AMC has provided this nomination facility as an additional feature. By provision of this facility the AMC is not in any way attempting to grant any rights other than those granted by law to the nominee. A nomination in respect of the Units does not create an interest in the property after the death of the Unitholder. The nominee shall receive the units only as an agent and trustee for the legal heirs or legatees as the case may be. It is hereby clarified that the nominees under the nomination facility provided herein shall not necessarily acquire any title or beneficial interest in the property by virtue of this nomination & the transmission of units would normally be governed as per succession certificate/probate of the will.

Nomination can be made only by individuals applying / holding units on their own behalf singly or jointly. Non-individuals including society, trust other than a religious or charitable trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of Power of Attorney or any other artificial/judicial person cannot nominate. If the units are held jointly all joint holders will sign the nomination form. A minor can be made a nominee and the name and address of the guardian of the nominee minor shall be provided by the unitholder. A non-resident Indian shall be a nominee subject to exchange controls in force from time to time. Nomination can also be made in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office or a religious or charitable trust.

Nomination in respect of units stands cancelled upon transfer of units. Nominee shall be a valid discharge by the Asset Management Company against the legal heir. The cancellation of nomination can be made only by those individuals who hold units on their own behalf singly or jointly and who made the original nomination. On cancellation of nomination the nomination shall stand rescinded and the asset management company shall not be under any obligation to transfer the units in favour of the nominee.

Transmission of Units

If Units are held by more than one registered Unit Holder, then, upon death of one of the Unit Holders, the Units shall be transmitted in favour of the remaining Holder(s) (in the order in which the names appear in the register of Unit Holders with the Registrar) on production of a death certificate and / or any other documents to the satisfaction of the AMC / Registrar. In case of death of all the unitholders, units shall be transmitted in favour of the nominee.

If Units are held in a single name by the Unit Holder, Units shall be transmitted in favour of the nominee where the Unit Holder has appointed a nominee upon production of death certificate or any other documents to the satisfaction of the AMC / Registrar. If the Unit Holder has not appointed a nominee or in the case where the nominee dies before the Unit Holder, the Units shall be transmitted in favour of or as otherwise directed by the Unit Holder's legal heir(s) on production of the death certificate and / or any other documents to the satisfaction of the AMC / Registrar.

Transmission cum redemption/switch request at the same point of time will not be accepted. A stand alone request is required to be submitted for the transmission of units. A new folio is created on transmission of units. Unit holder can submit redemption/switch request only after the transmission of units is through.

Nomination Facility for TYCF

Anytime after attaining maturity i.e. after 18 years of age, the Unitholders under this scheme, can write to Cams Authorised Investor Service Centres requesting for a Nomination Form to nominate a successor to receive the Units upon his / her death, to the extent provided in the Regulations. All payments and settlements made to such nominee and a receipt thereof shall be a valid discharge by the Fund. Unitholders being either parent or

lawful guardian on behalf of a minor and power of attorney holder of an eligible institution, societies, Funds, bodies corporate, partnership firms and HUF shall have no right to make any nomination. Nomination in favour of Non-Residents will be governed by the rules formulated by Reserve Bank of India from time to time

The provisions for nomination with regard to Mutual Funds would be as per Section 56 and Section 69 (regarding the right of the beneficiary to transfer possession) of the Indian Trusts Act, 1882 since the Mutual Fund is formed as a Trust under the said Act.

The AMC has provided this nomination facility as an additional feature. By provision of this facility the AMC is not in any way attempting to grant any rights other than those granted by law to the nominee. A nomination in respect of the Units does not create an interest in the property after the death of the Unitholder. The nominee shall receive the units only as an agent and trustee for the legal heirs or legatees as the case may be. It is hereby clarified that the nominees under the nomination facility provided herein shall not necessarily acquire any title or beneficial interest in the property by virtue of this nomination & the transmission of units would normally be governed as per succession certificate/probate of the will.

