



Enjoy the stability of debt
with the excitement of equity.

NFO Closes on 29th August 2011. Units at ₹ 10/- each

TATA
FIXED TENURE
FUND
Series 2 - Scheme B
(3 years close ended Income Scheme)

What is Tata Fixed Tenure Fund Series 2 - Scheme B (TFTFS2 B)?

TFTFS2 B is a 3 year close ended Income Fund which aims to generate income and/or capital appreciation by investing predominantly in wide range of Debt and Money Market instruments that are maturing on or before the maturity of the scheme and to attain capital appreciation, the scheme will invest small portion in equity/equity related instruments.

In what proportion will the scheme invest in Debt and Equity?

Suppose you have invested ₹ 100 in this fund. Under normal circumstances, atleast ₹ 80 will be invested in Debt & Money Market instruments and balance upto maximum of ₹ 20 in equity and equity related instruments.

In short, your ₹ 80 will provide you relatively steady returns while the ₹ 20 equity exposure may provide you with potential capital appreciation.

Hence, TFTFS2 B aims to provide the twin advantage of stability in debt investments along with the add-on advantage of earning relatively higher returns than a typical fixed income investment.

Please refer SID/SAI for further details on investment strategy and other details.

Why should one invest in this fund?

• **Benefit of both worlds – Stability of Debt and Zing of Equity:**

TFTFS2 B is a hybrid fund which seeks to take advantage of both debt and equity. The fund provides investors who are conservative in their investment approach with an opportunity to earn returns higher than a normal debt-only scheme.

• **Diversification:**

Diversification is the foundation of a successful investment strategy. The investment opportunities that TFTFS2 B offers are unique as it invests in both debt as well as equities. Since each asset classes have their own cycles, which at times may run in opposite directions, it pays to invest across different assets so as to balance the portfolio.

• **Low transaction cost:**

Due to its very nature of holding the instrument till maturity, there may be no regular churning of the portfolio in TFTFS2 B. This may reduce the costs incurred in buying these instruments.

• **Minimal Interest Rate risk:**

Debt funds are exposed to three kinds of risks viz. interest rate, credit & liquidity risk. TTFFS2 B seems a better option as it would be less exposed to interest rate risk as the fund manager would normally hold the instruments till maturity. It would endeavour to invest in quality papers which try to minimize credit risk and liquidity risk.

Who is it suitable for?

The fund is suitable for conservative investors with moderate risk appetite who endeavour to earn returns relatively higher than fixed income instruments and at the same time seek to participate in equity markets.

Key Fund Details:

Type of Scheme: 3 years close ended Income Fund

Investment Objective: The scheme seeks to generate income and / or capital appreciation by investing predominantly in wide range of Debt and Money Market instruments that are maturing on or before the maturity of the respective scheme. To attain capital appreciation, the scheme will invest small portion in equity/ equity related instruments.

Options available: Growth option & Dividend Payout option

Minimum Investment Amount: ₹ 10,000/- per option

Investment Pattern and Risk Profile:

Under normal circumstances, the Scheme shall generally be invested / the indicative asset allocation of the scheme:

Instruments	Indicative allocations(% of total assets)		Risk Profile
	Minimum	Maximum	High/Medium/Low
Debt and Money Market Instruments, Securitised Debt*	80	100	Low to Medium
Equity and Equity related instruments	0	20	Medium to High

* includes up to a maximum of 50% of the scheme's net assets in domestic securitised debt (including cash and cash equivalents securities). No investments would be made in foreign securitised debt. Please refer SID for further details on asset allocation / investment pattern.

Entry Load: N.A; **Exit Load:** Nil

New Fund Offer Opens On: 17th August, 2011

New Fund Offer Closes On: 29th August, 2011

Transparency: The NAV will be declared on all Business Days.

Mode of allotment: Units shall either be allotted in dematerialized form (if investor has Demat account and he has provided the details of depository account in the application form) or by way of issuing the physical account statement. For further details, please refer Liquidity clause.

Duration / Maturity of the scheme: The Scheme will wound up on completion of its tenure or immediate next business day if such day is non-business day.

Liquidity: Being closed ended scheme, the Fund shall not repurchase the units back before the maturity of the scheme in terms of SEBI circular dated December 11, 2008. However, in order to provide the liquidity to the investors, the scheme will be listed on the Bombay Stock Exchange Ltd (BSE). The AMC will endeavour to list the scheme at the earliest from the date of allotment of units. Hence, Investors who want to liquidate their units of the schemes can sell the units in the secondary market. Buying and selling of units by investors can be done from secondary market on the stock exchange at the market prices. Trading in units over the stock exchange will be permitted in electronic (dematerialized) form only.

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

Listing: The units of the scheme will be listed on BSE. **BSE Disclaimer:** It is to be distinctly understood that the permission given by the Bombay Stock Exchange Ltd. should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the Scheme Information Document. The investors are advised to refer to the Scheme Information Document for the full text of Disclaimer Clause of BSE.

The Mutual Fund/AMC and its empanelled brokers has not given and shall not give any indicative portfolio and indicative yield in any communication, in any manner whatsoever. Investors are advised not to rely on any communication regarding indicative yield/portfolio with regard to the scheme. Sale at ₹ 10/- per unit at face value during the New Fund Offer. Statutory Details: Constitution: Tata Mutual Fund has been set up as a trust under the Indian Trusts Act, 1882. **Sponsors & Settlers:** Tata Sons Ltd., Tata Investment Corporation Ltd. **Investment Manager:** Tata Asset Management Ltd. **Trustee:** Tata Trustee Co. Ltd. **Risk Factors: Mutual Fund and securities are investments subject to market risks and there can be no assurance and no guarantee that the scheme will achieve its objectives. As with any investment in stocks, shares and securities the NAV of the units under the scheme can go up or down, depending upon the factors and forces affecting the capital market.** Past performance of the previous Schemes, the Sponsors or its Group affiliates is not indicative of and does not guarantee the future performance of the Scheme. **The above is only the name of the scheme and does not in any manner indicate either the quality of the scheme, its future prospects or the returns.** The sponsors are not responsible or liable for any loss resulting from the operations of the scheme beyond the initial contribution of ₹ 1 lac made by them towards setting up the Mutual Fund. Investment by Mutual Fund schemes in fixed income securities is subject to interest rate risk, credit risk and liquidity risk. Derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio. Risks in using derivatives include the risk of default of counter party, mis-pricing and the inability of derivatives to correlate perfectly with underlying assets, rates and indices. Scheme specific risk factors have been mentioned in the Scheme Information document. **The scheme is not offering any assured/guaranteed returns to investors. Please consult your tax advisor regarding applicability of prevailing tax laws. For scheme specific risk factors and other details please read the Scheme Information document (SID), Key Information Memorandum (KIM) & Statement of Additional Information (SAI) of the scheme carefully before investing. For Scheme Information Document (SID) & Application forms, please contact your nearest Collection Center / AMC Office.**