

SCHEME INFORMATION DOCUMENT (SID)



Expertise that's trusted

TATA FIXED HORIZON FUND SERIES 18

(Close Ended Debt Scheme with four plans of 13 months)

Issue of units of Tata Fixed Horizon Fund Series 18 at face value of Rs. 10/- each with conditional exit loads during the New Fund Offer period.

Mutual Fund



Tata Mutual Fund
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AMC



Tata Asset Management Ltd.
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Trustee



Tata Trustee Company Pvt. Ltd.
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NEW FUND OFFER FOR SCHEME OPENS ON	31st July, 2008
NEW FUND OFFER FOR SCHEME CLOSSES ON	12th Aug, 2008
SCHEME RE-OPENS FOR REDEMPTION NOT LATER THAN	08th Sept, 2008

The said SID is the combine SID for the schemes namely Tata Fixed Horizon Fund Series 18 Scheme A, Tata Fixed Horizon Fund Series 18 Scheme B, Tata Fixed Horizon Fund Series 18 Scheme C, Tata Fixed Horizon Fund Series 18 Scheme D (These schemes have a maturity period of 13 Months from the date of allotment).

The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.

The Scheme Information Document sets forth concisely the information about Tata Fixed Horizon Fund Series 18, that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres / Website / Distributors or Brokers.

The investors are advised to refer to the Statement of Additional Information (SAI) for details of TATA Mutual Fund, Tax and Legal issues and general information on www.tatamutualfund.com

SAI is incorporated by reference (is legally a part of the Scheme Information Document (SID)). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.

The Scheme Information Document (SID) should be read in conjunction with the SAI and not in isolation.

The Scheme Information Document is dated 30th July, 2008

TATA FIXED HORIZON FUND SERIES 18

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HIGHLIGHTS/SUMMARY OF THE SCHEME

Name of the Scheme	Tata Fixed Horizon Fund Series 18
Type of Scheme	A close ended debt scheme.
Investment Objective	The investment objective of the schemes is to generate income and / or capital appreciation by investing in wide range of Debt and Money Market instruments.
Liquidity	<p>Purchase of Units</p> <p>Being a close-ended Scheme, investors can subscribe to the Units of the Scheme during the New Fund Offer Period only.</p> <p>Redemption of Units</p> <p>Redemption facility will be available on all business days.</p>
Benchmark	CRISIL Liquid Fund Index
Transparency of operation / NAV Disclosure	Determination of Net Asset Value (NAV) on all business days.
Load	<p>Scheme A (13 months maturity)</p> <p>Entry Load: Nil</p> <p>Exit Load: 0.25% if redeemed on or before 1 month from the date of allotment. Nil if redeemed after 1 month from the date of allotment.</p> <p>Scheme B, C and D (13 months maturity):</p> <p>Entry Load: Nil</p> <p>Exit Load: 1% if redeemed before maturity.</p>
Minimum subscription under each Plan	<p>Regular Plan: Rs.10,000/- and in multiples of Re.1/- thereafter.</p> <p>Institutional Plan: Rs.1,00,00,000/- and in multiples of Re.1/- thereafter.</p>
Duration of the Schemes	Scheme A, B, C and D - 13 months from the date of allotment.
Investment Options / Plans:	<p>Each Scheme has two plans Regular Plan and Institutional Plan and each Plan has two Options Growth Option and Dividend Option. Dividend option offers dividend payout or dividend re-investment facility.</p> <p>Growth Option</p> <p>Periodic Dividend - Atleast once during the tenure of the scheme at the discretion of the trustees from time to time, subject to availability of distributable surplus.</p> <p>Monthly Dividend - Atleast once a month at discretion of the trustees from time to time, subject to availability of distributable surplus.</p> <p>Note: Dividend shall be distributed at the discretion of the Trustees subject to availability of distributable surplus.</p>
Roll Over Facility	At the time of maturity, if it is perceived that the market outlook for the similar securities/ instruments is positive and investment in the similar kind of instruments would likely to fetch better returns for the investors, then in the interest of the Investor, the Trustees may decide to roll-over the Plan under the scheme. This would be based on demand/ request of the investors for the same. All other material details of the plan including the likely composition of assets immediately before the roll over, the net assets and net asset value of the scheme, will be disclosed to the unitholders and a copy of the same filed with the SEBI. Such rollover will always be permitted only in case of those unitholders who express their consent in writing.

- A Mutual Fund - sponsored by Tata Sons Limited (TSL) and Tata Investment Corporation Limited (TICL).
- The Scheme is managed by Tata Asset Management Limited (TAML).
- Each Scheme will be considered as fresh subscription as and when it is launched.
- Earnings of the Fund totally exempt from income tax under Section 10(23D) of the Income Tax Act, 1961.

I. INTRODUCTION

A. RISK FACTORS

Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down
- Mutual Funds and securities investments are subject to market risks and there can be no assurance and no guarantee that the Scheme will achieve its objective.
- As with any investment in stocks, shares and securities, the NAV of the Units under the Scheme can go up or down, depending on the factors and forces affecting the capital markets.
- Past performance of the previous Schemes, the Sponsors or its Group / Affiliates / AMC / Mutual Fund is not indicative of and does not guarantee the future performance of the Scheme.
- The sponsors are not responsible or liable for any loss resulting from the operations of the scheme beyond the initial contribution of Rs. 1 lakh made by them towards setting up of the mutual fund.
- Tata Fixed Horizon Fund Series 18 Scheme A, Tata Fixed Horizon Fund Series 18 Scheme B, Tata Fixed Horizon Fund Series 18 Scheme C, Tata Fixed Horizon Fund Series 18 Scheme D are only the names of the Scheme and does not in any manner indicate either the quality of the Scheme, its future prospects or the returns. Investors therefore are urged to study the terms of the Offer carefully and consult their tax and Investment Advisor before they invest in the Scheme.
- The present scheme is not a guaranteed or assured return scheme.

Scheme Specific Risk Factors:

Liquidity and Settlement Risks

The liquidity of the Scheme's investments may be inherently restricted by trading volumes, transfer procedures and settlement periods. From time to time, the Scheme will invest in certain securities of certain companies, industries, sectors, etc. based on certain investment parameters as adopted internally by TAML. While at all times the Asset Management Company will endeavour that excessive holding/investment in certain securities of industries, sectors, etc. by the Scheme is avoided, the funds invested by the Scheme in certain securities of industries, sectors, etc. may acquire a substantial portion of the Scheme's investment portfolio and collectively may constitute a risk associated with non-diversification and thus could affect the value of investments. Reduced liquidity in the secondary market may have an adverse impact on market price and the Scheme's ability to dispose of particular securities, when necessary, to meet the Scheme's liquidity needs or in response to a specific economic event or during restructuring of the Scheme's investment portfolio. Furthermore, from time to time, the Asset Management Company, the Custodian, the Registrar, any Associate, any Distributor, Dealer, any Company, Corporate Bodies, Trusts, any Retirement and Employee Benefit Funds or any Associate or otherwise, any scheme / mutual fund managed by the Asset Management Company or by any other Asset Management Company may invest in the Scheme. While at all times the Trustee Company and the Asset Management Company will endeavour that excessive holding of Units in the Scheme among a few Unitholders is avoided, however, the funds invested by these aforesaid persons may acquire a substantial portion of the Scheme's outstanding Units and collectively may constitute a majority unitholder in the Scheme. Redemption of Units held by such persons may have an adverse impact on the value of the Units of the Scheme because of the timing of any such redemptions and this may impact the ability of other Unitholders to redeem their respective Units.

Investment Risks

The value of, and income from, an investment in the Scheme can decrease as well as increase, depending on a variety of factors which may affect the values and income generated by the Scheme's portfolio of securities. The returns of the Scheme's investments are based on the current yields of the securities, which may be affected generally by factors affecting capital markets such as price and volume, volatility in the stock markets, interest rates, currency exchange rates, foreign investment, changes in Government and Reserve Bank of India policy, taxation, political, economic or other developments, closure of the Stock Exchanges etc. Investors should understand that the investment pattern indicated, in line with prevailing market conditions, is only a hypothetical example as all investments involve risk and there is no assurance that the Scheme's investment objective will be attained or that the Scheme be in a position to maintain the model percentage of investment pattern particularly under exceptional circumstances.

Different types of securities in which the scheme would invest in the SID carry different levels and types of risk. Accordingly the scheme's risk may increase or decrease depending upon its investment pattern. e.g corporate bonds carry a higher amount of risk than Government securities. Further even among corporate bonds, bonds which are AAA rated are comparatively less risky than bonds which are AA rated.

The scheme may use techniques and instruments (as disclosed in the clause "portfolio turnover") for efficient portfolio management and to attempt to hedge or reduce the risk of such fluctuations. However these techniques and instruments if imperfectly used have the risk of the scheme incurring losses due to mismatches particularly in a volatile market. The Fund's ability to use these techniques may be limited by market conditions, regulatory limits and tax considerations (if any). The use of these techniques is dependent on the ability to predict movements in the prices of securities being hedged and movements in interest rates. There exists an imperfect correlation between the hedging instruments and the securities or market sectors being hedged. Besides, the fact that skills needed to use these instruments are different from those needed to select the Fund's / Scheme's securities. There is a possible absence of a liquid market for any particular instrument at any particular time even though the futures and options may be bought and sold on an organised exchange. The use of these techniques involves possible impediments to effective portfolio management or the ability to meet repurchase / redemption requests or other short-term obligations because of the percentage of the Scheme's assets segregated to cover its obligations.