Nomination can be made only by individuals applying / holding units on their own behalf singly or jointly. Non-individuals including society, trust (other than religious or charitable trust), body corporate, partnership firm, Karta of Hindu Undivided Family, holder of Power of Attorney cannot nominate. If the units are held jointly all joint holders will sign the nomination form. A minor can be made a nominee and the name and address of the guardian of the nominee minor shall be provided by the unitholder. A non-resident Indian can be a nominee subject to exchange controls in force from time to time. Nomination can also be made in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office or a religious or charitable trust.

Nomination in respect of units stands cancelled upon transfer of units. Nominee shall be a valid discharge by the Asset Management Company against the legal heir. The cancellation of nomination can be made only by those individuals who hold units on their own behalf singly or jointly and who made the original nomination. On cancellation of nomination the nomination shall stand rescinded and the asset management company shall not be under any obligation to transfer the units in favour of the nominee.

Prevention of Money Laundering and Know Your Customer (KYC) Compliance

In terms of the Prevention of Money Laundering Act, 2002, the Rules issued there under and the guidelines/circulars issued by SEBI regarding the Anti Money Laundering (AML Laws), all intermediaries, including Mutual Funds, have to formulate and implement a client identification programme, verify and maintain the record of identity and address(es) of investors.

In order to make the data capture and document submission easy and convenient for the investors, Mutual Fund Industry has collectively entrusted the responsibility of collection of documents relating to identity and address of the investor(s) to an independent agency (presently CDSL Ventures Limited) which will act as central record keeping agency ('Central Agency'). As a token of having verified the identity and address of the investor(s) and for efficient retrieval of records, the Central Agency will issue a KYC Acknowledgement Letter (previously known as Mutual Fund Identification Number -MIN Letter) to each investor who submits an application and the prescribed documents to the Central Agency. Investors are required to attach the copy of KYC Acknowledgement Letter (or the erstwhile MIN* Allotment Letter) along with the application form at the time of making investment for the first time in every Mutual Fund. In respect of any subsequent investments in the same Mutual Fund, it is not necessary to attach a copy of the KYC Acknowledgement Letter (or the erstwhile Mutual Fund Identification Number (MIN)* Allotment Letter). Investors who wish to obtain a KYC Acknowledgement Letter have to submit a completed Application Form for Know Your Customer ('KYC Form') along with all the prescribed documents listed in the KYC Form, at any of the Point of Service ('POS'). The KYC Form is available at our website - www.tatamutualfund.com and AMFI website - www.amfiindia.com. POS are the designated centres appointed by the Central Agency for receiving application forms, processing the same and issuance of KYC Acknowledgement Letter. List of and location of POS is available at our website www.tatamutualfund.com and www.amfiindia.com.

On submission of KYC Form, documents and information to the satisfaction of the POS, the investor will be issued a provisional KYC Acknowledgement Letter across the counter. Subsequently, the Central Agency will verify the information and documents submitted by the investor. The verification process will be completed within 10 working days from the date of provisional KYC Acknowledgment Letter. In case of any deficiency/insufficiency in documentation, intimation will be sent to the investors. However, the Central Agency may cancel the KYC Acknowledgement Letter within 10 working days from the date of issue of provisional KYC Acknowledgement Letter, in case of any deficiency in the document/information. Intimation of cancellation of KYC Acknowledgement Letter will be despatched by the Central Agency to the investor immediately. No communication will be sent to the investor if the KYC documents are in order. The KYC Acknowledgement Letter is presently being issued free of cost.

Presently, it is mandatory for all applications for subscription of value of Rs. 50,000 and above to quote the KYC compliance status of all the applicants (guardian in case of minor) in the application for subscription and attach proof of KYC compliance viz. KYC Acknowledgement Letter (or the erstwhile MIN* Allotment Letter). The KYC status will be validated with the records of the Central Agency before allotting units. Tata Mutual Fund will not be held responsible and/or liable for rejection of KYC Form, if any, by the Central Agency.

