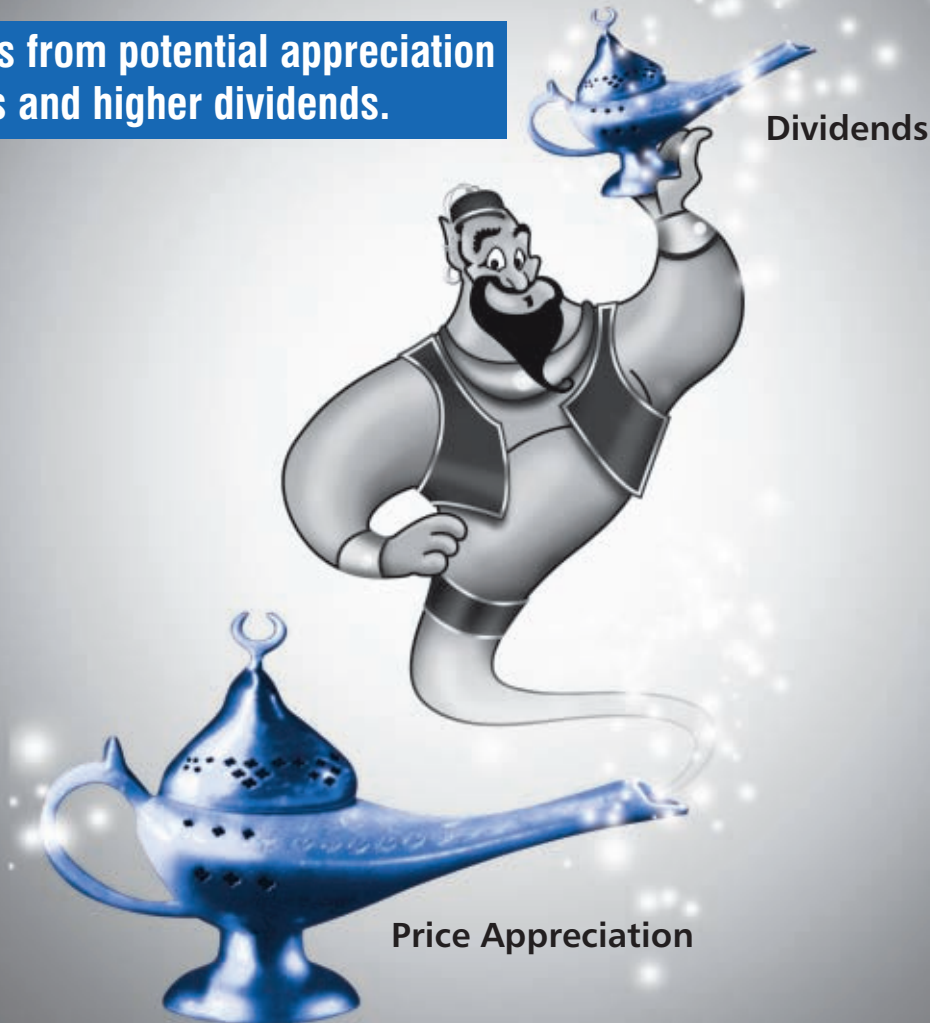


Aim for returns from potential appreciation of stock prices and higher dividends.



The scheme is not offering any assured / guarantee returns to investors.

★★★★★
Rated by Value Research

★★★★★
Rated by MORNINGSTAR®
★★★★★ rating for 3 years of performance.

TATA
DIVIDEND YIELD
(An Open Ended Equity Scheme) **FUND**

Past performance may or may not be sustained in future.

