



GROWTH IN ASSETS UNDER MANAGEMENT (AUM)

INDEX

	Page No.
1. Report of the Trustees to Unitholders of Tata Mutual Fund	2
2. Liabilities and Responsibilities of Trustees	3
3. Launching of New Schemes	3
4. Auditors' Report	5
5. Audited Balance Sheet as at 31 March 2005	6
6. Audited Revenue Account for the year ended 31 March 2005	7
7. Statement of Significant Accounting Policies	10
A. Significant Accounting Policies	10
B. Notes attached to and forming part of the accounts for the year ended 31 March 2005	11
8. Historical per unit Statistics	20

STATUTORY DETAILS

<p>SPONSORS</p> <p>Tata Sons Limited Bombay House, 24, Homi Modi Street, Mumbai - 400 001.</p> <p>Tata Investment Corporation Limited Ewart House, 22, Homi Modi Street, Mumbai - 400 001.</p> <p>TRUSTEE</p> <p>Tata Trustee Company Private Limited Mulla House, 51 M. G. Road, Mumbai - 400 001.</p>	<p>AMC</p> <p>Tata Asset Management Ltd. Mulla House, 51, M. G. Road, Mumbai - 400 001.</p> <p>REGISTRAR</p> <p>Computer Age Management Services (Pvt.) Limited Rayala Towers (Third Floor), 781/785, Anna Salai, Chennai – 600 002.</p>
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REPORT OF THE TRUSTEE TO THE UNITHOLDERS OF TATA MUTUAL FUND FOR THE YEAR ENDED 31ST MARCH, 2005

Dear Unitholder,

It gives us great pleasure to enclose schemewise audited financials as on 31st March, 2005. This Report is in continuation of the 'Performance and Portfolio of the Schemes' Report as on 31st March, 2005 published by us earlier.

Report of the Trustee on the operations of various schemes of the fund and the fund as a whole during the year and the future outlook of the fund

(I) FUNDS UNDER MANAGEMENT

Tata Mutual Fund today manages twenty four open ended schemes of which twelve are equity schemes, two are balanced schemes and ten are debt schemes, and One close ended scheme. The total net assets under management were around Rs 6784.04 crores as on 31/03/05 which has increased from Rs.4013 crores as on 31/03/04 showing an increase of Rs 2771.04 crores. The AMC's continued focus on marketing and sales efforts has been showing good results and the total assets under management as on 31/08/05 were Rs 10462.37 crores.

The Year that was:

Equity :

The rally we saw in FY'04 continued for the second consecutive year with the BSE Sensex gaining 16% YoY. Though the market moved up almost throughout the year, there was a brief period of extreme volatility in May and June with an unanticipated change in government at the centre and expectation of a reversal of fund flow post a hike in interest rate by the US Fed. Although returns were lower compared to the previous year, the index finally broke out of the four year range within which it was moving. Over the last several years, earnings growth was strong with companies restructuring, low interest rates etc, while valuations lagged behind. What we saw in FY'04 & FY'05 were valuations trying to catch up with earnings growth. This process was aided by the strong liquidity from both domestic and overseas investors. FIIs pumped in close to \$8Bln of money during the year. The out-performance of the mid-cap range of stocks continued in a more pronounced manner with a growth of 74% in the CNX Midcap Index and this is a trend seen in other markets of the World as well. Even rising oil prices and a below normal monsoon failed to dampen sentiment in the market as the market climbed the wall of worries. The infrastructure theme did well from the last quarter of the year with increased momentum in spend.

FUTURE OUTLOOK:

EQUITY FUNDS

The current year so far has seen continuance of the rally with both the infrastructure and consumption themes playing out well. Indian corporates continue to show good growth benefiting from both these themes. The monsoon has been good this year and with a boost in agricultural production, the Indian GDP growth this year may reach 7.5% which augurs well for the market. High and rising crude oil price is the most important concern as this could affect corporate earnings growth and lead to higher interest rates. Liquidity from overseas and domestic investors continues to be positive with FIIs having brought in almost \$7Bln so far. The favorable tax structure announced by the government has contributed to the flow of money in the market from domestic investors and this is likely to continue in the foreseeable future. Returns from the market may, from now on, equal earnings growth as there seems to be no further case for valuation re-rating. However, we believe that the Indian market is in the midst of a multi year bull run reflecting favorable demographics, a pick up in industrial activity through spend on infrastructure & capacity creation and increasing propensity to invest in the equity market by Indian households. Whilst, there could be correction and consolidation in the short to medium term we are positive on the long term prospects of the Indian equity market.

A note on the scheme wise investment objective, policy of investment and performance has been appended at the end of the trustee report.

(II) CONSTITUTION OF THE FUND

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

The shareholding pattern of Tata Asset Management Ltd (TAML) and Tata Trustee Company Private Ltd (TTCPL) as on 31st March, 2005:-

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

The main object of TMF is to formulate and devise various collective Schemes of savings and investments from the general public and to provide them with reasonable income / returns and ensure liquidity of investments as applicable, for the Unitholders.

Tata Dividend Yield Fund:

The investment objective of the Scheme is to provide income distribution and /or medium to long term capital gains by investing predominantly in high dividend yield stocks. The scheme will invest atleast 70% of its assets in shares with high dividend yields. The Fund could also invest in equity shares of other companies i.e other than high dividend stocks to the extent of 30% of the net assets. Further the scheme may also invest in not exceeding 30% of the scheme's assets in debt instruments. This scheme has performed better than the benchmark index viz BSE SENSEX.

Performance at a glance (% as on 31st March, 2005) (Absolute Returns)

	Since Inception
Tata Dividend Yield Fund	9.79 (28/09/04)
BSE SENSEX	8.87

Performance at a glance (% as on 31st August, 2005) (Absolute Returns)

	Since Inception
Tata Dividend Yield Fund	33.41 (28/09/04)
BSE SENSEX	30.88

Past performance may or may not be sustained in future.