Risk Associated with Securitised Debt

Scheme may invest in domestic securitized debt such as asset backed securities (ABS) or mortgage backed securities (MBS). Asset Backed Securities (ABS) are securitized debts where the underlying assets are receivables arising from automobile loans, personal loans, loans against consumer durables, etc. Mortgage backed securities (MBS) are securitized debts where the underlying assets are receivables arising from loans backed by mortgage of residential / commercial properties. ABS/MBS instruments reflect the undivided interest in the underlying pool of assets and do not represent the obligation of the issuer of ABS/MBS or the originator of the underlying receivables. The ABS/MBS holders have a limited recourse to the extent of credit enhancement provided. If the delinquencies and credit losses in the underlying pool exceed the credit enhancement

provided, ABS/MBS holders will suffer credit losses. ABS/MBS are also normally exposed to a higher level of reinvestment risk as compared to the normal corporate or sovereign debt. At present in Indian market, following types of loans are amortised:

- Auto Loans (cars / commercial vehicles /two wheelers)
- Residential Mortgages or Housing Loans
- Consumer Durable Loans
- Personal Loans

The main risks pertaining to each of the asset classes above are described below:

Auto Loans (cars / commercial vehicles /two wheelers)

- The underlying assets (cars etc) are susceptible to depreciation in value whereas the loans are given at high loan to value ratios. Thus, after a few months, the value of asset becomes lower than the loan outstanding. The borrowers, therefore, may sometimes tend to default on loans and allow the vehicle to be repossessed.
- These loans are also subject to model risk. ie if a particular automobile model does not become popular, loans given for financing that model have a much higher likelihood of turning bad. In such cases, loss on sale of repossession vehicles is higher than usual.
- Commercial vehicle loans are susceptible to the cyclical nature in the economy. In a downturn in economy, freight rates drop leading to higher defaults in commercial vehicle loans. Further, the second hand prices of these vehicles also decline in such economic environment.

Housing Loans

- Housing loans in India have shown very low default rates historically. However, in recent years, loans have been given at high loan to value ratios and to a much younger borrower classes. The loans have not yet gone through the full economic cycle and have not yet seen a period of declining property prices. Thus the performance of these housing loans is yet to be tested and it need not conform to the historical experience of low default rates.

Consumer Durable Loans

- The underlying security for such loans is easily transferable without the bank's knowledge and hence repossession is difficult.
- The underlying security for such loans is also susceptible to quick depreciation in value. This gives the borrowers a high incentive to default.

Personal Loans

- These are unsecured loans. In case of a default, the bank has no security to fall back on.
- The lender has no control over how the borrower has used the borrowed money.

Further, all the above categories of loans have the following common risks:

- All the above loans are retail, relatively small value loans. There is a possibility that the borrower takes different loans using the same income proof and thus the income is not sufficient to meet the debt service obligations of all these loans.
- In India, there is no ready database available regarding past credit record of borrowers. Thus, loans may be given to borrowers with poor credit record.
- In retail loans, the risks due to frauds are high.

Securities Lending Risks

It may be noted that this activity would have the inherent probability of collateral value drastically falling in times of strong downward market trends, rendering the value of collateral inadequate until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and/or the approved intermediary may suddenly suffer severe business setback and become unable to honour its commitments. This, along with a simultaneous fall in value of collateral would render potential loss to the Scheme. Besides, there is also temporary illiquidity of the securities that are lent out and the scheme will not be able to sell such lent out securities until they are returned.

Interest Rate Risk

As with debt instruments, changes in interest rate may affect the Scheme's net asset value. Generally the prices of instruments increase as interest rates decline and decrease as interest rates rise. Prices of long-term securities fluctuate more in response to such interest rate changes than short-term securities. Indian debt and government securities markets can be volatile leading to the possibility of price movements up or down in fixed income securities and thereby to possible movements in the NAV.

Credit Risk

Credit risk or Default risk refers to the risk that an issuer of a fixed income security may default (i.e. the issuer will be unable to make timely principal and interest payments on the security). Because of this risk corporate debentures are sold at a higher yield above those offered on Government Securities which are sovereign obligations and free of credit risk. Normally, the value of fixed income securities will fluctuate depending upon the changes in the perceived level of credit risk as well as any actual event of default. The greater the credit risk, the greater the yield required for someone to be compensated for the increased risk.

Reinvestment Risk

This risk refers to the difference in the interest rate levels at which cash flows received from the securities in the schemes are reinvested. The additional income from reinvestment is the "interest on interest" component. The risk is that the rate at which interim cash flows are reinvested may be lower than that originally assumed.

Risks associated with Derivatives

- Derivative products are leverage instruments and can provide disproportionate gains as well as disproportionate losses to the investors. Execution of such strategies depends upon the ability of the Fund Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Fund Manager involved uncertainty and decision of Fund Manager may not always be profitable. No assurance can be given that the Fund Manager will be able to identify or execute such strategies.
- Derivative products are specialised instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative add to the portfolio and the ability to forecast price of securities being hedged and interest rate movements correctly. There is a possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counterparty") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.

B. REQUIREMENT OF MINIMUM INVESTORS IN THE SCHEME

The Scheme(s) and individual Plan(s) under the Scheme(s) shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme(s)/Plan(s). These conditions will be complied with immediately after the close of the NFO itself i.e. at the time of allotment. In case of non-fulfillment with the condition of minimum 20 investors, the Scheme(s)/Plan(s) shall be wound up in accordance with Regulation 39 (2) (c) of SEBI (MF) Regulations automatically without any reference from SEBI. In case of non-fulfillment with the condition of 25% holding by a single investor on the date of allotment, the application to the extent of exposure in excess of the stipulated 25% limit would be liable to be rejected and the allotment would be effective only to the extent of 25% of the corpus collected. Consequently, such exposure over 25% limits will lead to refund within 6 weeks of the date of closure of the New Fund Offer.

C. SPECIAL CONSIDERATIONS

Investors are urged to study the terms of the SID carefully before investing in this Scheme, and to retain this SID for future reference.

Tax Consequences

Redemption by the unitholders due to change in the fundamental attribute (if any, in future) of the scheme or due to any other reason may entail tax consequences for which the Trustees, AMC, Fund their Directors / employees shall not be liable.

Disclosure / Disclaimer

To the best of the knowledge and belief of the Directors of the Trustee Company, information contained in this SID is in accordance with the SEBI Regulations and facts and does not omit anything likely to have a material impact on the importance of such information.

Neither this SID nor the Units have been registered in any jurisdiction. The distribution of this SID in certain jurisdictions may be restricted or subject to registration requirements and, accordingly, persons who come into possession of this SID are required to inform themselves about, and to observe, any such restrictions. No persons receiving a copy of this SID or any accompanying application form in any such jurisdiction may treat this SID or such application form as constituting an invitation to them to subscribe for Units, nor should they in any event use any such application form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such application form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this SID does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this SID and any persons wishing to apply for Units pursuant to this SID to inform themselves of, and to observe, all applicable laws and Regulations of such relevant jurisdiction.

Prospective investors should review / study this SID carefully and in its entirety and should not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial / investment matters and are advised to consult their own professional advisor(s) as to the legal or any other requirements or restrictions relating to the subscription, gifting, acquisition, holding, disposal (sale, transfer, switch or redemption or conversion into money) of Units and to the treatment of income (if any), capitalisation, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalisation, disposal (sale, transfer, switch, redemption or conversion into money) of Units within their jurisdiction of nationality, residence, domicile etc. or under the laws of any jurisdiction to which they or any managed funds to be used to purchase/gift Units are subject, and (also) to determine possible legal, tax, financial or other consequences of subscribing / gifting to, purchasing or holding Units before making an application for Units.

No person has been authorised to give any information or to make any representations not confirmed in this SID in connection with the New fund offer / Subsequent Offer of Units, and any information or representations not contained herein must not be relied upon as having been authorised by the Mutual Fund or the Asset Management Company or the Trustee Company. Statements made in this SID are based on the law and practice currently in force in India and are subject to change therein. Neither the delivery of this SID nor any sale made hereunder shall, under any circumstances, create any impression that the information herein continues to remain true and is correct as of any time subsequent to the date hereof.

Notwithstanding anything contained in the SID the provisions of SEBI(Mutual Funds) Regulations 1996 and guidelines thereunder shall be applicable. The Trustee Company would be required to adopt / follow any regulatory changes by SEBI / RBI etc and /or all circulars / guidelines received from AMFI from time to time if and from the date as applicable. The Trustee Company in such a case would be obliged to modify / alter any provisions / terms of the SID during / after the launch of the scheme by following the prescribed procedures in this regard.

