

## Addendum

This addendum sets out changes to be made in the Offer Documents / Key Information Memorandums of Tata Liquid Fund (TLF).

### Introduction of New Plan:

It is proposed to introduce New Plan 'Super High Institutional Plus Plan (SHIP Plus)' in TLF w.e.f. October 27, 2008.

The Plan will have the same portfolio as that of the existing plans of TLF and hence the same investment objectives and investment pattern as that of the existing TLF, but will have different expense ratio within the limits prescribed by SEBI (Mutual Funds) Regulations, 1996. Since this Plan is within an existing portfolio, the Fund does not have any target for minimum subscription amount.

### Nature, Investment objective and Investment Pattern of TLF:

#### Nature & Investment Objective:

An open ended liquid scheme. The investment objective is to create a highly liquid portfolio of good quality debt as well as money market instruments so as to provide reasonable returns and high liquidity to the Unitholders.

#### Investment Pattern:

Under normal circumstances assets under the scheme shall (after providing for all ongoing expenses) generally be invested/the indicative asset allocation shall be as follows considering the objective of Scheme as under:

Proportion** % of funds available			
Instrument	Likely Around	Maximum Upto	Risk Profile
Debt and Debt related (Listed / Securitised)	30	100	Low to Medium
Debt & debt related (Unlisted / securitised)	10	80	Low to Medium
Money Market Securities	60	100	Low / Sovereign

\*\* At the time of investment

Investment by the scheme in securitised debt, will not normally exceed 50% of the debt investment of the Scheme

The Trustee Company may from time to time for a short term period on defensive consideration invest upto 100% of the funds available in money market instruments,, the primary motive being to protect the Net Asset Value of the Scheme and protect unitholders interest so also to earn reasonable returns on liquid funds maintained for redemption / repurchase of units.

### Other details of Super High Institutional Plus Plan

#### Minimum Investment:

For investors who at any time in the past, had an outstanding investment of Rs. 20 cores or more in the TLF: - Rs. 10 lacs and in multiple of Re.1/- thereafter.

For Other Investors Rs.20 Crores and in multiple of Re.1/- thereafter. For additional purchases, the minimum amount shall be Rs.10 lacs and in multiple of Re.1/- thereafter.

#### Minimum Redemption

Rs. 1 lac and in multiple of Re.1/- thereafter

<b>Options</b>	<ul style="list-style-type: none"> <li>a) Appreciation Option</li> <li>b) Daily Dividend</li> <li>c) Weekly Dividend</li> <li>d) Monthly Dividend</li> </ul>
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In case of daily dividend option, the dividend will be compulsorily reinvested within the option at relevant ex- dividend NAV. In case of other options, the dividend will be reinvested within the option at relevant ex-dividend NAV at the discretion of the unitholder provided dividend amount of more than Rs.250/- (or any other amount as may be specified by AMC from time to time)

<b>Entry Load</b>	Nil
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<b>Exit Load</b>	Nil
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The Trustee and / or AMC reserve the right to change the load structure prospectively.

### **Applicable NAV**

#### *For initial subscription*

In respect of application for subscription (including subscription by way of Switch In from other scheme(s) of Tata Mutual Fund) accepted on 27<sup>th</sup> October before 12 noon at the Official Point of Acceptance and funds are available for utilisation on the same day, the units will be allotted at face value i.e. Rs.1000/-.

In respect of other subscription application accepted on 27<sup>th</sup> October 2008, the units will be allotted at the closing NAV of the day immediately preceding the day on which the funds are available for utilization.

#### *For subsequent transactions*

### **Purchases including Switch-ins or Sweep:**

a) Where the valid application is accepted upto 12.00 noon on a day at the Official Point of Acceptance and funds are available for utilization on the same day, the closing NAV of the day immediately preceding the day of receipt of application shall be applicable;

b) Where the valid application is accepted after 12.00 noon on a day at the Official Point of Acceptance and funds are available for utilization on the same day – the closing NAV of the day immediately preceding the next business day shall be applicable; and Irrespective of the time of receipt of valid application at the Official Point of Acceptance, where the funds are not available for utilization on the day of the application, the closing NAV of the day immediately preceding the day on which the funds are available for utilization shall be applicable.