LIABILITIES AND RESPONSIBILITIES OF TRUSTEES

Tata Mutual Fund was constituted as a Trust in accordance with the provisions of the Indian Trust Act 1882 and is registered as a Trust under The Indian Registration Act 1908. Tata Sons Limited and Tata Investment Corporation Limited are the initial Sponsors and the Settlers and have made an initial contribution of Rs 1 lakh towards setting up of Tata Mutual Fund. The Trustee i.e Tata Trustee Company Private Limited is accountable for the funds and property of the respective schemes of Tata Mutual Fund which it holds in trust for the benefit of the unitholders in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and the provisions of the Trust Deed. The Trustee Company has appointed Tata Asset Management Limited to manage the schemes of Tata Mutual Fund. The Trustee Company is responsible to ensure that the asset management company fulfils the various functions assigned to it under the Securities & Exchange Board of India (Mutual Fund) Regulations 1996 and the Trust Deed.

LAUNCHING OF NEW SCHEMES

The following new schemes were envisaged in the current year

- 1) **Tata Liquidity Management Fund:** An open ended liquid scheme. To generate reasonable returns while providing high level of liquidity.
- 2) **Tata Global Advantage Fund:** An open ended equity scheme. The investment objective of the scheme is to achieve long term capital appreciation by investing predominantly in Indian Companies that have potential of global competitive advantage(es).
- 3) **Tata Flexi Cap Fund:** An open ended diversified equity scheme. The investment objective of the Scheme is to provide medium and long term capital appreciation by investing in stocks across the entire market capitalisation range.
- 4) **Tata Contra Fund:** An open ended equity scheme. The investment objective of the Scheme is to provide income distribution and / or medium to long term capital gains while at all times emphasizing the importance of capital appreciation.

The following new schemes are launched after 31st March, 2005.

- 1) **Tata Mid Cap Fund:** An equity scheme with atleast 65% investments in mid cap stocks. The investment objective of the Scheme is to provide income distribution and / or medium to long term capital gains by investing predominantly in equity / equity related instruments of mid cap companies. This scheme was launched on 19th May, 2005 and grossed over Rs 400 crores in the new fund offer.
- 2) **Tata Floater Fund:** An open ended pure debt scheme. The investment objective of the scheme is to generate stable returns with a low interest rate risk strategy by creating a portfolio that is predominantly invested in good quality floating rate debt instruments, money market instruments and in fixed rate debt instruments which can also be swapped for floating rate returns. The Scheme was launched on 23rd August, 2005.

We take this opportunity to express our sincere thanks to you, our valued customers as also the various regulatory authorities, and our co-partners in Mutual Fund operations viz. our Intermediaries, Agents, Bankers, Auditors, Solicitors, Registrars, Custodians and Brokers for their valuable support throughout the years.

With best wishes,

*On behalf of the Board of Directors of
Tata Trustee Company Private Limited*

S. M. Datta
Chairman

Date : 1st September 2005

Encl. Audited Accounts and Auditor's Report of the Scheme.

NOTE

The price and redemption value of the units, and income from them , can go up as well as down with the fluctuations in the market value of its underlying investments.

Note:

- 1) A copy of the Annual Report of the Fund will be posted to all the unitholders. In case of non-receipt a Unitholder on request can obtain from the Fund a copy of the Annual Report of the scheme in which he has invested.
- 2) The Annual results have been placed by the Tata Asset Management Company before the Board of the Trustee Company and approved by the Trustee Company on 10th June, 2005.
- 3) The Annual Report of the Asset Management Company has been displayed on our website www.tatamutualfund.com. A copy of the same shall be provided to the unitholders on request.
- 4) On a written request, present and prospective unitholders / investors can obtain copy of the Trust Deed, the annual report (at a price) and the text of the relevant scheme.

AUDITORS' REPORT

**TO THE BOARD OF DIRECTORS OF
TATA TRUSTEE COMPANY PRIVATE LIMITED
TATA MUTUAL FUND – TATA DIVIDEND YIELD FUND**

We have audited the attached Balance Sheet of Tata Mutual Fund – Tata Dividend Yield Fund (the “Fund”) as at 31 March 2005 and the related Revenue Account for the period 22 November 2004 to 31 March 2005 annexed thereto. These financial statements are the responsibility of the Managements of the Trustee and the Asset Management companies. Our responsibility is to express an opinion on the financial statements. We report as follows:

- a) Our audit was conducted in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- b) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- c) The Balance Sheet and the Revenue Account dealt with by this report are in agreement with the books of account of the Fund.
- d) The Balance Sheet and the Revenue Account dealt with by this report have been prepared in accordance with accounting policies and standards as specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
- e) Non - traded securities have been valued in accordance with the guidelines notified by the Securities and Exchange Board of India. In our opinion, these valuations are fair and reasonable.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and give a true and fair view:
 - i. in the case of the Balance Sheet of the state of affairs of the Fund as at 31 March 2005 and
 - ii. in the case of the Revenue Account, of the excess of income over expenditure for the period 22 November 2004 to 31 March 2005.