Applications for subscriptions of value of Rs. 50,000 and above without a valid KYC compliance may be rejected. Provided further, where it is not possible to verify the KYC compliance status of the investor at the time of allotment of units, the Trustee / AMC shall verify the KYC compliance status of the investor within a reasonable time after the allotment of units. In the event of non compliance of KYC requirements, the Trustee / AMC reserves the right to freeze the folio of the investor(s) and affect mandatory redemption of unit holdings of the investors at the applicable NAV, subject to payment of exit load, if any and recovery of unamortized NFO expenses. All investors (both individual and non-individual) can apply for KYC compliance. However, applicants should note that minors cannot apply for KYC compliance and any investment in the name of minors should be through a Guardian, who should be KYC compliant for the purpose of investing with a Mutual Fund. Also, applicants / unit holders intending to apply for units / currently holding units and operating their Mutual Fund folios through a Power of Attorney (PoA) must ensure that the issuer of the PoA and the holder of the PoA must mention their KYC compliance status at the time of investment, if such investment(s) are above the prescribed threshold limit. PoA holders are not permitted to apply for KYC compliance on behalf of the issuer of the PoA. Separate procedures are prescribed for change in name, address and other KYC related details, should the applicant desire to change such information. POS will extend the services of effecting such changes.

Duration of the Scheme

Regarding open ended schemes:

The Schemes have been structured as open-ended Schemes. Investors can invest on an ongoing basis on Business Days at prevailing NAV related price. The Units under the Scheme stand redeemed on happening of various events as stated elsewhere in this SAI. As such except on the happening of any event as stated in the clause relating to winding up, the Scheme has perpetual existence and therefore there is no fixed duration of the Scheme.

Regarding close ended schemes:

Duration of Schemes under the fund are fixed. The units under various Schemes of the fund stand redeemed on maturity or on happening of various events as stated elsewhere in this SAI. The AMC and the Trustee reserve the right to make such change/alterations in each Scheme (including the charging of fees and expenses) offered under this SAI to the extent permitted by the applicable Regulations.

Kindly refer to the scheme information document for the exact duration of the scheme.

Winding Up

- 1) in accordance with the SEBI Regulations, the Scheme may be wound up:
 - on the happening of any event which, in the opinion of the Trustee Company, requires the Scheme to be wound up; or
 - if seventy five percent of the Unitholders of a Scheme pass a resolution that the Scheme be wound up; or
 - if the SEBI so directs in the interests of the Unitholders.
- 2) Where a Scheme is to be wound up pursuant to the above Regulation, the Trustee Company shall give notice of the circumstances leading to the winding up of the Scheme
 - To SEBI; and
 - in two daily newspapers having circulation all over India and also in a vernacular newspaper circulating at the place where the Fund is established.

Procedure for Winding Up

The Trustee Company shall call a meeting of the Unitholders to consider and pass necessary resolutions by simple majority of the Unitholders present and voting at the meeting for authorising the Trustee Company or any other person to take steps for winding up the Scheme. The Trustee Company or the person authorised as above, shall dispose off the assets of the Scheme concerned in the best interests of the Unitholders of the Scheme.

The proceeds of sale made in pursuance of the above shall in the first instance be utilised towards the discharge of such liabilities as are properly due and payable under the Scheme and after making appropriate provision for liability and for meeting the expenses connected with such winding up, the balance shall be paid to the Unitholders in proportion to their respective interest in the assets of the Scheme as on the date when the decision for winding up was taken.

On the completion of the winding up, the Trustee Company shall forward to SEBI and the Unitholders a report on the winding up containing particulars such as circumstances leading to the winding up, the steps taken for disposal of assets of the Scheme before winding up, expenses of the Scheme for winding up, net assets available for distribution to the Unitholders and a certificate from the Auditors of the Fund.