### **Repurchase/Redemptions including Switch-outs or Reverse Sweep:**

a) Where the valid applications is received upto 3.00 pm at the Official Point of Acceptance, the closing NAV of the day immediately preceding the next business day shall be applicable;

b.) Where the valid application is received after 3.00 pm at the Official Point of Acceptance, the closing NAV of the next business day shall be applicable. For liquid schemes/ plans Mutual Fund shall calculate NAVs for every calendar day. Further, the day(s) on which the money markets are closed/not accessible, shall not be treated as business day(s). No outstation cheques will be accepted. As per the existing procedure, the applications will be time stamped in accordance with the SEBI Guidelines. The Trustee/AMC may alter the limits and other conditions in line with the Regulations.

Currently, the Scheme proposes to declare Daily, Weekly, Monthly Dividend in the Dividend Option under the Super High Institutional Plus Plan of TLF However, the Trustee, at its discretion, may change the periodicity of declaration of dividend(s) at any time and at such frequency as it deems appropriate though there is no assurance or guarantee to the Unitholders as to the rate of dividend distribution or that the dividend will be regularly paid and introduce new dividend option from time to time. In terms of SEBI circular SEBI/IMD/CIR No.1/64057/06 dated April 4, 2006. The introduction of a new Plan has been approved by the Boards of the AMC and the Trustee Company.

The introduction of a new Plan has been approved by the Boards of the AMC and the Trustee Company.

**Notes:**

- The above revision will be implemented prospectively and shall remain in force till further notice
- All the other terms and conditions of the Offer Document, read with the addenda issued from time to time will remain unchanged.
- All other terms and conditions of the Offer Document read with other addendums if any remain unchanged

**Statutory Details:** Constitution: Tata Mutual Fund (TMF) has been set up as a Trust under the India Trust Act, 1882. Sponsors & Settlers: Tata Sons Ltd. & Tata Investment Corporation Ltd. Trustee: Tata Trustee Company Pvt. Ltd. Investment Manager: Tata Asset Management Ltd.

**Risk Factors:** • Mutual Fund & securities investments are subject to market risks & there can be no assurance & no guarantee that the schemes will achieve their objectives. • As with any investment in stocks, shares & securities the NAV of the units under the schemes can go up or down, depending upon the factors & forces affecting the capital market. • Past performance of the previous schemes, the Sponsors or its Group affiliates is not indicative of & does not guarantee the future performance of the Schemes. • Tata Liquid Fund is only the name of the Scheme & do not in any manner indicate either the quality of the Scheme, its future prospects or the returns. • The sponsors are not responsible or liable for any loss resulting from the operations of the scheme beyond the initial contribution of Rs.1 lac made by them towards setting up the Mutual Fund. • Investment in fixed income securities are subject to interest rate risk, credit risk & liquidity risk. • Pursuant to allotment of bonus units the NAV of the scheme would fall in proportion to the bonus allotted & as a result the total value of units held by the investor would remain same • Basis Risk (Interest Rate Movement): During the life of floating rate security or a swap the underlying benchmark index may become less active & may not capture the actual movement in interest rates or at times the benchmark may cease to exist. These types of events may result in loss of value in the portfolio. Spread Risk: In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. However depending upon the market conditions the spreads may move adversely or favorably leading to fluctuation in NAV. In case of downward movement of interest rates, floating rate debt instruments will give a lower return than fixed rate debt instruments. • **For scheme specific risk factors & other details please read the Offer Document (OD), Scheme Information Document (SID), Statement of Additional Information (SAI) & Key Information Memorandum (KIM) of the scheme carefully before investing.**