For S. B. BILLIMORIA & CO.
Chartered Accountants

Sanjiv V. Pilgaonkar
Partner
Membership No. 39826

Mumbai,
10th June, 2005

Balance Sheet of Tata Dividend Yield Fund as at 31st March, 2005

	Schedule	As At 31-Mar-05 (Rupees)
LIABILITIES		
I Unit Capital	I	3,044,324,242
II Reserves & Surplus	II	198,855,236
III Loans	III	0
IV Current Liabilities and Provisions	IV	68,660,057
TOTAL		<u>3,311,839,535</u>
ASSETS		
V Investments	V	2,978,694,925
VI Deposits	VI	136,300,000
VII Other Current Assets	VII	154,985,159
VIII Fixed Assets	VIII	0
IX Deferred Revenue Expenditure	IX	41,859,451
TOTAL		<u>3,311,839,535</u>
Significant Accounting Policies and Notes to the Accounts	XI	

Revenue Account of Tata Dividend Yield Fund for the Period ended 31st March, 2005

	Schedule	Period Ended 31-Mar-05 (Rupees)
INCOME		
Dividend		19,522,477
Interest	X	33,349,357
Profit on sale / Redemption of investments		254,182,405
Profit on inter scheme transfer / sale of investments		0
Other income		0
TOTAL (A)		307,054,239
EXPENSES AND LOSSES		
Provision / (reversal) for depreciation in value of investments (for NPAs)		0
Provision for outstanding accrued income considered doubtful		0
Provision for doubtful deposits and current assets		0
Loss on sale / redemption of investments		8,154,339
Loss on inter scheme transfer / sale of investments		0
Management fees		13,564,844
Trusteeship fees		641,281
Staff cost including salaries allowances, contributions to Provident Fund, Gratuity, etc.		0
Office and administrative expenses		0
Registration and local charges		0
Commission to Agents (net of load utilised)		6,872,635
Publicity expenses		2,615,404
Audit fees		110,200
Other operating expenses		1,923,598
Deferred revenue expenses written off		3,042,549
Depreciation of fixed assets		0
Custodian fees		1,419,685
Registrar fees		2,607,520
Less : Amount recovered on sale of units on account of management expenses		0
Provision / (reversal) for diminution in value of investments		85,364,490
TOTAL (B)		126,316,545
Surplus / (Deficit) (A - B)		180,737,694
Increase / (decrease) in unrealised appreciation in value of investments		211,899,342
Surplus / (Deficit) after considering unrealised appreciation / (diminution) in value of investments		392,637,036
Add / (Less) : Income Equalisation Account		(18,525,602)
		374,111,434
Add : Surplus / (Deficit) brought forward		0
Transfer from Reserves		0
Prior Period Income		0
Surplus / (Deficit) after adjustments		374,111,434
Appropriations		
Income Distribution / Units Capitalisation		114,166,064
Tax on dividend distributed		0
Transfer to Reserves		0
Surplus / (Deficit) carried forward		259,945,370
Income as a percentage to Average Net Assets		8.17
Recurring Expenses as a percentage to Average Net Assets		2.29
Significant Accounting Policies and Notes to the Accounts	XI	

Schedules forming part of Balance Sheet as at 31st March, 2005

	As At 31-Mar-05 (Rupees)
Schedule I - Unit Capital	
Initial Capital (402,282,661.300 units of the face value of Rs.10/- each)	<u>4,022,826,613</u>
<u>Unit Capital</u> Balance as on 22nd November, 2004 (402,282,661.300 units of the face value of Rs.10/- each)	4,022,826,613
Add : Units sold during the year (47,413,763.700 units of the face value of Rs.10/- each)	<u>474,137,637</u>
	4,496,964,250
Less : Units repurchased during the Year (145,264,000.800 units of the face value of Rs.10/- each)	<u>1,452,640,008</u>
	<u>3,044,324,242</u>
Schedule II - Reserves & Surplus	
<u>Unit premium reserve</u> Opening Balance	0
Add : Addition / (deduction) during the year	<u>(61,102,520)</u>
	(61,102,520)
Less : Transfer to / (from) revenue account for the year	<u>0</u>
Closing Balance	(61,102,520)
General Reserve	0
Income equalisation reserve	0
<u>Other Reserves (Load)</u> Opening Balance	0
Add : Addition during the year	<u>9,353,606</u>
	9,353,606
Less : Transfer to / (from) revenue account for the year	<u>9,341,220</u>
Closing Balance	12,386
<u>Appropriation account</u> Opening Balance	0
Add : Excess of Income over Expenditure	<u>259,945,370</u>
Closing Balance	<u>259,945,370</u>
	<u>198,855,236</u>
Schedule III - Loans	
Loan from Reserve Bank of India	0
From Settlor (Tata Sons Ltd. / Tata Investment Corporation Ltd.)	0
From Other Commercial Banks	0
From others	0
	<u>0</u>
	<u>0</u>
Schedule IV - Current Liabilities & Provisions	
<u>Current Liabilities</u>	
Management Fees Payable	3,037,841
Trusteeship Fees Payable	612,475
Selling Commission / Brokerage	4,129,995
Advertisement & Publicity	0
Audit Fees	110,200
Custodian Fees & Expenses	63,829
Registrar Fees & Expenses	370,358
Other Expenses	12,061,706
Interest payable on loans	0
Contract for purchase of investments	42,960,551
Bank account overdrawn as per books	0
Unclaimed distributed income	0
Others	5,313,102
	<u>68,660,057</u>

Schedules forming part of Balance Sheet as at 31st March, 2005

	As At 31-Mar-05 (Rupees)
Provisions	
Provision for loss / depreciation in value of investments	0
Provision for doubtful deposits	0
Provision for outstanding and accrued income considered doubtful	0
Provision for gratuity	0
Provision for staff welfare fund	0
Proposed income distributed on initial capital and unit-capital	0
Other provisions	0
	0
	68,660,057
Schedule V - Investments	
(Market / Yield to maturity / Fair value)	
Equity Shares	2,669,616,755
Preference Shares	0
Warrants	0
Privately Placed Debentures / Bonds	0
Debentures listed / awaiting listing on recognised stock exchange	156,456,170
Zero Coupon Bonds / Deep discount Bonds	0
Fixed Coupon Floating Rate Note - Reset	0
Calls paid in advance	0
Term loans	0
Securitised Debt	0
Mumbai Inter Bank Offer Rate	0
Central and State Government Securities	0
Treasury Bills	0
Commercial Paper	0
Certificate Of Deposit	0
Repo Investment	152,622,000
	2,978,694,925
Schedule VI - Deposits	
Deposits with scheduled banks (including Call Money)	6,800,000
Deposits with Companies / Institutions	0
Others	129,500,000
	136,300,000
Schedule VII - Other Current Assets	
Balances with banks in current account	23,622,666
Cash on hand	0
Sundry Debtors	0
Contract for sale of investments	70,741,651
Outstanding and accrued income	17,174,506
Advance, Deposits, etc.	20,000,000
Bridge Finance	0
Shares / Debentures application money, pending allotment	0
Others	23,446,336
	154,985,159
Schedule VIII - Fixed Assets (Net Block)	
Leasehold land	0
Freehold land	0
Office building and premises	0
Furniture & fixtures and office equipment	0
Other assets	0
	0