Rating Methodology - Value Research: Value Research Fund Ratings are a composite measure of historical risk-adjusted returns. In the case of equity and hybrid funds this rating is based on the weighted average monthly returns for the last 3 and 5-year periods. In the case of debt funds this rating is based on the weighted average weekly returns for the last 18 months and 3-year periods and in case of short-term debt funds - weekly returns for the last 18 months. These ratings do not take into consideration any entry or exit load. Each category must have a minimum of 10 funds for it to be rated. Effective, July 2008, fund with less than Rs 5 crore of average AUM in the past six months will not be eligible for rating. Five-stars indicate that a fund is in the top 10% of its category in terms of historical risk-adjusted returns. Four stars indicate that a fund is in the next 22.5%, middle 35% receive three stars, the next 22.5% are assigned two stars while the bottom 10% receive one star. **Tata Dividend Yield Fund** has been rated 5-Star in the Equity: Mid & Small Cap, 50 funds were rated. Value Research Fund Ratings are subject to change every month. Current Fund Rating is as on 31st December, 2011. The Value Research Ratings are published in Monthly Mutual Fund Performance Report and Mutual Fund Insight. The Rating is based on primary data provided by respective funds; Value Research does not guarantee the accuracy. **Publisher of rating data:** - www.valueresearchonline.com

Rating Methodology - Morningstar: The Morningstar fund rating methodology is based on a fund's risk-adjusted return within a given Morningstar category. Morningstar ratings are calculated every month for the 3 year, 5 year and 10 year period. Within each rating period, the top 10% funds receive a five star rating, the next 22.5% earn a four star rating, the next 35% get three stars, the next 22.5% receive two stars, and the bottom 10% get one star. Loads are not considered for the rating purpose. The rating is based on NAV provided by respective funds. The current fund rating is for the period as of 31st December, 2011. **Tata Dividend Yield Fund – Growth** has been rated ★★★★★ by Morningstar in the Morningstar India Category Small/Mid Cap, 104 funds which completed 5 years of performance, were considered for rating. Current rating for 3 years of performance is ★★★★★. **Rating Source & Publisher:** Morningstar. For detailed methodology visit www.morningstar.in

All of us expect our investments to provide stable income and grow at the same time. While equity investments have shown empirical evidence of outgrowing other comparable asset classes in the long term, the same cannot be said about stability of income.

We believe that expert research and sound risk management techniques can help you identify suitable investment opportunities in the equity market to satisfy both your needs.

One of the important techniques to identify the right stocks which can light up your investments is the Dividend Yield.

What is Dividend Yield?

Dividend Yield can be defined as the yield or returns by way of dividend. It is calculated as the ratio (expressed as a %) of total dividend per share (in Rs.) declared for the previous accounting year to the market price of the share at the time of investment. For example, the market price of scrip is Rs. 50 and the total dividend declared in the last accounting year is 40% (i.e. Rs. 4 on the face value of Rs. 10), the dividend yield of the scrip is 8% (i.e. $4/50 \times 100$).

Stock picking on the basis of dividend yield aims to avail the triple benefits of dividend income, downside risk management and potential for capital appreciation.

Investment in stocks with high dividend yields is traditionally a "Defensive Investment Strategy." Historical evidence shows that in falling equity markets, high dividend yield stocks provide greater degree of protection to investors than other stocks. On the other hand, these stocks show good possibilities of capital appreciation in reviving market.

As high dividend payouts in general imply that there is enough cash generation by the business it indicates that the stock is under-priced in spite of high cash generating ability. An investment in these stocks in bearish market could unlock significant value as and when the markets pick up.

A careful selection of high dividend yield stocks in portfolio could therefore unlock significant value, which would eventually reflect in growth of net asset values.

The Tata Dividend Yield Fund Investment Philosophy

Tata Dividend Yield Fund (TDYF) is an open ended equity fund that aims to invest at least 70% of its assets in shares with high dividend yields. Dividend Yield will be considered high if it is greater than the Dividend Yield of BSE Sensex that is last released. Dividend Yield released / published by BSE is available on its website www.bseindia.com. As an example, if the dividend yield of a share is 4% and that of BSE Sensex as

on the date of purchase of the share is 2%, it would be considered as high dividend yielding by the fund.