D. DEFINITIONS & ABBREVIATION

1	"Business Day"	Any day on which the Mumbai Head Office of Tata Asset Management Limited is open for business purposes and the Banks in Mumbai/RBI clearing is functional.
2	"Business Hours"	Business hours are from 10.00 A.M. to 3.00 P.M. on any Business Day.
3	"Calendar Year"	A Calendar Year shall be 12 full English Calendar months commencing from 1st January and ending on 31st December.
4	"Custodian"	Standard Chartered Bank, a bank incorporated in London with limited liability and includes or its successors.
5	"CDSC"	Contingent Deferred Sales Charges permitted under the Regulations for a 'No Load Scheme' to be borne by the Unitholder upon exiting (whether by way of redemption or interscheme switching) from the scheme based on the period of holding of units.
6	"Day"	Any day as per English Calendar viz. 365 days in a year.
7	"Financial Year"	A Financial Year shall be 12 full English Calendar months commencing from 1st April and ending on 31st March.
8	"Group"	As defined in sub-clause (ef) of clause 2 of MRTP Act, 1961.
9	"IMA"	Investment Management Agreement dated 9th May, 1995, as amended from time to time, between the TTCPL & TAML.
10	"Investor"	An investor means any resident or non-resident person whether individual or not (legal entity), who is eligible to subscribe units under the laws of his/her/their country of incorporation, establishment, citizenship, residence or domicile and under the Income Tax Act, 1961 including amendments thereto from time to time and who has made an application for subscribing units under the Scheme. Under normal circumstances, an Unitholder shall be deemed to be the investor.
11	"Net Asset Value" or "NAV"	(a) In case of winding up of the Fund: In respect of an Unit, the amount that would be payable to the holder of that Unit on any date if the fund were to be wound up and its assets distributed on that date (valuing assets and liabilities in accordance with the normal accounting policies of the Fund, but ignoring net distributable income of the current financial year and winding up expenses). (b) Daily for Ongoing Sale/Redemption/ Switch: In respect of a Unit, the amount that would be payable by/to the investor / holder of that Unit on any Valuation date by dividing the net assets of the Scheme by the number of outstanding Units on the Valuation date.
12	"Net Assets"	Net Assets of the Scheme / Plan at any time shall be the value of the Fund's total assets less its liabilities taking into consideration the accruals and the provisions at that time.
13	"Non- Resident Indian" / NRI	A person resident outside India who is a citizen of India or is a person of Indian origin as per the meaning assigned to the term under Foreign Exchange Management (Investment in firm or proprietary concern in India) Regulations, 2000.
14	"Permissible Investments"	Investments made on account of the Unitholders of the Scheme in securities and assets in accordance with the SEBI Regulations.
15	"Portfolio"	Portfolio at any time shall include all Permissible Investments and Cash.
16	"Redemption Load"	Amount collected to cover the cost of providing Redemption / distribution related service to the Scheme on a continuous basis.
17	"Regulations"	Regulations imply SEBI Regulations and the relevant rules and provisions of the Securities and Exchange Board of India (Depositories and participants) Regulations 1996, Public Debt Act 1944, the relevant notifications of the Government of India Ministry of Finance Department of Revenue, (Central Board of Direct Taxes), the Income Tax Act, 1961; Wealth Tax Act, 1957, Gift Tax Act, 1958, Foreign Exchange Management Act, 1999 as amended from time to time and shall also include any Circulars, Press Releases or Notifications that may be issued by SEBI or the Government of India or the Reserve Bank of India from time to time.
18	"Resident"	A resident means any person resident in India under the Foreign Exchange Management Act, 1999 and under the Income Tax Act, 1961, including amendments thereto from time to time.
19	"Scheme"	The offer made by Tata Mutual Fund through this SID, viz., Tata Fixed Horizon Fund Series 18 Scheme A, Tata Fixed Horizon Fund Series 18 Scheme B, Tata Fixed Horizon Fund Series 18 Scheme C, Tata Fixed Horizon Fund Series 18 Scheme D.
20	"SEBI"	Securities & Exchange Board of India established under the Securities & Exchange Board of India Act, 1992.
21	"SEBI Regulations"	The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended from time to time and shall also include any Mutual Fund Regulations, Circulars, Press Releases, or Notifications that may be issued by SEBI or the Government of India to regulate the activities and growth of Mutual funds.
22	"SID"	Scheme Information Document
23	"SAI"	Statement of Additional Information
24	"TAML"	Tata Asset Management Limited, the Asset Management Company (AMC), a company within Management Company" the meaning of the Companies Act, 1956 (1 of 1956) and includes its successors and permitted assigns.

25	"TICL"	Tata Investment Corporation Limited, a sponsor of the TMF and a shareholder of TAML, a company within the meaning of the Companies Act, 1913 and includes its successors and permitted assigns.
26	"TMF" or "Fund"	Tata Mutual Fund, a trust established under a Trust Deed dated 9th May, 1995, under the provisions of The Indian Trusts Act, 1882, bearing SEBI registration No. MF/023/95/9.
27	"Total Assets"	Total Assets of the Scheme at any time shall be the total value of the Schemes assets taking into consideration the accruals.
28	"Trust Deed"	The Trust Deed of the Mutual Fund dated 9th May, 1995, as amended from time to time, made between TSL and TICL as the settlors, and TTCPL as the Trustee.
29	"TSL"	Tata Sons Limited, a sponsor of TMF and a shareholder of TAML, a company within the meaning of the Companies Act, 1913 and includes its successors and permitted assigns.
30	"TTCPL or Company" Trustee	Tata Trustee Company Private Limited, a company within the meaning of the Companies Act, 1956 and includes its successors and permitted assigns.
31	"Unitholder"	An Unitholder means any resident or non-resident person whether individual or not (legal entity), who is eligible to subscribe to the Scheme and who has been allotted Units under the Scheme based on a valid application.
32	"Units"	The security representing the interests of the Unitholders in the Scheme. Each Unit represents one undivided share in the assets of the Scheme as evidenced by any letter/ advice or any other statement / certificate / instrument issued by TMF.
33	"Year"	A Year shall be 12 full English Calendar months.

E. DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

The following Due Diligence Certificate has been submitted to SEBI:
It is confirmed that:

- (i) the draft Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) all legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) the disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.
- (iv) the intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

For **Tata Asset Management Limited**

Place: Mumbai
Date: April 21, 2008

Hormuz A. Bulsara
Chief Operating Officer

II. INFORMATION ABOUT THE SCHEME

A. TYPE OF THE SCHEME

A close ended debt scheme.

B. INVESTMENT OBJECTIVE OF THE SCHEME

The investment objective of the schemes is to generate income and / or capital appreciation by investing in wide range of Debt and Money Market instruments.

C. ASSET ALLOCATION AND RISK PROFILE

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

Scheme A, B, C and D (13 months maturity)

Instruments	Indicative allocations (% of total assets)	Risk Profile
	Likely Around	High/Medium/Low
Debt and Money Market Instruments & Securitised Debt	100%	Low to Medium

No investments would be made in foreign securitised debt.

The scheme may invest upto a maximum of 50% of the scheme's net assets in domestic securitised debt.

If permitted by SEBI under extant regulations / guidelines, not more than 25% of the net assets of the scheme shall be deployed in securities lending. The Scheme would limit its exposure, with regards to securities lending, for a single intermediary, to the extent of 5% of the total net assets of the scheme at the time of lending.

The scheme net assets will have a maximum derivative net position of 50% of the net assets of the scheme. Investment in derivative instruments may be done for hedging and Portfolio balancing.

Pending deployment of funds of a scheme in securities in terms of investment objectives of the scheme a mutual fund can invest the funds of the scheme in short term deposits of scheduled commercial banks.

The Trustee Company may from time to time pending investment according to the investment pattern of the scheme for a short term period on defensive consideration invest upto 100% of the funds available in repos etc. 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.

The Trustee Company may from time to time, for a short term period on defensive consideration, modify / alter the investment pattern / asset allocation, the intention being to protect the Net Asset Value of the Scheme and Unitholders interests, without seeking consent of the unitholders.

Change in Investment Pattern

The Trustee Company may from time to time modify the investment strategy and pattern provided such modification is in accordance with the Scheme objective and SEBI (Mutual Funds) Regulations, 1996, and as amended from time to time including by way of Circulars, Press Releases, or Notifications issued by SEBI or the Government of India to regulate the activities and growth of Mutual Funds, the intent being to protect the Net Asset Value of the Scheme and Unitholders' interest.

Overview of Debt Market:

The major players in the Indian Debt Markets are today are banks, financial institutions, insurance companies and mutual funds. The instruments in the market can be broadly categorized as those issued by corporate, banks, financial institutions and those issued by state/central governments. The risk associated with any investments are – credit risk, interest rate risk and liquidity risk. While corporate papers carry credit risk due to changing business conditions, government securities are perceived to have zero credit risk. Interest rate risk is present in all debt securities and depends on a variety of macroeconomic factors. The liquidity risk in corporate securities market is higher compared to those of government securities. Liquidity in the corporate debt market has been improving due to the entry of more players and due to various measures taken by the regulators in this direction over a period of time. SEBI's directive of a compulsory rating by a rating agency for any [public issuance over 18 months is a case in point. In times to come, dematerialization, entry of private insurance companies and growth of fixed income mutual funds are expected to enhance liquidity in corporate debt market.