Schedules forming part of Balance Sheet as at 31st March, 2005

	As At 31-Mar-05 (Rupees)
Schedule IX - Deferred Revenue Expenditure	
Opening balance	44,902,000
Less : Amount written off during the year	3,042,549
Amount deferred to subsequent years	41,859,451
Schedule X - Interest Income	
Call Money	188,145
Term Deposits	1,342,809
Debentures / Bonds / Asset Backed Securities	8,100,312
Commercial Paper	904,850
Government Securities	3,246,880
Repo Income	18,154,816
Others	1,411,545
	33,349,357

Schedule XI - Statement of significant accounting policies of Tata Dividend Yield Fund (TDYF) and Notes forming part of the Accounts for the period ended 31st March, 2005.

A. SIGNIFICANT ACCOUNTING POLICIES

1. INCOME RECOGNITION:

- a) Dividend income is accounted on ex-dividend dates.
- b) Profit or loss on sale of investments is recognised on trade dates. The cost of investments sold is determined on "weighted average cost basis".
- c) Interest on investments is accounted on an accrual basis. Interest on an investment that is past due for three months is accrued and a full provision is made against all outstanding interest on that investment
- d) Other income of a miscellaneous nature is accounted when it is received on grounds of prudence.

2. EXPENSES:

- a) All expenses are accounted on an accrual basis.
- b) Expenses not identifiable with any particular scheme are generally allocated to the schemes in proportion to their net assets.

3. DEFERRED REVENUE EXPENDITURE:

Initial Issue expenses are written off over a period of five years. The unamortised portion of initial issue expenses is included in the NAV.

4. INVESTMENTS:

- a) Purchase and sale of investments are recorded on the date of the transaction, at cost and sale price respectively, after considering brokerage, commission, stamp charges and any charge customarily included in the broker note.
- b) Rights entitlement pending formal allotment is accounted as investment at issue price plus acquisition cost, if any.
- c) Bonus entitlement is recognised on ex-bonus dates.

5. PORTFOLIO VALUATION FOR NAV CALCULATION

i. Traded Securities :

Traded Securities are valued at year-end closing market rates on the principal stock exchange on which the security is traded (excluding accrued interest, if any, which is accounted separately).

In the absence of a quoted price on the valuation date for debt securities (other than Government Securities), the last available quoted price within a period of fifteen days prior to the valuation date is used for valuation purposes.

In the absence of a quoted price on the valuation date for equity instruments, the last available quoted price within a period of thirty days prior to the valuation date is used for valuation purposes.

ii. Thinly Traded Securities :

Thinly traded equity / equity related securities are those securities whose trade in a month, are both less than Rs.5 lacs and the total volume is less than 50,000 shares. These have been valued on the basis of valuation principles laid down by SEBI for the same.

Debt securities (other than Government Securities) are considered as thinly traded if on the valuation date, there are no individual trades in those securities in marketable lots (presently Rs.5 crores) on the principal stock exchange or any other stock exchange. These have been valued on the basis of valuation principles laid down by SEBI for the same.

iii. Non-Traded Securities :

Non – traded debt securities of over 182 days to maturity are valued in good faith on a yield to maturity basis by Tata Asset Management Limited (TAML).

The non – traded debt securities have been classified by TAML as “investment grade” and “below investment grade” as on 31st March, 2005. The values applied by TAML for “investment grade” debt securities are on the basis of valuation yields determined by CRISIL (Credit Rating Information Services Of India Limited). In the opinion of TAML, these yields determine fair and reasonable values and such basis of valuation is approved by the Tata Trustee Company Private Limited. The aggregate fair value of “investment grade” debt securities as on 31st March, 2005 is Rs.156,456,170. The value of “below investment grade” debt securities as on 31st March, 2005 is Rs.Nil .

These balances exclude redemption proceeds due but not received and fully provided Rs.Nil.

These securities have been valued on the basis of valuation principles laid down by SEBI for the same.

Non – traded debt securities with residual maturity of upto 182 days are valued on the basis of amortization (cost plus accrued interest till the beginning of the day plus the difference between the redemption value (inclusive of interest) and the cost spread uniformly over the remaining maturity period of the instruments).

This basis of valuation is in accordance with SEBI guidelines.

iv. Money Market Securities :

Money Market instruments are valued on the basis of amortisation (cost plus accrued interest till the beginning of the day plus the difference uniformly over the remaining maturity period of the instrument).

v. Government Securities :

Government securities are valued at the prices released by CRISIL, which is currently the only approved agency suggested by Association of Mutual Funds in India (AMFI).

vi. Unrealised Gain / Loss in value of Investments :

Following the issue of the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds by the Institute of Chartered Accountants of India (pursuant to the Eleventh Schedule of the SEBI Regulations) the appreciation / diminution in investments is worked out on individual basis. The value of diminution as at the year end is effected in the Revenue Account. Unrealised appreciation as at the year end is also routed through the Revenue Account but is reduced from the distributable income at the time of income distribution.

6. NON PERFORMING ASSETS

Non Performing Assets are provided as per SEBI Guidelines.