Notwithstanding anything contained herein, the provisions of the SEBI Regulations in respect of disclosures of half- yearly reports and annual report shall continue to apply.

After the receipt of the report referred to above under "Procedure for Winding Up", if SEBI is satisfied that all measures for winding up of the Scheme have been completed, the Scheme shall cease to exist.

C. General Information

Securities Lending by the Mutual Fund

Subject to the SEBI Regulations as applicable from time to time the Fund may, if the Trustee permits, engage in Stock Lending. Stock Lending means the lending of securities to another person or entity for a fixed period of time at a negotiated compensation in order to enhance returns of the scheme portfolio. The securities lent will be returned by the borrower on the expiry of the stipulated period. The AMC will adhere to the following strict internal limits should it engage in Stock Lending.

Not more than 25% of the net assets of the scheme can generally be deployed in stock lending and not more than 5% of the scheme can be deployed in Stock lending to any single counterparty. Collateral would always be obtained by the approved intermediary. Collateral value would always be more than the value of the security lent. Collateral can be in form of cash, bank guarantee, government securities, as may be agreed upon with the approved intermediary, and would also be subject to a mark to market valuation on a daily basis.

Example:

A fund has an equity share of a company which it would wish to hold for a long period of time as a core holding in the portfolio as per the fund manager's plan. In that case the investors would be benefited only to the extent of the rise in the value of the share, from time to time if any, on the exchange. If the fund is enabled to lend the said security to a borrower who would be wanting to take advantage of

the market fluctuations in its price, the borrower would return the security to the lender (scheme) at a stipulated time or on demand for a negotiated compensation. The fund's unitholders can enhance their returns to the extent of the compensation it will earn for lending the same. An adequate security or collateral will have to be maintained by the intermediary. This should always be higher than the cost of the security. Thus it is in the interest of the investors that returns can be enhanced by way of stock lending rather than hold the security only for capital appreciation potential.

Thus the scenario under which the fund would participate in stock lending would be :

1. There is a holding of security eg 1 lakh shares of XYZ Ltd in the fund which the fund manager wants to be the core holding of the scheme for approximately 6 to 12 months.
2. There is a borrower (not mutual fund) for the security, (who has taken a short position in the market and needs XYZ Ltd shares to settle it) who is willing to put up a proper collateral for the same.(In all cases higher than the price of the script).
3. The borrower is represented by a proper recognized intermediary.
4. The agreement is to return the security or the amount so negotiated at a particular period of time or on demand.

Then the security will be lent by the fund and the unitholders would benefit from the additional compensation earned for lending, apart from the capital appreciation which also happens in that stock. Thus, to summarize, stock lending would be done by the scheme only in the following circumstances:

- a) If permitted by trustees and the extent SEBI regulations in that regard, from time to time.
- b) If such activity generates additional returns for the scheme and helps to enhance the scheme returns.
- c) If considering the above, and other factors all considered in totality, such activity is in the interest of unitholders in the scheme.

Underwriting by the Scheme

The Scheme may also undertake underwriting and subunderwriting activities (only for equity and equity related instruments) in order to augment its income, after complying with the approval and compliance process specified in the SEBI (underwriters) Rules & Regulations, 1993 and further subject to the following norms:

- The capital adequacy of the Mutual Fund for the purposes of SEBI (Underwriters) Rules and Regulations, 1993 shall be the net assets of the Scheme.
- The total underwriting obligation of the Scheme shall not exceed 25% of the total net asset value of the Scheme.
- No Underwriting commitment may be undertaken in respect of the Scheme during the period of 6 months prior to the date of redemption of the Scheme.
- The decision to take up any underwriting commitment shall be made as if the Scheme is actually investing in that particular security.
- As such, all investment restrictions and prudential guidelines relating to investments, individually and in aggregate as mentioned in SEBI Regulations shall, in so far as may be applicable, apply to underwriting commitments which may be undertaken under the Scheme.