Expected Yields on Debt Securities (as on 30/06/08)

Issuer	Instruments	Maturity	Yields
GOI	T-Bill	91 days	8.80 - 9.00
GOI	T-Bill	364 days	9.00 - 9.20
GOI	Short dated	1-3 yrs	9.30 - 9.40
GOI	Medium dated	3-5 yrs	9.20 - 9.30
GOI	Long dated	5-10 yrs	8.90 - 9.10
Corporate	AAA	1-3 yrs	10.50 - 10.75
Corporate	AAA	3-5 yrs	10.50 - 10.75
Corporate	CPs	3 months	10.25 - 10.50
Corporate	CPs	1 year	10.70 - 10.90

D. WHERE WILL THE SCHEME INVEST

The funds available under the Schemes will be invested primarily in securities such as

- Money Market Instruments like Commercial Paper, Certificate of Deposit, Treasury Bills and short term debt instruments etc. issued by various Corporates, Government - State or Central, Public Sector Undertakings,
- Non convertible portion of Convertible Debentures (Khokas), Non Convertible Debentures,
- Securitised Debt (asset backed securities excluding mortgage backed securities), Secured Premium Notes,
- Zero Interest Bonds, Deep Discount Bonds, Floating Rate Bonds/Notes,
- Government Securities,
- Derivative instruments like interest rate swaps, forward rate agreement, interest rate futures and such other derivative instruments as permitted by SEBI / RBI from time to time.

The securities mentioned above and such other securities, the Scheme is permitted to invest could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offers or negotiated deals. Notwithstanding the aforesaid, the proportion of investment in privately placed debentures, securitised debt and other unquoted debt instruments could be increased by the Trustee Company / Asset Management company to around 100% of the total assets / Funds available of the Scheme. For the possible impact on liquidity of the Scheme, which might be experienced due to investment of around 100% in privately placed debentures, securitised debt and other unquoted debt instruments, please refer to the Clause "Compulsory redemption / Redemption" and also to the Clause on "Liquidity & Settlement Risks" under Specific Risk Factors. The moneys collected under this Scheme shall be invested only in transferable securities in the money market or in the capital / debt market or in privately placed debentures or securitised debts or in Government securities. The scheme will have a maximum derivative net position of 50% of the net asset of the scheme.

As per SEBI Regulations, the Scheme 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 Sponsor. The Scheme may invest not more than 25% of the net assets in listed securities of Group companies.

E. THE INVESTMENT STRATEGIES

The scheme is a close ended debt fund and its objective is to generate income and / or capital appreciation by investing in wide range of Debt and Money Market instruments normally maturing in line with the time profile of the scheme.

Under normal circumstances, up to 100 % of the fund will be invested in Debt and Money Market instruments & Securitised debt.

For the purpose of achieving the investment objective, each Scheme under the fund will invest in a portfolio of securities normally having maturity duration in line with the maturity duration of the respective Schemes.

The Schemes would invest in companies based on various criteria including sound professional management, track record, industry scenario, growth prospectus, liquidity of the securities, etc. The Scheme will emphasise on well managed, good quality companies with above average growth prospectus whose securities can be purchased at a good yield and whose debt securities are concerned investments (wherever possible) will be mainly in securities listed as investments grade by a recognised authority like The Credit Rating and Information Services of India Limited (CRISIL), ICRA Limited (formerly, Investment Information and Credit Rating Agency of India Limited), Credit Analysis and Research Limited (CARE) etc. In case of investments in debt instruments that are not rated, specific approval of the Board will be taken except in case of Government Securities being sovereign bonds. However, in case of investment in unrated securities prior board approval is not necessary if investment is within the parameters as stipulated by the board.

Trading in Derivatives

Subject to SEBI (Mutual Fund) Regulations, 1996, the Scheme may use techniques and instruments such as trading in derivative instruments to hedge the risk of fluctuations in the value of the investment portfolio. The Scheme shall enter into derivative transactions for the purpose of hedging and portfolio balancing. In accordance with the guidelines issued by the SEBI. Exposure to derivative instruments will be restricted to 50% of the assets of the scheme.

A derivative is an instrument whose value is derived from the value of one or more of the underlying assets which can be commodities, precious metals, bonds, currency, etc. Common examples of Derivative instruments are Interest Rate Swaps, Forward Rate Agreements

The scheme may use derivative instruments like Interest Rate Swaps, Forward Rate Agreements or such other derivative instruments as may be introduced from time to time and as may be permitted under the SEBI (Mutual Fund) Regulations.

Interest Rate Swaps: An Interest Rate Swap is an agreement whereby two parties agree to exchange periodic interest payments. The amount of interest payments exchanged is based on some predetermined principal, called notional principal amount. The amount each counterparty pays to the other upon periodic interest rate multiplied by the notional principal amount. The only amount that is exchanged between the parties is the interest payment, not the notional principal amount.

Example A: Use of IRS

Assuming the Scheme is having 10% of the portfolio in cash. The fund manager has a view that the interest rate scenario is bearish and call rates are likely to spurt over the next three months. The fund manager would therefore prefer to pay fixed rate of return on his cash, which he is lending in the overnight call market. In other words, he would like to move to a 91 days floating interest rate from overnight fixed rate.

1. Say Notional Amount : Rs. 2 crores
2. Benchmark : NSE MIBOR
3. Tenor : 91 Days
4. Fixed Rate : 9.90%
5. At the end of 91 days;
6. The Scheme pays : fixed rates for 91 days is 9.90%
7. TMF receives : compounded call rate at 10.25% for 91 days.

In practice, however the difference of the two amounts is settled. Here the Scheme receives Rs. $2,00,00,000 \times 0.35\% \times 91 / 365 = 17,452$. The players in IRS are scheduled commercial banks, primary dealers, corporate, mutual funds and All India Financial Institutions.

The Schemes of the fund are in cash, and the view of the fund manager is interest rates are expected to move down due to certain positive events which have occurred. In such cases the Schemes can enter into a received position (IRS) where the Schemes will receive a fixed rate for a specified maturity and pay the floating rate of interest. This is illustrated below.

Example B: Use of IRS

Assuming the Scheme is having 10% of the portfolio in cash. The fund manager has a view that the interest rate scenario is soft and call rates are unlikely to spurt over the next three months. The fund manager would therefore prefer to receive a higher rate of return on his cash, which he is lending in the overnight call market. In other words, he would like to move to a 91 days fixed interest rate from overnight floating rate.

1. Say Notional Amount : Rs. 2 crores
2. Benchmark : NSE MIBOR
3. Tenor : 91 Days
4. Fixed Rate : 10.25%
5. At the end of 91 days;
6. The Scheme pays : compounded call rates for 91 days is 9.90%
7. TMF receives : Fixed rate at 10.25% for 91 days.

In practice, however the difference of the two amounts is settled. Here the Scheme receives Rs. $2,00,00,000 \times 0.35\% \times 91 / 365 = 17,452$. The players in IRS are scheduled commercial banks, primary dealers, corporate, mutual funds and All India Financial Institutions.

Forward Rate Agreements (FRA):

This is an agreement between two counterparties to pay or to receive the difference between an agreed fixed rate (the FRA rate) and the interest rate prevailing on a stipulated future date based on the notional amount, for an agreed period.

The interest rate benchmarks that are commonly used for floating rate in interest rate swaps are those on various Money Market Instruments. In Indian markets, the benchmark most commonly used is MIBOR.

The Schemes of the fund are reasonably invested, and the view of the fund manager is interest rates are expected to move up due to certain negative events which are expected to occur at a specified future date. In such cases the Schemes can enter into a paid position (FRA) at a specified date in the future where the Schemes will pay a fixed rate for a specified maturity and receive the floating rate of interest at a specified future date. This is illustrated below.

Example 1: Use of FRA

The fund Manager believes in 3 months time the interest rates will be higher and decides to enter into an FRA agreement 3x9 to protect the portfolio return. Say the manager wants to hedge 10% of the portfolio which is for the notional amount of Rs 2 crores where the bank agrees to pay 6% fixed, in case the 6 month OIS rate is greater than 6% the bank will pay the difference to the portfolio manager 3 months hence for 6 months. say 3 months hence the OIS rate for six months is 6.50%

This like IRS is cash settled and the bank at the end of three months will pay the portfolio manager the following $(6.50-6.00) \times 181 \times 200,000,00 / (365 \times 100 + 6.50 \times 181) = \text{Rs } 48040.55$ for six months

The Schemes of the fund are in cash, and the view of the fund manager is interest rates are expected to move down due to certain positive events which are expected to occur at a specified future date. In such cases the Schemes can enter into a received position (FRA) at a specified date in the future where the Schemes will receive a fixed rate for a specified maturity and pay the floating rate of interest at a specified future date. This is illustrated below.

Example 2: Use of FRA

The fund Manager believes in 3 months time the interest rates will be lower and decides to enter into an FRA agreement 3x9 to protect the portfolio return. Say the manager wants to hedge 10% of the portfolio which is for the notional amount of Rs 2 crores where the bank agrees to pay 6% fixed, in case the 6 month OIS rate is less than 6% the bank will pay the difference to the portfolio manager 3 months hence for 6 months. say 3 months hence the OIS rate for six months is 5.50%

This like IRS is cash settled and the bank at the end of three months will pay the portfolio manager the following $(6.00-5.50) \times 181 \times 200,000,00 / (365 \times 100 + 5.50 \times 181) = \text{Rs } 48272.76$ for six months

Risks associated with Derivatives

- Derivative products are leverage instruments and can provide disproportionate gains as well as disproportionate losses to the investors. Execution of such strategies depends upon the ability of the Fund Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Fund Manager involved uncertainty and decision of Fund Manager may not always be profitable. No assurance can be given that the Fund Manager will be able to identify or execute such strategies.
- Derivative products are specialised instruments that require investment techniques and risk analysis different from those associated with stocks and bonds. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative add to the portfolio and the ability to forecast price of securities being hedged and interest rate movements correctly. There is a possibility that a loss may be sustained by the portfolio as a result of the failure of another party (usually referred to as the "counterparty") to comply with the terms of the derivatives contract. Other risks in using derivatives include the risk of mis-pricing or improper valuation of derivatives and the inability of derivatives to correlate perfectly with underlying assets, rates and indices.
- The risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investments".