B. Notes attached to and forming part of the accounts for the period ended 31st March, 2005.

1. Investments made by the scheme as grouped under the major classification as per the balance sheet are as follows :

Investments (Market / Yield to Maturity / Fair Value)	As at 31-3-05 Rs.
Equity Shares	2,669,616,755
Preference Shares	0
Warrants	0
Privately Placed Debentures	0
Debentures listed / awaiting listing on recognised stock exchange	156,456,170
Zero Coupon Bonds / Deep discount Bonds	0
Fixed Coupon FRN - Reset	0
Securitised Debt	0
Mibor	0
Central and State Government Securities	0
Treasury Bills	0
Commercial Paper	0
Certificate Of Deposit	0
Repo Investment	152,622,000
	2,978,694,925

2. As per the major classification given above, industry wise classification for the industries in which the scheme has invested more than 5% of the total exposure in that major classification is as follows :

Major Classification	Industry wise Classification	Percentage of Exposure
Equity Shares	Chemicals	5.15
	Banks	5.26
	Fertilisers	6.09
	Consumer Non Durable	6.23
	Ferrous Metals	6.67
	Auto	6.70
	Industrial Capital Goods	7.27
	Transportation	7.74
	Petroleum Products	10.23
	Software	10.25
NCD - Non Convertible Deb Listed	Finance	100.00

3. A full list of investments of the scheme is available for inspection with the Asset Management Company.
4. The aggregate value of purchase and sale for the period ended 31st March, 2005 expressed as a percentage of average daily net assets is as under :

Particulars	As at 31-3-05	
	Value Rs.	%
Aggregate value of Purchase	13,516,741,687	359.70
Aggregate value of Sale	11,049,038,881	294.03

5. Investments made in group / associate companies.

Name of the Company	Rs.
Automotive Axles Limited	0
Bajaj Auto Limited	17,866,969
Bharat Forge Limited	17,901,143
BOC (India) Limited	7,215,347
Castrol India Limited	21,441,273
Deepak Fertilisers & Petrochem Limited	88,294,593
Finolex Cables Limited	0
Finolex Industries Limited	0
Geometric Software Solutions Limited	4,941,161
Grasim Industries Limited	0
Hindustan Construction Company Limited	0
Panatone Finvest Limited	0
Rallis India Limited	0
Tata Iron & Steel Company Limited	94,126,141
Tata Chemicals Limited	111,354,222
Tata Consultancy Services Limited	0
Tata Elxsi Limited	60,777,905
Tata Motors Limited	7,401,475
Tata Power Company Limited	0
Tata Tea Limited	51,568,253
Ultratech Cemco Limited	0
Videsh Sanchar Nigam Limited	44,953,143
Voltas Limited	0
TOTAL	527,841,625

6. Investments made by the schemes of Tata Mutual Fund in companies or their subsidiaries (to the extent of information available) that have invested more than 5% of the net assets as at 31st March, 2005 of any scheme of the fund, in terms of Regulation 25 (11).

Company which has invested	Schemes in which companies have invested more than 5% of the net assets	Schemes which have invested*	Aggregate cost of acquisition during the period ended 31st March, 2005 Rs.	Outstanding as at 31st March, 2005 at Fair / Market Value Rs.
Bajaj Auto Ltd.	TGSF	TSEF	19,617,556	0
		TDYF	17,866,969	18,911,730
		TBF	31,733,781	0
		TEOF	68,700,040	0
		TEQPEF	26,109,300	32,440,500
		TIFN	26,421,141	121,195
		TIFS	3,171,301	47,579
		TGF	25,987,352	0
		TMPF	19,807,278	0
		TPEF	57,133,711	0
		TTSF	20,364,828	0
		TYCF	13,568,594	0
Bank of Baroda	TLF	TDYF	107,381,450	0
		TBF	10,774,876	0
		TEOF	20,772,770	0
		TFHFA4	160,570,365	159,480,925
		TGF	14,151,712	0
		TMIF	6,727,150	0
		TMPF	54,307,150	0
		TPEF	25,323,281	0
		TTSF	7,726,800	0
		TYCF	15,480,024	0
Bharti Televentures Ltd.	TFRSTF	TBF	25,244,145	0
		TEOF	144,441,242	0
		TIFN	61,650,264	425,377
		TIFS	1,001,166	49,230
		TISF	86,032,142	83,774,250
		TLSTF	14,165,044	0
		TMIF	44,781,641	0
		TMPF	22,850,905	0
		TPEF	106,707,078	41,370,000
		TTSF	21,304,395	10,342,500
		TYCF	7,454,800	0
The Bombay Dyeing & Mfg. Co. Ltd.	TFRSTF	TSEF	6,386,356	6,312,200
		TBF	10,323,123	11,526,418
		TEOF	26,014,637	25,590,000
		TGF	6,029,758	7,335,800
		TPEF	24,281,695	23,884,000
Dabur India Ltd.	TFRSTF	TIFN	5,701,183	35,253
		TLF	49,820,800	0
Finolex Industries Ltd.	TFHFQ3	TBF	12,477,857	0
	TFHFQ1	TYCF	9,252,000	7,721,019