These underwriting norms / parameters (as expressed / linked to the net asset/ net asset value/ capital) shall in the ordinary course apply as at the date of the most recent transaction of commitment to underwrite, and changes do not have to be effected merely because, owing to appreciations or depreciations in value or by reason of the receipt of any rights, bonuses or benefits in the nature of capital or of any scheme of arrangement or for amalgamation, reconstruction or exchange, or at any repayment or redemption or other reason outside the control of the Fund, any such limits would thereby be breached. If these limits are exceeded for reasons beyond its control, TAML shall adopt as a priority objective the remedying of that situation, taking due account of the interests of the Unitholders.

As such all underwriting and sub-underwriting activities of the Fund will be undertaken in accordance with SEBI (Underwriters) Rules and Regulations, 1993, and the norms as laid down by SEBI Circular dated June 30, 1994, and as amended from time to time.

Suspension of ongoing Sale, Redemption or Switch of Units

The ongoing Sale, Redemption or switch of Units may be suspended temporarily or indefinitely under any of the following circumstances:

- Stock markets stop functioning or trading is restricted.
- Periods of extreme volatility in the capital / stock markets, which in the opinion of the Asset Management Company is prejudicial to the interests of the Unitholders.
- A complete breakdown or dislocation of business in the major financial markets.
- Natural calamities.
- Declaration of war or occurrence of insurrection, civil commotion or any other serious or sustained financial, political or industrial emergency or disturbance.
- SEBI, by order, so directs.
- On a requisition made by three-fourths of the Unitholders.

Suspension of repurchase facility under the scheme shall be made applicable only after the approval from the Board of Directors of the AMC and Trustee Company. The approval from the AMC & Trustee Company Boards giving details of circumstances and justification for the proposed actions shall be informed to SEBI in advance.

Meeting and consent of Unitholders

Pursuant to Clause 15 of Regulation 18 of the SEBI (Mutual Funds) Regulations, 1996 (the SEBI Regulations), the Trustee Company shall call for a meeting and obtain the consent of the Unitholders of the Scheme (entirely at the option of the Trustee Company, either at a meeting of the unitholders or through postal ballot or any other mode of communication in conformity with the Regulations and/or SEBI Regulations) under any of the following circumstances:

- whenever required to do so by SEBI in the interest of the Unitholders.
- upon the request of three-fourths of the Unitholders of the Scheme.
- if the Trustee Company determines to wind up the Scheme or prematurely redeem the units.

Unclaimed Redemption/Dividend Amount

The unclaimed Redemption amount and Dividend amount may be deployed by the Mutual Fund in Money Market Instruments only and the investor who claims these amounts during a period of three years from the due date shall be paid at the prevailing Net Asset Value. After a period of three years, this amount will be transferred to a pool account and the investor can claim the amount at NAV prevailing at the end of third year. The income on such funds will be used for the purpose of investor education. The AMC will make continuous efforts to remind the investors through letters to take their unclaimed amount. Further, the investment management fee charged by the AMC for managing unclaimed amounts shall not exceed 50 basis points.

Inter-Scheme Transfer of Investments

Transfers of investments from one scheme to another scheme in the same mutual fund shall be allowed only if -

- (a) such transfers are done at the prevailing market price for quoted instruments on spot basis.
Explanation: "spot basis" shall have same meaning as specified by stock exchange for spot transactions.
- (b) the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

Borrowing by the Mutual Fund

Under the SEBI Regulations, the Mutual Fund is allowed to borrow to meet the temporary liquidity requirements of its Scheme for the purpose of repurchase or redemption of Units or the payment of interest or dividend to the Unit holders. Further, as per the SEBI Regulations, the Mutual Fund shall not borrow more than 20% of the Net Assets of the Scheme and the duration of such borrowing shall not exceed a period of six months. However, the fund may borrow in excess of 20% of the net asset of the scheme subject to the prior approval of SEBI.