Portfolio Turnover

Since all the schemes are close ended schemes the portfolio turnover is expected to be low.

Change in Investment Pattern

The Trustee Company may from time to time modify the investment strategy and pattern provided such modification is in accordance with the Scheme objective and SEBI (Mutual Funds) Regulations, 1996, and as amended from time to time including by way of Circulars, Press Releases, or Notifications issued by SEBI or the Government of India to regulate the activities and growth of Mutual Funds, the intent being to protect the Net Asset Value of the Scheme and Unitholders' interest.

F. FUNDAMENTAL ATTRIBUTES

Following are the Fundamental Attributes of the scheme, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

(i) Type of a scheme

A close ended Debt fund comprising four investment Schemes.

(ii) Investment Objective

The investment objective of the schemes are to generate income and / or capital appreciation by investing in wide range of Debt and Money Market instruments.

Investment Pattern and Risk Profile:

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

Scheme A, B, C and D (13 months maturity)

Instruments	Indicative allocations (% of total assets)	Risk Profile
	Likely Around	High/Medium/Low
Debt and Money Market Instruments & Securitised Debt	100%	Low to Medium

The scheme may invest upto a maximum of 50% of the scheme's net assets in domestic securitised debt.

No investments would be made in foreign securitised debt.

The Trustee Company may from time to time, for a short term period on defensive consideration, modify / alter the investment pattern / asset allocation, the intent being to protect the Net Asset Value of the Scheme and Unitholders interests, without seeking consent of the unitholders.

(iii) Terms of Issue

Repurchase of units is at Net Asset Value (NAV) related prices with repurchase loads as applicable (within limits) as specified under SEBI Regulations 1996, the repurchase price shall not be lower than 95% of the NAV.

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is 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 for a period of 30 days to exit at the prevailing Net Asset Value without any exit load.

Maximum recurring expenses on the first Rs 100 Crores 2.25% of average weekly net assets (also refer to para on annual recurring expenses in this SID).

New fund offer expenses will be borne by TAML / TTCPL.

G. SCHEME BENCHMARK

Scheme A, B, C and D - Crisil Liquid Fund Index

The composition of the aforesaid benchmark is such that, they are most suited for comparing performance of the respective plans. The Trustees may change the benchmark in future if a benchmark better suited to the investment objective of the scheme is available.

H. Fund Manager

Name	Age	Qualification	Total Experience	Other Schemes Under His Management	Experience (Assignments held during last 10 years)
Raju Sharma	40	CA, LLB (Gen), B. Com	18 years	TIF, TMIF, TLF, TSTBF, TIPF, TDBF, TMPF, TFF, TLMF, TSIPF, TTMF, TFIP1, TFIP2, TFHFS5, TFHFS6, TFHFS12, TFHFS13, TFHFS14, TFHFS17, TFIPF, TFRF	September 1997 to October 2000 - Vice President Investment Banking & Treasury at Alpic Finance Ltd. - Reporting to CMD. December 2000 to January 2004 - Associate at JM Morgan Stanly Fixed Income Securities Ltd - Reporting to Head of Fixed Income. March 2004 to June 2005 - Vice President debt market at Stratcap Securities Ltd - Reporting to Head of Fixed Income. July 2005 to September 2007 - Sr. Vice President debt market at SPA Securities Ltd - Reporting to CMD. September 2007 to date Fund Manager at Tata Asset Management Ltd Currently is the Fund Manager of certain debt schemes of Tata Mutual Fund - Reporting to Head of Fixed Income.

I. Restrictions on Investments (as per seventh schedule of SEBI (Mutual Fund) Regulations 1996)

1. A mutual fund scheme shall not invest more than 15% of its NAV in debt instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act. Such investment limit may be extended to 20% of the NAV of the scheme with the prior approval of the Board of Trustees and the Board of Asset Management Company.

Provided that such limit shall not be applicable for investments in government securities and money market instruments. Provided further that investment within such limit can be made in mortgaged backed securitised debt which are rated not below investment grade by a credit rating agency registered with the Board."

- 1A. A mutual fund scheme shall not invest more than 10% of its NAV in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the scheme. All such investments shall be made with the prior approval of the Board of Trustees and the board of asset management company.

Debentures irrespective of any residual maturity period (above or below 1 year) shall attract the investment restrictions as applicable for debt instruments as specified under clause 1 and 1A above.

2. 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.

3. A scheme may invest in another scheme under the same asset management company or any other mutual fund without charging any fees, provided that aggregate interscheme investment made by all schemes under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund.

Provided that this clause shall not apply to any fund of funds scheme.

4. Every mutual fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:

Provided that a mutual fund may engage in short selling of securities in accordance with the framework relating to short selling and securities lending and borrowing specified by the Board:

Provided further that a mutual fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by the Board."

5. Every mutual fund shall, get the securities purchased or transferred in the name of the mutual fund on account of the concerned scheme, wherever investments are intended to be of long term nature.
6. Pending deployment of funds of a scheme in terms of investment objectives of the scheme, a mutual fund may invest them in short term deposits of schedule commercial banks, subject to such Guidelines as may be specified by the Board.”
7. No mutual fund scheme shall make any investment in;
 - a) any unlisted security of an associate or group company of the sponsor; or
 - b) any security issued by way of private placement by an associate or group company of the sponsor; or
 - c) the listed securities of group companies of the sponsor which is in excess of 25% of the net assets of the schemes.
- 8A) No scheme of a mutual fund shall make any investment in any fund of fund scheme.

These investment limitations / 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 or commitment to invest, 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.

In addition, certain investment parameters (like limits on exposure to Sectors, Industries, Companies, etc.) may be adopted internally by TAML, and amended from time to time, to ensure appropriate diversification / security for the Fund. The Trustee Company / TAML may alter these above stated limitations from time to time, and also to the extent the SEBI (Mutual Funds) Regulations, 1996 change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its investment objective. As such all investments of the Scheme will be made in accordance with SEBI (Mutual Funds) Regulations, 1996, including Schedule VII thereof.

Investment by the Fund and the Asset Management Company

According to the Clause 4 of Schedule 7 read with Regulation 44(1), of the SEBI (MF) Regulations, 1996, the scheme may invest in another scheme/plan/fund under the management of TAML or any other mutual fund without charging any fees. The aggregate inter-scheme investments made by all schemes/plans/funds under the same management or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of the mutual fund. The objective of the Scheme in investing in Schemes of TMF or any other Mutual Fund will be primarily to gain better yields in the short term as compared to other short term instruments in the money market.

TAML (the AMC) may invest in the scheme(s)/plan(s)/fund(s), either in the initial issue or on an ongoing basis, such amount, as they deem appropriate. The AMC shall not be entitled to charge any management fees on this investment in the scheme(s)/plan(s)/fund(S). Investments by the AMC will be in accordance with Regulation 24(3) of the SEBI (MF) Regulations, 1996.

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 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.

Securities Lending Risks

It may be noted that this activity would have the inherent probability of collateral value drastically falling in times of strong downward market trends, rendering the value of collateral inadequate until such time as that diminution in value is replenished by additional security. It is also possible that the borrowing party and/or the approved intermediary may suddenly suffer severe business setback and become unable to honour its commitments.

This, along with a simultaneous fall in value of collateral would render potential loss to the Scheme. Besides, there is also be temporary illiquidity of the securities that are lent out and the scheme will not be able to sell such lent out securities until they are returned.