Company which has invested	Schemes in which companies have invested more than 5% of the net assets	Schemes which have invested*	Aggregate cost of acquisition during the period ended 31st March, 2005 Rs.	Outstanding as at 31st March, 2005 at Fair / Market Value Rs.
HCL Technologies Ltd.	TFRSTF TFHFA3 TFHFA6	TDYF TBF TEOF TEQPEF TIFN TIFS TGF TLSTF TMIF TMPF TSIF ** TPEF TTSF TYCF	147,090,949 35,848,801 186,134,057 15,732,340 21,583,763 1,946,330 11,094,843 29,090,681 4,037,666 13,715,208 50,434,764 80,748,493 21,067,708 5,430,600	148,160,000 18,520,000 74,080,000 0 131,120 0 11,112,000 14,816,000 0 0 52,226,400 37,040,000 21,853,600 0
Hero Honda Motors Ltd.	TGSF TFHFQ1	TSEF TDYF TBF TEOF TIFN TIFS TGF TMIF TMPF TPEF TYCF	25,979,624 69,328,365 28,053,160 127,684,002 21,688,444 2,478,292 1,307,699 31,832,053 26,243,585 53,563,756 18,619,566	0 69,615,050 0 0 121,108 35,630 0 0 0 0 0
Hindalco Industries Ltd.	TFHFQ1	TSEF TDBF TBF TEOF TEQPEF TFHFA4 TIFA TIFN TIFS TGF TIPI TISF TLF TMIF TMPF TSTBF TPEF TTSF TYCF	37,062,467 51,631,955 23,641,049 50,287,730 20,741,160 209,162,002 136,655,099 30,572,211 3,519,025 26,686,002 155,007,919 138,719,078 218,256,266 363,241,739 169,047,375 51,281,427 65,015,318 33,069,203 70,129,119	11,757,985 0 0 28,761,720 19,534,115 208,162,619 0 133,442 59,508 0 0 94,746,926 0 0 0 0 35,251,963 0 51,800,480
Hindustan Zinc Ltd.	TFHA3 TFRSTF TFHFA4	TSEF TBF TEOF TISF TMPF TPEF	17,138,733 11,975,031 41,228,703 31,877,841 15,245,233 28,792,272	14,960,000 1,955,510 29,149,050 34,000,000 0 45,687,330
ICICI Bank Ltd.	TLF	TDBF TBF TEOF TFHFA1 TFHFA2 TFHFA6 TFRSTF TIFA	245,022,144 76,235,276 95,145,106 381,986,217 558,621,490 256,783,450 1,456,388,378 239,870,252	0 52,409,544 0 361,686,697 550,822,660 256,594,750 478,240,893 5,106,844

Company which has invested	Schemes in which companies have invested more than 5% of the net assets	Schemes which have invested*	Aggregate cost of acquisition during the period ended 31st March, 2005 Rs.	Outstanding as at 31st March, 2005 at Fair / Market Value Rs.
		TIFN TIFS TIPF TISF TLF TMIF TMPF TSIF ** TSTBF TTOFE TYCF	43,199,101 7,209,593 198,002,900 749,201,344 8,050,330,316 814,970,198 152,256,680 48,016,704 2,040,794,376 36,517,271 144,032,880	319,739 185,889 0 490,805,844 1,695,334,127 49,707,068 147,356,680 48,016,705 0 0 57,516,387
Industrial Development Bank of India	TSTBF TEOF TFRSTF TLF	TDYF TEOF TFRSTF TIFA TISF TLF TMIF TMPF TSIF **	750,000,000 49,753,125 250,000,000 80,000,000 2,670,000,000 4,100,000,000 310,000,000 40,000,000 1,150,000,000	0 0 0 80,000,000 870,000,000 0 60,000,000 40,000,000 450,000,000
Infrastructure Development Finance Co. Ltd.	TFRSTF	TDBF TDYF TBF TFHFA1 TFHFA2 TFRSTF TIFA TIPF TLF TMIF TMPF TSTBF TYCF	10,032,000 383,469,588 84,368,300 110,000,000 337,473,200 930,442,000 100,320,000 20,064,000 3,193,731,499 279,306,478 328,655,987 257,029,500 84,368,300	10,023,984 0 42,870,063 0 171,480,250 140,335,780 100,239,843 0 885,830,563 0 0 0 42,870,063
ITC Ltd.	TFRSTF TLF	TSEF TDYF TBF TEOF TEQPEF TIFN TIFS TGF TLSTF TMIF TPEF TTSF TYCF	14,709,800 93,462,102 37,273,641 174,101,190 17,663,680 62,555,883 9,389,151 34,360,196 14,880,770 48,073,477 100,115,914 25,405,630 23,094,702	0 0 0 0 0 367,722 150,500 0 0 0 0 0 0
Jet Airways Ltd.	TFRSTF	TSEF TBF TEOF TGF TISF TMIF TMPF TPEF TTSF TYCF	2,990,900 4,546,300 12,821,600 1,714,900 31,871,400 7,255,600 7,821,000 8,704,300 2,279,200 4,694,800	0 0 0 0 0 0 0 0 0 5,175,377

Company which has invested	Schemes in which companies have invested more than 5% of the net assets	Schemes which have invested*	Aggregate cost of acquisition during the period ended 31st March, 2005 Rs.	Outstanding as at 31st March, 2005 at Fair / Market Value Rs.
Maruti Udyog Ltd.	TFRSTF	TSEF TDYF TBF TEOF TEQPEF TIFN TIFS TGF TMIF TMPF TPEF TTSF TYCF	24,767,221 122,085,898 16,314,901 488,573,297 42,522,823 31,050,666 710,284 35,764,386 53,139,906 91,173,034 220,424,213 34,031,603 15,426,678	0 0 0 0 0 134,816 23,565 0 0 0 0 0 0
Sterlite Industries (I) Ltd.	TFRSTF	TBF TEOF TEQPEF TGF TISF TMPF TPEF	2,094,565 17,255,126 33,179,086 16,148,455 62,146,382 12,331,083 16,155,209	848,824 0 37,102,964 11,119,805 73,234,821 0 0
Tata Chemicals Ltd.	TFHFA1 TSTBF TFHFA2 TFHFQ3	TSEF TDYF TBF TIFNA TGF TYCF	6,663,370 111,354,222 18,607,954 6,623,632 7,340,400 10,053,487	0 110,367,500 0 36,081 0 0
Tata Consultancy Services Ltd.	TFHFA6	TSEF TBF TEOF TEQPEF TIFN TGF TLSTF TMIF TMPF TPEF TTSF TYCF	12,744,900 23,365,650 64,968,050 20,955,900 722,878 8,260,300 7,357,600 115,220,050 93,227,150 28,481,800 9,997,700 21,188,800	0 11,732,790 67,458,168 0 760,419 8,192,465 12,401,884 0 0 38,409,162 0 31,417,342
Tata Iron & Steel Co. Ltd.	TLF TFRSTF TFHFA2 TFHFA1	TSEF TDYF TBF TEOF TEQPEF TIFN TIFS TGF TISF TMIF TMPF TPEF TTSF TYCF	53,453,900 167,299,546 51,618,396 500,650,999 124,020,436 37,322,988 3,863,494 32,998,935 159,787,205 51,606,891 109,513,743 321,265,361 65,677,757 26,365,736	14,512,580 117,062,800 7,256,290 55,845,370 48,629,170 245,443 106,239 10,744,120 102,630,400 0 0 32,392,720 0 12,708,530
Tata Motors Ltd.	TMPF TFHFA2 TFRSTF TFHFA6 TFHFA4 TFHFQ1 TFHFA1	TSEF TDYF TBF TEOF TIFA TIFN TIFS TGF TLF	12,232,890 7,401,476 31,750,929 307,158,725 95,468,426 37,942,773 3,540,023 11,744,694 175,089,189	4,139,500 6,209,250 16,558,000 0 0 165,894 56,711 0 0