Tata Mutual Fund may raise such borrowings from the Sponsor or its group companies, subsidiaries, associates, affiliates, etc., or Banks in India or any other entity at market related rates prevailing at the time and applicable to similar borrowings. The security for such borrowings, if required, will be as determined by the Trustee. Such borrowings, if raised, may result in a cost, which would be dealt with in consultation with the Trustee.

Scheme	Amount (Crores)	% of NAV*	Period
TLF	275	7.97	1 day
TFF	100	2.95	2 days
TLF	30	4.98	4 days
TLF	400	12.23	3 days
TLF	100	3.06	3 days
TLF	250	9.29	2 days
TLF	150	5.85	3 days
TLF	200	6.64	3 days
TLF	150	4.45	3 days
TFF	199.52	6.31	14 days
TLF	406.34	12.86	14 days
TLF	200	4.43	14 days
TLF	596.81	15.44	14 days
TLF	100	2.59	14 days
TLF	100	2.40	14 days
TFF	62.50	1.04	1 days

Outstanding Balance as on 31st May 2009 is Nil.

* The Percentage is calculated as on the date of borrowing.

Associate Transactions

- a) **Details of underwriting obligations undertaken by the Schemes of Tata Mutual Fund with respect to issue of associate companies:**
During the last three financial years no schemes of Tata Mutual Fund has undertaken taken such obligations.
- b) **Details of subscription by the schemes in issues lead managed by the associate companies:**
During the last three financial years no schemes of Tata Mutual Fund has subscribed to such issues.
- c) **Details of business with associate brokers:**

Period	Gross Borker Turnover (Rs. In Crore)	Busines with Associate Brokers (Rs. In Crore)	Business with Associate Brokers (as % of Gross Turnover)	Brokerage Paid to Associate Brokers (Rs. In Crore)	Brokerage Paid to Associate Brokers (as % of Business with Associate Broker)
2009 – 2010*	7688.07	93.67	1.22	0.17	0.18
2008 – 2009	31507.45	462.25	1.47	0.92	0.20
2007 – 2008	35328.42	268.54	0.76	0.53	0.20
2006 – 2007	21146.24	119.52	0.57	0.24	0.20

* From April 01, 2009 to May 31, 2009

- d) **Details of distribution of unit performed by associate companies:**
The fund has been utilizing the services of associate companies for distribution of units of Tata Mutual Fund schemes, the following amount were paid / provided for as selling commission by the respective scheme to associate companies for their marketing efforts in mobilizing subscriptions for the units of such schemes:

Financial year 2006 - 2007

Scheme	Rs. in lacs	
	TML Financial Services Ltd.	Tata Securities Ltd.
TBF	0.15	1.08
TCBF	0.00	2.03
TDBF	0.00	0.02
TDYF	0.00	1.96
TEMF	0.00	2.00
TEOF	0.00	2.23
TEQPEF	0.00	0.25
TFHF	0.00	0.14
TFHFS1	0.00	2.97
TFHFS2	0.00	8.00
TFHFS3	0.00	6.26
TFHFS5	0.00	2.26
TFHFS6	0.00	2.08
TFF	0.00	0.80
TFRSTF	0.00	2.65
TFRLTF	0.00	0.01
TGSF	0.00	1.38
TGF	0.00	0.06
TIF	0.00	2.23
TIPF	0.00	0.27
TIXF	0.00	0.03
TSEF	0.00	0.76
TLSTF	0.00	0.90
TLF	0.00	75.14
TLMF	0.00	2.69
TMPF	0.00	0.25
TMIF	0.00	0.28
TPEF	0.00	3.01
TSTBF	0.00	0.05
TTSF	0.00	0.61
TISF	0.00	8.23
TSIF	0.00	0.00
TYCF	0.00	2.25
TMCF	0.00	0.29
TCF	0.00	0.00
TTAF1	0.00	0.57