J. PERFORMANCE OF THE SCHEME

"This scheme is a new scheme and does not have any performance track record"

III. UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

A. NEW FUND OFFER (NFO)

New Fund Offer (NFO) Period	NFO of Scheme C opens on: 31 st July, 2008 NFO of Scheme C closes on: 12 th August, 2008 New fund offer period of other schemes will be notified later. The Trustee reserves the right to extend the closing date, subject to the condition that the subscription list shall not be kept open for more than 45 days.
New Fund Offer Price: This is the price per unit that the investors have to pay to invest during the NFO.	Rs. 10/- per unit for cash at face value
Minimum Amount for Application in the NFO	Regular Plan: Dividend Option : Rs. 10,000/- & in Multiple of Re. 1/- thereafter. Growth Option : Rs. 10,000/- & in Multiple of Re. 1/- thereafter Institutional Plan: Dividend Option : Rs. 1,00,00,000/- & in Multiple of Re.1/- thereafter. Growth Option : Rs. 1,00,00,000/- & in Multiple of Re. 1/- thereafter
Minimum Target amount This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return. However, if AMC fails to refund the amount within 6 weeks, interest as specified by SEBI (currently 15% p.a.) will be paid to the investors from the expiry of six weeks from the date of closure of the subscription period.	Rs. 10 crores for each Scheme.
Maximum Amount to be raised (if any) <i>This is the maximum amount which can be collected during the NFO period, as decided by the AMC.</i>	No upper limit
Plans / Options offered	Each Scheme has two plans Regular Plan and Institutional Plan and each Plan has two Options Growth Option and Dividend Option. Dividend option offers dividend payout or dividend re-investment facility.
Dividend Policy	In case of Growth Option the income / profits received / earned would be accumulated by the Fund as capital accretion, aimed at achieving medium to long term and also short term capital growth as reflected in the NAV. In case of a Dividend Option the profits received / earned and so retained and reinvested may be distributed as Income at appropriate rates (after providing for all relevant ongoing expenses, etc.) and at appropriate intervals as may be decided by the AMC and/or Trustee Company will be distributed to the unitholders who hold the units on the record date of declaration of the Income. The Trustee Company reserves the right to change the frequency for income distribution at its discretion. Guided by the philosophy of value-oriented returns, the intent being to protect the Net Asset Value of the Scheme and Unitholders' interests. Investment Options Scheme A, B, C and D: Growth Option Periodic Dividend - Atleast once during the tenure of the scheme at the discretion of the trustees from time to time, subject to availability of distributable surplus. Monthly Dividend - Atleast once a month at discretion of the trustees from time to time, subject to availability of distributable surplus. Note: Dividend shall be distributed at the discretion of the Trustees subject to availability of distributable surplus. Dividend Reinvestment Option : Unitholders under this Option also have the facility of reinvestment of the income so declared, if so desired. Income Distribution Warrants will not be despatched to such Unitholders. The income declared would be reinvested in the Scheme on the immediately following ex-dividend date without any entry / exit load.

<p>Allotment</p>	<p>Subject to receipt of minimum subscription amount, full allotment will be made to all valid applications received during the New Fund Offer Period. Allotment of units will be completed not later than 30 days after the close of the New Fund Offer Period.</p> <p>Allotment of Units and despatch of Account Statements to FIIs will be subject to RBI approval. Any addition/ deletion of name from the folio of the unitholder is deemed as transfer of units. But the Units of the Scheme are not transferable.</p> <p>In view of the same, additions/ deletion of names will not be allowed under any folio of the Scheme.</p> <p>The above provisions in respect of deletion of names will not be applicable in case of death of unitholder (in respect of joint holdings) as this is treated as transmission of units and not transfer.</p> <p>An Account Statement will be despatched to each Unitholder stating the number of Units held, etc. within a maximum of thirty days from the date of allotment.</p> <p>On request from the unitholders, the Asset Management Company shall within 6 weeks issue the Unit Certificate. The request can be made to any of the Authorised Investor Service Centres. The cost for issuing the Unit Certificate in lieu of Account Statement will be borne by the Scheme and will form part of its annual ongoing expenses.</p>
<p>Refund</p>	<p>Refund of subscription money to applicants whose applications are invalid for any reason whatsoever, will be without incurring any liability whatsoever for interest or other sum.</p> <p>The entire amount shall be refunded within a period of 6 weeks of the closure of the New Fund Offer Period. If, the Fund refunds the amount after 6 weeks, interest @15% per annum for delayed period shall be paid by the AMC. Refund orders will be marked "A/c. Payee Only" and drawn in the name of the first applicant.</p>
<p>Who can invest</p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>Eligibility for Application</p> <p>The following persons (subject, wherever relevant to, purchase of Units being permitted under their respective constitutions and relevant State Regulations) are eligible to apply for the purchase of the Units:</p> <ul style="list-style-type: none"> • Adult individuals, either singly or more than one (not exceeding three) on first holder basis or jointly on an either or survivor/any one basis. • Parents, or other lawful Guardians on behalf of Minors. • Companies, corporate bodies, public sector undertakings, trusts, wakf boards or endowments, funds, institutions, associations of persons or bodies of individuals and societies (including Co-operative Societies) registered under the Societies Registration Act, 1860 (so long as the purchase of Units is permitted under their respective constitutions). • Mutual Funds (including any Scheme managed by AMC or any Scheme of any other Mutual Fund); (in accordance with Regulation 44(1) read with Clause 4 of Schedule VII, of the Securities & Exchange Board of India (Mutual Funds) Regulations, 1996). • Asset Management Company (AMC); (in accordance with Regulation 24(3) of the Securities & Exchange Board of India (Mutual Funds) Regulations, 1996). • Partnership firms, in the name of the partners. • Hindu Undivided families (HUF) in the sole name of the Karta. • Financial and Investment Institutions/ Banks. • Army/ Navy / Air Force, para military Units and other eligible institutions. • Religious and Charitable Trusts provided these are allowed to invest as per statute and their by-laws. • Non-resident Indians/ persons of Indian origin residing abroad (NRIs) on a full repatriation basis. • Foreign Institutional Investors registered with SEBI (FIIs). • International Multilateral Agencies approved by the Government of India. <p>Applicants who cannot Invest.</p> <ul style="list-style-type: none"> • Any individual who is a Foreign national or any other entity that is not an Indian resident under the Foreign Exchange Management Act, 1999, except where registered with SEBI as a FII or FII sub account. • Overseas Corporate Bodies (OCBs) shall not be allowed to invest in the scheme. These would be firms & societies which are held directly or indirectly but ultimately to the extent of atleast 60% by NRIs & trusts in which atleast 60% of the beneficial interest is similarly held irrevocably by such persons (OCBs). • Non-Resident Indians residing in the United States of America and Canada. <p>The Fund reserves the right to include / exclude new / existing categories of investors to invest in the scheme from time to time, subject to SEBI Regulations and other than prevailing statutory regulations, if any.</p> <p>If a person resident of India at the time of subscription becomes a person resident outside India subsequently, shall have the option to either be paid Redemption value of Units, or continue into the Scheme if he/ she so desires and is otherwise eligible. However, the person who desires to continue in the Scheme shall not be entitled to any interest or any compensation during the period it takes for the Fund to record the change in Address and the Residential Status. Notwithstanding the aforesaid, the Trustee Company reserves the right to close the Unitholder account and to pay the Redemption</p>

	<p>value of Units, subsequent to his becoming a person resident outside India, should the reasons of expediency, cost, interest of Unitholders and other circumstances make it necessary for the Fund to do so. In such an event, no resident Unitholders who have subsequently become resident outside India shall have a right to claim the growth in capital and/ or income distribution.</p> <p>This scheme has not been registered in any country outside India. To ensure compliance with any Laws, Acts, Enactments, etc. including by way of Circulars, Press Releases, or Notifications of Government of India, the Fund may require/give verification of identity/any special/additional subscription-related information from /of the Unitholders(which may result in delay in dealing with the applications, Units, benefits, distribution, etc./giving subscription details, etc). Each Unitholder must represent and warrant to the Trustee Company/AMC that, among other things, he is able to acquire Units without violating applicable laws. The Trustee Company will not knowingly offer or sell Units to any person to whom such offer or sale would be unlawful, or might result in the Fund incurring any liability or suffering any other pecuniary disadvantages which the Fund might not otherwise incur or suffer. Units may not be held by any person in breach of the law or requirements of any governmental, statutory authority including, without limitation, Exchange Control Regulations. The Trustee company may, compulsorily redeem any Units held directly or beneficially in contravention of these prohibitions. In view of the individual nature of investment portfolio and its consequences, each Unitholder is advised to consult his/her own professional advisor concerning possible consequences of purchasing, holding, selling, converting or otherwise disposing of the Units under the laws of his/her State/country of incorporation, establishment, citizenship, residence or domicile.</p>
Where can you submit the filled up applications.	<p>Karvy Computershare Private Limited, Karvy House, 46 Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500 034 has been appointed as Registrar for the Scheme. The Registrar is registered with SEBI under registration number INR000000221. As Registrar to the Scheme, Karvy will handle communications with investors and despatch account statements during the New Fund Offer Period. TAML and TTCPL have satisfied themselves that the Registrar can provide the services required and have adequate facilities and system capabilities. As Registrar to the Scheme, they will accept and process Unitholders applications and inform TAML as to the amounts received for subscriptions (duly reconciled) during the New Fund Offer Period.</p> <p>The Registrar has set up a special Investor service cell for quick redressal of Unitholder grievances (if any). All correspondence, including change in the name, address, designated bank account number and bank branch, loss of Unit Certificate, Account Statement, etc. should be addressed to :</p> <p>Karvy Computershare Private Limited, Karvy House, 46 Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500 034. Website: www.karvymfs.com Email: kiran@tataamc.com (Tata Mutual Fund email address) Toll Free No. 1800-209-0101</p> <p>During the New Fund Offer Period Application form (duly completed), along with a cheque (drawn on respective centers) / DD (payable at respective centers) can be submitted at the Investors Service Centers.</p> <p>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:</p> <p>Karvy Computershare (P) Limited H. No. 8-2-596, Avenue 4, Street no.1, Banjara Hills, Hyderabad – 500 034 Andhra Pradesh</p> <p>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.</p> <p>For the list of Authorised Investor Service Centres, please refer to the Back Cover Page of this Scheme Information Document.</p>
How to Apply Listing	<p>Please refer to the Scheme Additional Information and Application form for the instructions. It is not proposed to list the scheme on any of the Recognised Stock Exchanges in India.</p>
Special Products / facilities available during the NFO	<p><i>Below mention facilities are not available:</i></p> <p><i>Systematic Investment Plan</i> <i>Systematic Transfer Plan</i> <i>Systematic Withdrawal Plan</i></p>
The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	<p>The AMC may reissue at its discretion upto 100% of the units repurchased at applicable load, if any.</p>
Restrictions, if any, on the right to freely retain or dispose of units being offered.	<p>The Units of the Scheme are not transferable. In view of the same, additions/ deletion of names will not be allowed under any folio of the Scheme. The above provisions in respect of deletion of names will not be applicable in case of death of unitholder (in respect of joint holdings) as this is treated as transmission of units and not transfer. Please refer SAI for the procedure of transmission.</p>