Company which has invested	Schemes in which companies have invested more than 5% of the net assets	Schemes which have invested*	Aggregate cost of acquisition during the period ended 31st March, 2005 Rs.	Outstanding as at 31st March, 2005 at Fair / Market Value Rs.
		TMIF TMPF TPEF TTSF TYCF	17,049,481 36,382,279 104,910,680 18,386,898 9,549,319	0 0 0 0 0
Tata Power Ltd.	TLF	TBF TEOF TGF TIFN TIFS TMIF TMPF TPEF TSEF TTSF TYCF	10,655,150 113,731,508 6,515,280 15,598,741 887,728 1,079,533 49,856,445 22,480,549 14,764,310 2,372,336 11,875,480	0 0 0 78,175 31,809 0 0 0 0 0 0
UCO Bank	TIFS	TGF TYCF	198,000 198,000	0 0
UTI Bank Ltd.	TFRSTF	TDBF TDYF TEOF TFHFA2 TFHFQ3 TFRSTF TIFA TIPF TISF TLF TMPF TSTBF	119,920,395 589,571,460 37,962,640 989,919,018 197,919,225 626,421,251 153,623,614 109,927,029 211,848,250 9,199,821,599 459,927,029 1,019,555,466	0 0 0 0 0 0 0 0 209,746,655 726,172,450 0 0
Videsh Sanchar Nigam Ltd.	TLF TFHFA2 TFHFA1 TFHFQ3	TSEF TDYF TBF TIFN TISF TMPF TTSF	19,052,395 44,953,143 15,572,731 11,300,934 46,250,075 20,492,608 22,450,816	17,030,650 9,222,148 13,037,430 57,897 38,074,170 8,553,504 18,715,000
Wipro Ltd.	TLF	TBF TEOF TIFN TIFS TGF TLSTF TMIF TMPF TSIF ** TPEF TTSF TYCF	34,549,482 50,032,893 99,100,369 1,603,171 6,451,980 29,024,593 35,782,453 80,137,942 64,829,120 72,218,365 35,587,290 14,020,541	10,066,500 0 521,999 60,399 0 3,355,500 0 9,764,505 67,110,000 0 16,777,500

* Schemes : TBF - Tata Balanced Fund, TYCF - Tata Young Citizens' Fund, TTSF - Tata Tax Saving Fund, TSEF - Tata Select Equity Fund, TIF - Tata Income Fund, TPEF, Tata Pure Equity Fund, TLF - Tata Liquid Fund, TLSTF - Tata Life Sciences & Technology Fund, TGSMF - Tata Gilt Securities Fund, TSTBF - Tata Short Term Bond Fund, TIPF - Tata Income Plus Fund, TMIF - Tata Monthly Income Fund, TGSMPF - Tata Gilt Short Maturity Fund, TIFN - Tata Index Fund - Nifty Plan, TIFS - Tata Index Fund - Sensex Plan, TEOF - Tata Equity Opportunities Fund, TDBF - Tata Dynamic Bond Fund, TFRSTF - Tata Floating Rate Long Term Fund, TFRSTF - Tata Floating Rate Short Term Fund, TMPF - Tata MIP Plus Fund, TGF - Tata Growth Fund, TDYF - Tata Dividend Yield Fund, TISF - Tata Infrastructure Fund, TEQPEF - Tata Equity P/E Fund, TFHFA1 - Tata Fixed Horizon Fund - Annual (August 2004), TFHFA2 - Tata Fixed Horizon Fund - Annual (September 2004), TFHFA3 - Tata Fixed Horizon Fund - Annual (November 2004), TFHFA4 - Tata Fixed Horizon Fund - Annual (January 2005), TFHFA6 - Tata Fixed Horizon Fund - Annual (March 2005).

** TSIF – Tata Service Industries Fund (pending allotment of units as on 31st March, 2005).

All the above companies are growth oriented blue chip companies with a proven track record.