Financial year 2007 - 2008

Scheme	Rs. in lacs	
	TML Financial Services Ltd.	Tata Securities Ltd.
TBF	18.34	3.01
TCBF	0.00	0.38
TDBF	0.00	0.15
TDYF	0.00	1.88
TEMF	0.00	0.27
TEOF	7.44	1.70
TEQPEF	0.01	0.48
TFHFS2	0.00	1.61
TFHFS3	0.00	2.00
TFHFS5	0.00	0.35
TFHFS6	0.00	6.41
TFHFS7	0.00	2.27
TFHFS8	0.00	0.84
TFHFS9	0.00	1.35
TFRSTF	0.00	1.44
TFF	0.00	14.37
TGSF	0.00	3.27
TGF	0.00	0.08
TIF	1.57	2.19
TIPF	0.00	0.30
TSEF	1.57	1.90
TLSTF	0.00	1.34
TLF	0.00	37.99
TTMF	0.00	0.61
TPEF	0.00	5.51
TISF	7.52	15.91
TLMF	0.00	3.19
TMCF	0.00	0.17
TMPF	0.00	0.27
TMIF	3.91	0.31
TSTBF	0.00	0.11
TSIPF1	0.00	0.81
TSIPF2	0.00	0.14
TTAF1	0.39	0.07
TTSF	4.70	0.89
TYCF	7.51	3.20
TIXF	0.00	0.09
TIGIF	0.00	37.90
TFIPA1	0.07	0.05
TFIPA2	0.05	0.06
TFIPA	30.52	0.05

Financial year 2008 – 2009

Scheme	Rs. ('000's)	
	TML Financial Services Ltd.	Tata Securities Ltd.
TBF	5.58	53.89
TYCF	2.25	112.65
TTSF	0.19	19.82
TSEF	0.08	23.30
TIF	0.07	161.59
TPEF	0.00	144.66
TLF	0.00	1269.99
TLSTF	0.00	22.93
TGSF	0.00	117.06
TGF	0.00	0.35
TSTBF	0.00	139.91
TIPF	0.00	174.94
TMIF	0.05	9.38
TGSMF	0.00	44.25
TIFN	0.00	1.58
TIFS	0.00	2.22
TEOF	0.07	36.64
TDBF	0.00	351.80
TFRLTF	0.00	61.59
TFRSTF	0.00	15.59
TMPF	0.00	7.21
TEQPEF	0.00	16.17
TDYF	0.00	10.72
TISF	0.33	164.48
TSIF	0.00	4.09
TMCF	0.00	1.93
TFF	0.00	2869.54
TCF	0.00	2.90
TTAF1	0.00	2.03
TLMF	0.00	30.15
TEMF	0.00	1.91
TCBF	0.00	5.37
TGEIFA	0.00	9.00
TGEIFB	0.00	31.85
TSIPP1	0.00	2.83
TSIPP2	0.00	0.44
TTMF	0.00	3.56
TFHA76	0.00	29.04
TFHA77	0.00	101.47
TFHA78	0.00	26.82
TFHA79	0.00	67.68
TFIF2B	0.00	111.96
TFIPA1	0.00	0.78
TFIPA2	0.00	79.09
TFIPA3	0.00	20.71
TFIPB2	0.00	1.18
TFIPC2	0.00	0.04
TFIPC3	0.00	0.07
TIGIF	0.00	120.10
TFIF4A	0.00	2.45
TFIF4B	0.00	12.64
TFIF3A	0.00	1.54
TFHA80	0.00	16.30
TFHA82	0.00	34.04

Financial year 2009 – 2010 (April 01, 2009 to May 31, 2009)