B. ONGOING OFFER DETAILS

<p>Ongoing Offer Period This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p>	<p>Being a close-ended Scheme, investors can subscribe to the Units of the Scheme during the New Fund Offer Period only and the scheme will not reopen for subscriptions after the closure of NFO.</p> <p>To provide liquidity to the investors, the Fund proposes to provide repurchase facility on all business days. The investors may redeem the units on all business days for redemption at NAV based prices, subject to the prevalent exit load provisions.</p> <p>Investors are requested to note that the Trustee reserves the right to modify the frequency of liquidity/repurchase facility for the benefit of the investors under each plan of the Scheme.</p>
<p>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.</p> <p>This is the price you need to pay for purchase/switch-in.</p> <p><i>Example: If the applicable NAV is Rs. 10, entry load is 2% then sales price will be: Rs. 10* (1+0.02) = Rs. 10.20</i></p>	<p>Units cannot be subscribed after the closure of NFO.</p>
<p>Ongoing price for redemption (sale) / repurchase / switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p> <p><i>Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be: Rs. 10* (1-0.02) = Rs. 9.80</i></p>	<p>Requests for repurchase can be submitted on any Business Days of the Month, at our Authorised Service Centres (mentioned in this SID). The repurchase request can be made for a minimum of Rs. 1000/- / 100 units or in multiples of Rs.1/- or for all the Units. The Units will be repurchased (sold back to the Fund) at the relevant NAV less any administrative cost and other charges termed as Repurchase Load and which shall be the applicable Repurchase price / NAV related price. The repurchase price will be in accordance with Regulation 49(3) of the Securities Exchange Board of India (Mutual Funds) Regulations, 1996, which shall not be lower than 95% of the NAV. The Trustee Company may however, from time to time review and modify the repurchase load for each choice of investment. The Units if partially repurchased would be subtracted from the Unit balance of that Unitholder on "First In First Out" basis i.e. the Units that were offered / allotted first would be the first to be repurchased. In case amount is withdrawn, the same will be converted into Units at the applicable Repurchase price / NAV related price and the number of Units so arrived at will be subtracted from the Unit balance of that Unitholder on "First In First Out" basis. The repurchase would be permitted to the extent of credit balance in the Unitholder's account.</p> <p>The repurchase cheque will be issued in the name of the first unitholder. Under normal circumstances, the Fund will ensure that the repurchase cheques are despatched within ten business days from the date of receipt of the repurchase request. In the event of partial repurchase, the Fund shall despatch the revised Account Statement for the balance number of Units still being held by the Unitholder along with the repurchase cheque. Credit balances in the account of a Non- Resident Unitholder on maturity or otherwise, (where RBI final approval and any other approval (if any required) has been obtained) may be repurchased by the Fund by such Unitholder in accordance with the procedure described above and also subject to any procedures laid down by RBI and any other agency. Such repurchase proceeds will be paid by means of a Rupee cheque payable to the NRE/ NRO account of the Unitholder or subject to RBI procedures and approvals, such payment in Indian Rupees will be converted into US Dollars or into any other currency, as may be permitted by RBI, at the rate of exchange prevailing at the time of remittance and will be despatched at the applicants' risk, or at the request of the applicants' will be credited to their NRE/ NRO Accounts, details of which are to be furnished in the space provided for this purpose in the Repurchase Form. The Fund will not be liable for any delays or for any loss on account of exchange fluctuations, while converting the rupee amount in US Dollar or any other currency. The Fund (if required) may also make arrangements to obtain RBI approvals on a case-by-case basis on behalf of the Unitholder, subject to the Unitholder providing the Fund with the necessary documents required.</p> <p>As per SEBI specified limits; the repurchase price shall not be lower than 95 % of the NAV.</p>
<p>Cut off timing for redemptions (sale) and switch outs (to other schemes / plans of the mutual fund) by investor.</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>In respect of valid applications received upto the cut-off time on the business day on which repurchase facility is provided by the Mutual Fund, same day's closing NAV shall be applicable.</p> <p>In respect of valid redemption / switch request, received after 3.00pm the closing NAV of next business day shall be applicable. If maturity of the scheme falls on a holiday or any non business day the immediate next business day will be considered as a date of maturity.</p> <p>Cut-off time for redemptions including switch outs: 3.00 p.m.</p>
<p>Where can the applications for redemption and switchout be submitted?</p>	<p>The details of official points of acceptance, is provided on back cover page.</p>
<p>Minimum amount for redemption and switch out</p>	<p>The repurchase / switch out request can be made for a minimum of Rs. 1000/- / 100</p>

	units or in multiples of Rs.1/- thereafter or for all the Units.
Minimum balance to be maintained and consequences of non maintenance. Special Products available	<p>The Fund may mandatorily redeem all the Units of any Unitholder:</p> <p>(a) if the value of the account falls below the minimum Account balance of Rs.10,000/- (based on prevailing NAV) and / or 1,000 Units in case of both the options due to normal repurchase/switch and the unitholders fails to invest sufficient funds or to purchase sufficient units to bring the value of the account upto the minimum level within 30 days after a written intimation in this regard is sent by the fund to that unitholder; or</p> <p>(b) where the Units are held by a Unitholder in breach of any regulations; or The repurchase would be permitted to the extent of credit balance in the Unitholder's account.</p> <p>Below mention facilities are not available. Systematic Investment Plan Systematic Transfer Plan Systematic Withdrawal Plan</p>
Accounts Statements	<p>For normal transactions (other than SIP/STP) during ongoing sales and repurchase:</p> <ul style="list-style-type: none"> The AMC shall issue to the investor whose application (other than SIP/STP) has been accepted, an account statement specifying the number of units allotted (within thirty days from the date of allotment) For those unitholders who have provided an email address, the AMC will send the account statement by e-mail. <p>The unitholder may request for a physical account statement by writing/calling the AMC/ISC/R&T.</p> <p>For SIP / STP transactions; (Not Applicable)</p> <ul style="list-style-type: none"> Account Statement for SIP and STP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter. A soft copy of the Account Statement shall be mailed to the investors under SIP/STP to their e-mail address on a monthly basis, if so mandated. However, the first Account Statement under SIP/STP shall be issued within 10 working days of the initial investment/transfer. In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP/STP) to the investors within 5 working days from the receipt of such request without any charges. <p>Annual Account Statement:</p> <ul style="list-style-type: none"> The Mutual Funds shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.
Dividend	The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.
Redemption	The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.
Delay in payment of redemption / repurchase proceeds	The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).
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), IFSC code for NEFT a 11 digit number, branch address of the bank at the appropriate space in the application form.

C. PERIODIC DISCLOSURES

<p>Net Asset Value</p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The Mutual Fund shall declare the Net asset value of the scheme on every business day on AMFI's website www.amfiindia.com by 9.00 pm and also on the AMC's website i.e www.tatamutualfund.com.</p> <p>NAV Information</p> <p>The Scheme's NAV will be available on all Business Days at the Authorised Investor Service Centres. The Fund will endeavour to publish the Scheme's NAV on all business days in atleast 2 daily newspapers(along with repurchase price). In the event NAV cannot be calculated and / or published, such as because of the suspension of RBI Clearing, Bank strikes, during the existence of a state of emergency and / or a breakdown in communications, the Board of Trustees may temporarily suspend determination and / or publication of the NAV of the Units.</p> <p>The repurchase price will be in accordance with Regulation 49(3) of the Securities Exchange Board of India (Mutual Funds) Regulations, 1996, which shall not be lower than 95% of the NAV.</p>
<p>Half yearly Disclosures: Portfolio / Financial Results</p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>The Fund shall before the expiry of one month from the close of each half year, that is as on March 31 and September 30, publish its unaudited financial results in one English daily newspaper having all India circulation and in a newspaper published in the language of the region where the Head Office of the Fund is situated and update the same on AMC's website at www.tatamutualfund.com within 30 days in format prescribed in terms of SEBI's circular dated April 20, 2001 and on AMFI's website at www.amfiindia.com within 30 days from the close of each half year, in the prescribed formats.</p> <p>Further the Fund shall also disclose the half-yearly scheme portfolios on its web site at www.tatamutualfund.com and on AMFI web site (www.amfiindia.com) in the prescribed format before the expiry of one month from the close of each half year.</p> <p>The mutual fund may opt to send the portfolio to all unit holders in lieu of the advertisement.</p>
<p>Half Yearly Results</p>	<p>The mutual fund and Asset Management Company shall before the expiry of one month from the close of each half year that is on 31st March and on 30th September, publish its unaudited financial results in one national English daily newspaper and in a regional newspaper published in the language of the region where the Head Office of the mutual fund is situated.</p>
<p>Annual Report</p>	<p>The Fund will, not later than six months after the close of each financial year (March 31), mail to the Unitholders an abridged scheme wise annual report. Further, the full text of the Annual Report will be available for inspection at the office of the Fund. A copy of the Annual Report will be sent to Unit holders, free of cost, on specific request. The fund shall disclose the Annual Report on its website www.tatamutualfund.com.</p>
<p>Associate Transactions</p>	<p>Please refer to Statement of Additional Information (SAI).</p>
<p>Investor services</p>	<p>The AMC has designated an Investor Relations Officer to look into investor grievances regarding deficiencies, if any, in the services provided by the Registrars or the Investor Service Centres.</p> <p>Name of the Investor Relations Officer: Ms. Latha Rajaraman Address: 221, Dr. D. N. Road, Fort House, Fort, Mumbai 400 001</p> <p>Tel: (022) 66578282</p> <p>Email address: kiran@tataamc.com</p> <p>The AMC will have the discretion to change the Investor Relations' Officer depending on operational necessities and in the overall interest of the fund.</p>

Taxation

The information is provided for general information only. However, in view of the individual nature of the implications, each investor is advised to consult his or her own tax advisors/authorised dealers with respect to the specific amount of tax and other implications arising out of his or her participation in the schemes.