7. Movement in unit capital is as follows :

Particulars	As at 31-3-2005	
	No of units	Rs.
Initial Capital	402,282,661.300	4,022,826,613
Balance as on 22 November, 2004	402,282,661.300	4,022,826,613
Add : Units sold during the year	47,413,763.700	474,137,637
Less : Units purchased during the year	145,264,000.800	1,452,640,008
Unit Capital as on 31 March	304,432,424.200	3,044,324,242

8. On repurchase / redemption of units, the difference between the unit face value and the NAV (after adjusting for income equalisation reserve) is disclosed as "Unit Premium Reserve", while the difference between the NAV and the repurchase / resale price is disclosed as redemption and resale load under "Other Reserves". The sale and redemption load / reserve of Rs.9,341,220/- is used by the Fund to cover the cost of raising / redeeming units on a continuous basis by way of providing redemption / distribution related services to the Fund relating to the sale, promotion and marketing of the scheme and costs associated with liquidating the Fund's investment securities, including payments for postage, application processing, disseminating NAV related information etc. and also payments to brokers for their services in connection with the distribution / redemption of the units. The utilisation of the load reserve is disclosed in the movements in the "Other Reserves" account in Schedule II.
9. Income Equalisation Reserve is being maintained by crediting / (debiting) the equalisation account in respect of sale / (or repurchase) of units by an appropriate amount which represents the distributable income at the time of sale / (or repurchase). It is reflected in the Revenue Account after the net deficit of the scheme is determined.
10. In accordance with the rules and regulations of the Scheme, Management fees are paid at the rate of 1.25% of the daily net assets upto Rs.100 crores and 1% of the daily net assets above Rs.100 crores. Trustee fees are paid at the rate of 0.05% of the daily net assets.
11. Contingent liabilities are Rs.Nil.
12. During the period, the following amounts were paid to the parties associated with the sponsors in which the AMC or its major shareholders have a substantial interest, in terms of Regulation 25(8).

Name of the Company	Nature of Payment	2004-2005 Rs.	% equity capital held by the sponsors and its subsidiary / associates as at 31 st March, 2005
Tata Share Registry Limited	Selling Commission	431	#
Tata Securities Limited.	Selling Commission	752,528	#
Tata Asset Management Limited	Management Fees	13,564,844	100%*
Tata Trustee Company Private Limited	Trusteeship Fees	641,281	100%**

Extent of holding by principal shareholders of the sponsors and its subsidiary / associates not available.

* Tata Sons Limited – 67.90% and Tata Investment Corporation Limited – 32.10%

** Tata Sons Limited – 50.00% and Tata Investment Corporation Limited – 50.00%

13. Net Asset Value Per Unit (Rs.) :

Particulars	As on 31-3-05	
	Face Value	10.00
Net Asset Value	Dividend	10.5838
	Growth	10.9798

14. Unprovided diminution and unrealized appreciation in the value of investments.

Particulars	2004 – 2005 Rs.
Unrealised appreciation	211,899,342
Unprovided diminution	0

15. There are no unit holders holding over 25% of the Net Asset Value of the Scheme as at 31st March, 2005.
16. In accordance with Regulation 44 (1) of the SEBI (Mutual Funds) Regulations, 1996, securities purchased should be held in the name of the scheme. As on 31st March, 2005 securities aggregating to Rs.Nil are held in the name of Tata Trustee Company Private Limited A/c Tata Mutual Fund.
17. Unclaimed dividend amount, since the inception of the scheme have been invested separately, only in money market instruments and the investors who have claimed their dividend amount have been paid alongwith the appreciation earned on this amount as per SEBI circular MFD / CIR / 9 / 120 / 2000 dated 24 November, 2000. As on 31st March, 2005 the unclaimed dividend amount is Rs.Nil for Nil investors.
18. The scheme was launched on 22nd November, 2004 and hence there are no figures for the previous year.

On behalf of the Board of Directors
of Tata Trustee Company Private Limited

S. M. Datta
Chairman

On behalf of the Investment Manager
Tata Asset Management Ltd.

F. K. Kavarana
Chairman

Ved Prakash Chaturvedi
Managing Director

H. A. Bulsara
Sr. Vice President (Fin)
& Company Secretary

M. Venugopal
Fund Manager

HISTORICAL PER UNIT STATISTICS

PARTICULARS		TDYF 31-Mar-05
(a)	Net Assets Value per unit	D -10.5838 G -10.9798
(b)	(i) Income other than profit on sale of Investments	0.17
	(ii) Income from profit on inter-scheme Sales / transfer of Investments	0.00
	(iii) Income from profit on sale of Investments	0.83
	(iv) Transfer to Revenue Account from past year's Reserve	0.00
(c)	Aggregate of Expenses, Write off, Amortisation and Charges	0.13
	Provision for depreciation in value of investment	0.00
(d)	Net Income	0.87
(e)	Unrealised appreciation / depreciation in value of investments	0.42
(f)	(i) Highest Repurchase Price (Initial Unitholder)	D- 11.1621 G- 11.5795
	(ii) Lowest Repurchase Price (Initial Unitholder)	D- 10.2898 G- 10.3109
	(iii) Highest Repurchase Price (Fresh Unitholder)	D- 11.1621 G- 11.5795
	(iv) Lowest Repurchase Price (Fresh Unitholder)	D- 10.2898 G- 10.3109
	(v) Highest Ongoing Sale Price	D- 11.4132 G- 11.8400
	(vi) Lowest Ongoing Sale Price	D- 10.5213 G- 10.5429
	(vii) Highest Traded Price	N.A.
	(viii) Lowest Traded Price	N.A.
	(ix) Price-earning ratio	12.25
(g)	Ratio of expenses to average net assets by percentage	2.29
(h)	Ratio of gross income to average net assets by percentage (excluding transfer to revenue account from past year's reserve but excluding unrealised appreciation on investments)	8.17

- 1 Per Unit Calculations are based on number of units in issue at the end of the year.
- 2 The Highest and Lowest repurchase price of the units of the scheme has been determined after reducing from the highest and the lowest NAV, the maximum repurchase load applicable.
- 3 The Highest and Lowest ongoing sale price of the units of the scheme has been determined after adding to the Highest and Lowest NAV the maximum entry load applicable.

Abbreviations : D - Dividend

G - Growth

TATA
Dividend Yield
(An Open ended Equity Fund) **Fund**

GROWTH + DIVIDEND



WHAT BETTER WAY TO LIGHT UP YOUR SAVINGS.