Scheme	Rs. ('000's)	
	TML Financial Services Ltd.	Tata Securities Ltd.
TCBF	0.00	1.89
TCF	0.00	1.15
TSEF	0.03	8.57
TDBF	0.00	0.01
TDYF	0.00	4.11
TBF	2.16	19.43
TEMF	0.00	0.64
TEOF	0.03	8.50
TEQPEF	0.00	4.25
TFF	0.00	1036.56
TFIPA2	0.00	0.01
TFIPA3	0.00	0.00
TFIPB2	0.00	0.04
TFIPB3	0.00	0.19
TFIPC2	0.00	0.01
TFRLTF	0.00	0.00
TFRSTF	0.00	6.16
TGEIFA	0.00	3.48
TGEIFB	0.00	11.59
TGSFR	0.00	12.28
TGSMF	0.00	50.86
TIF	0.00	34.04
TIFN	0.00	0.41
TIFS	0.00	0.47
TIGIF	0.00	45.36
TGF	0.00	0.12
TIPF	0.00	2.34
TISF	0.13	45.76
TITSF	0.00	3.04
TLF	0.00	684.68
TLMF	0.00	0.01
TLS	0.00	9.32
TMCF	0.00	0.71
TMIF	0.02	3.41
TMPF	0.00	2.76
TSIF	0.00	1.55
TSIPF1	0.00	1.05
TSIPF2	0.00	0.17
TSTBF	0.00	109.88
TTAF1	0.00	0.79
TTMF	0.00	1.76
TPEF	0.00	46.14
TTSF	0.07	6.78
TYCF	0.00	59.06

e) **Policy regarding investment in Group Companies:**

As per SEBI (Mutual Funds) Regulations 1996, the Fund shall not make any investments in any un-listed securities of associate/ group companies of the Sponsors. The Fund will also not make investment in privately placed securities issued by associate / group companies of the Sponsors. The Fund may invest not more than 25% of the net assets in listed securities of Group companies.

Aggregate market value of investments in group companies / associate of the sponsors and AMC by all schemes:

Period	Investment made (market value) in Associate Companies (Rs. In crore)	% of total AUM of the Fund
2006 – 2007	625.03	4.84
2007 – 2008	927.47	4.10
2008 – 2009	359.58	2.32
2009 – 2010*	530.20	2.25

* From April 01, 2009 to May 31, 2009

- f) **Details of investments by the Fund in group companies in excess of 25% of the net assets:** Nil
- g) **Name of the Associates of the sponsor or the AMC with which the Mutual Fund proposes to have dealing, transactions and those whose services may be used for marketing and distributing the schemes and the commissions that may be paid:**

At present the fund is utilising services of following associate entities and brokerage and commissions paid to them are competitive:

For Distribution of Schemes' units	For Securities Transactions
Tata Motor Finance Ltd	Tata Securities Ltd
Tata Securities Ltd	Amit Nalin Securities Pvt. Ltd

Documents Available for Inspection

The following documents will be available for inspection at the office of the Mutual Fund at Head Office during business hours on any day (excluding Saturdays, Sundays and public holidays):

- A copy of Memorandum and Articles of Association of the AMC
- A copy of Investment Management Agreement
- A copy of Trust Deed and amendments thereto, if any
- A copy of Mutual Fund Registration Certificate
- A copy of Agreement between the Mutual Fund and the Custodian
- A copy of Agreement with Registrar and Share Transfer Agents
- A copy of Consent of Auditors to act in the said capacity
- A copy of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments from time to time thereto.
- Indian Trusts Act, 1882.

Investor Grievances Redressal Mechanism

Investors may contact the ISCs (Investor Service Centres) or the office of the AMC for any queries / clarifications. The Head Office of the AMC will follow up with the respective ISC to ensure timely redressal and prompt investor services.

Yearwise breakup of Investor Complaints:

Up to	Opening Balance	Complaints Received	Total	Complaints Attended	Complaints Balance
31/03/07	26	1960	1986	1962	24
31/03/08	24	1145	1169	1166	3
31/03/09	3	895	898	897	1
31/05/09	1	24	25	25	0

Notwithstanding anything contained in this Statement of Additional Information, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines thereunder shall be applicable.