Please refer to SAI for other Taxation Details.

Dividend Distribution Tax (Paid by AMC)						
Type of Scheme	Rate		Surcharge	Education Cess	Effective Rate	
	Individuals & HUF's	Non Individuals			Individuals & HUF's	Non Individuals
Liquid Scheme	25%	25%	10%	3%	28.325%	28.325%
Debt Schemes	12.50%	20%	10%	3%	14.16%	22.66%

Capital Gain Tax (Paid by Investor)				
Type of Scheme	Long Term Capital Gains Tax			
	Rate	Surcharge	Education Cess	Total
Equity Oriented Schemes	Nil	Nil	Nil	Nil
Debt Schemes	20%	10%	3%	22.66%
For FIIs	40%	2.50%	3%	42.23%
Type of Scheme	Short Term Capital Tax			
	Rate	Surcharge	Education Cess	Total
Equity Oriented Schemes	10%	10%	3%	11.33%
Debt Schemes	30%	10%	3%	33.99%
For FIIs	40%	2.50%	3%	42.23%

Dividend will be tax free in the hands of investors.

"If any tax liability arising post redemption on account of change in tax treatment with respect to dividend distribution tax, by the tax authorities, shall be solely borne by the investors and not by the AMC or the Trustee Company."

D. COMPUTATION OF NAV

Net Asset Value ("NAV") of the Units shall be determined daily as of the close of each Business Day.

NAV shall be calculated in accordance with the following formula :

$$\text{NAV} = \frac{\text{Market Value of Scheme's Investments} + \text{Accrued Income} + \text{Receivables} + \text{Other Assets} - \text{Accrued Expenses} - \text{Payables} - \text{Other Liabilities}}{\text{Number of Units Outstanding}}$$

The computation of Net Asset Value, valuation of Assets, computation of applicable Net Asset Value (related price) for ongoing Sale, Redemption, Switch and their frequency of disclosure shall be based upon a formula in accordance with the Regulations and as amended from time to time including by way of Circulars, Press Releases, or Notifications issued by SEBI or the Government of India to regulate the activities and growth of Mutual Funds. The NAVs of the fund shall be rounded off upto four decimals.

IV. FEES AND EXPENSES

A. NEW FUND OFFER (NFO) EXPENSES

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc. Entire NFO expenses will be borne by the AMC. In terms of SEBI circular No. SEBI/IMD/CIR No. 11/115723 /08 dated January 31, 2008, close ended schemes are not permitted to charge NFO expenses to the scheme. Hence, NFO Expenses will not be charged to the Scheme.

B. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated following percentage of the weekly average net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund.

Particulars	% of Net Assets	
	Retail Plan (Scheme A, B, C and D)	Institutional Plan (Scheme A, B, C and D)
Investment Management & Advisory Fee	1.25	1.25
Custodial Fees	0.10	0.10
Registrar & Transfer Agent Fees including cost related to providing accounts statement, dividend/redemption cheques/warrants etc.	0.15	0.10
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.45	0.30
Brokerage & Transaction Cost pertaining to the distribution of units	0.10	0.05
Audit Fees / Fees and expenses of trustees	0.06	0.06
Costs related to investor communications	0.11	0.11
Costs of fund transfer from location to location	0.03	0.03
Other Expenses*	0.00	0.00
Total Recurring Expenses	2.25	2.00

These estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se. Types of expenses charged shall be as per the SEBI (MF) Regulations.

Investment Management fees charged by TAML shall be 1.25% of the weekly average net assets for net assets upto Rs. 100 crores and 1.00% of the weekly average net assets on the balance amount above Rs. 100 crores. This fee shall be conformity with SEBI Regulations & shall be payable

at a frequency as agreed between the AMC and Trustees from time to time. TAML shall not charge any fees on its investment in Units of the Funds/Schemes/Plans in TMF or any other Mutual Fund.

The recurring expenses of the Schemes, and the additional management fee shall be as per the limits prescribed under Sub-Regulations (6) of Regulations 52 of the Regulations and shall not exceed the limits prescribed thereunder.

As per the Regulations, the maximum recurring expenses that can be charged to the Scheme shall be subject to a percentage limit of weekly net assets as in the table below:

First Rs. 100 crore	Next Rs. 300 crore	Next Rs. 300 crore	Over Rs. 700 crore
2.25%	2.00%	1.75%	1.50%

C. LOAD STRUCTURE

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of the AMC (www.tatamutualfund.com) or may call at Toll Free No.:1800-209-0101 or your distributor.

Type of Load Scheme A (13 Months Maturity)	Load chargeable (as %age of NAV)
Entry	Nil
Exit	0.25% if redeemed on or before 1 month from the date of allotment. Nil if redeemed after 1 month from the date of allotment.

Type of Load Scheme B, C and D (13 Months Maturity)	Load chargeable (as %age of NAV)
Entry	Nil
Exit	1% if redeemed before maturity, Nil on maturity.

Bonus units and units issued on reinvestment of dividends shall not be subject to entry and exit load.

All loads including Contingent Deferred Sales Charge (CDSC) for the Scheme shall be maintained in a separate account and may be utilised towards meeting the selling and distribution expenses. Any surplus in this account may be credited to the scheme, whenever felt appropriate by the AMC.

The AMC reserves the right to change/modify exit / switchover load (including zero load), depending upon the circumstances prevailing at any given time. However any change in the load structure will be applicable on prospective investment only. The AMC may charge an exit load for switch of units from one plan/option to another plan/option within the Scheme and/or any other scheme of TMF depending upon the circumstances prevailing at any given time. The switchover load may be different for different plans/options and the switchover load may be different from the entry and /or exit load charged for sale and/or repurchase units. The load charged could also be different for different options in the plans of the Scheme at the same time and different as regards the amount/tenor of investment, etc.

The investor is requested to check the prevailing load structure of the scheme before investing. For any change in load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

D. WAIVER OF LOAD FOR DIRECT APPLICATIONS

No entry load shall be charged for direct applications (for fresh subscription, as additional subscription by the existing investors and switch applications) received by the AMC i.e applications received through internet or applications accepted at the offices of AMC or authorised investor service Centres that are not routed through any distributor or agent/broker. Such applications may be marked DIRECT or NOT APPLICABLE in the broker code column of the application form/transaction slip. In case of any change in the broker code column, the investor has to strike off the earlier entry, enter the new code (DIRECT, NOT APPLICABLE OR BROKER CODE) and the same has to be counter signed. Application / Transaction slip for subscription or switch in without mention of broker code or where the broker code column is blank, shall be treated as direct application.

V. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VI. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

This section shall contain the details of penalties, pending litigation, and action taken by SEBI and other regulatory and Govt. Agencies.

1. All disclosures regarding penalties and action(s) taken against foreign Sponsor(s) may be limited to the jurisdiction of the country where the principal activities (in terms of income / revenue) of the Sponsor(s) are carried out or where the headquarters of the Sponsor(s) is situated. Further, only top 10 monetary penalties during the last three years shall be disclosed. - NIL
2. In case of Indian Sponsor(s), details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years shall also be disclosed. - NIL
3. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party. The details of the violation shall also be disclosed. - NIL
4. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party should also be disclosed separately.

"SEBI has filed a writ petition before the Bombay High Court seeking direction to the Additional Metropolitan Magistrate (the Magistrate) to expedite the case in a criminal complaint (for alleged insider trading) initiated by them earlier against Hindustan Lever Ltd. (HLL) and its five Executive Directors who held such office in March 1996. Thereafter, the Magistrate has taken cognizance of SEBI's complaint and has directed the issue of summons to HLL and the five Executive Directors Mr. S. M. Datta, a director of the Tata Trustee Company Pvt. Ltd., was one of the five Executive Directors of HLL who are being proceed against."
5. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency, shall be disclosed. -NIL

Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

Note: The Scheme under this Scheme Information Document was approved by the Trustee Company on 20th May, 2008 and is being filed with SEBI.

By order
Board of Directors
Tata Asset Management Limited.
H. A. Bulsara
Chief Operating Officer

Place: Mumbai
Date: 30th July, 2008