The high dividend yield criterion being met, other factors involved in evaluating a company's investment worthiness are management competitiveness, business competitiveness, growth prospects etc. Other selection criteria for investment will only come into force once the initial dividend yield criterion is fulfilled.

The fund can also invest in equity shares of companies other than those with high dividend yield, to the extent of 30% of the net assets. TDYF may also invest upto 30% of the assets in debt and money market instruments to provide continuous liquidity and preservation of capital, particularly in bearish markets.

Dividend History

Dividend per unit value (₹)	NAV (₹) (Date of Declaration of dividend)
0.40	11.0776 (07/02/2005)
1.00	14.2886 (20/12/2005)
1.00	11.9191 (21/07/2006)
1.00	23.8872 (14/12/2007)
1.50	16.2605 (03/07/2009)
2.00	22.4296 (23/07/2010)
1.50	22.8224 (31/12/2010)
1.00	18.8054 (18/03/2011)
1.00	19.9549 (27/07/2011)

Past Performance may or may not be sustained in future. (Unit Face Value - ₹ 10/-)

Top 10 equity Exposure as on 31st December 2011

Script Name	% of Net Asset
Crisil	7.25
Infosys Limited	6.22
Glaxo Smithkline Beechem Con Health	5.40
Nestle India Ltd.	3.50
Hindustan Unilever Ltd	3.46
Navneet Publications India Limited	3.18
Oil & Natu. Gas Co.	2.84
HDFC Limited	2.76
Tata Motors - DVR	2.76
Polaris Financial Technology Ltd.	2.72
Other Equities	59.29
Cash, Others	0.62
Total Net Assets	100.00

E-mail: kiran@tataamc.com SMS: 'TMF' to 57575 Call us at: 1800-209-0101 (Line open on Sundays also)

Nature & Investment Objective: Tata Dividend Yield Fund: An open ended equity scheme. The investment objective of the Scheme is to provide income distribution and /or medium to long term capital gains by investing predominantly in high dividend yield stocks. **Applicable Loads: Entry Load (including SIP):** Nil. **Exit Load (including SIP):** 1% of the applicable NAV if redeemed on or before expiry of 365 days from the date of allotment. **Statutory Details: Investment Manager:** Tata Asset Management Ltd. **Trustee:** Tata Trustee Company Ltd., 9th Floor, Mafatlal Centre, Nariman Point, Mumbai - 400 021. **Constitution:** Tata Mutual Fund (TMF) has been set up as a Trust under the Indian Trusts Act, 1882. **Sponsors & Settlers:** Tata Sons Ltd., Tata Investment Corporation Ltd. **Risk Factors** • All investments in Mutual Fund & securities are subject to market risks & the NAV of the units issued under the schemes can go up or down depending on the factors & forces affecting the capital markets • Mutual Fund & securities investments are subject to market risks & there can be no assurance & no guarantee that the objectives of the scheme will be achieved • Past performance of the previous scheme, the Sponsors or its group affiliates is not indicative of & does not guarantee the future performance of the schemes • The above is only the name of the scheme & does not in any manner indicate either the quality of the scheme, it's future prospects or the returns • The Sponsors are not responsible or liable for any loss resulting from the operations of the Mutual Fund beyond the contribution of an amount of ₹ 1 lac made by them towards setting up of the Mutual Fund. Investments in debt securities are subject to interest rate risk, credit risk & liquidity risk • The present scheme is not a guaranteed or assured return scheme • Investment in mutual fund units involves investment risk such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of capital. Risk associated with high dividend yield stocks: Though the investments would be in companies having a track record of dividend payments, the performance of the scheme would inter-alia depend on the ability of these companies to sustain dividends in future. **Kindly refer Scheme Information Document (SID), Statement of Additional Information (SAI) & Key Information Memorandum (KIM) of the scheme for applicable loads. For scheme specific risk factors & other details please read the SID/SAI/KIM of the scheme carefully before investing.**