



FIRST INDIA ASSET MANAGEMENT (P) LTD.,

ADDENDUM TO OFFER DOCUMENTS

Dated : 23rd February, 2002

Initial Issue Expenses:- First India Income Fund

In the offer document it has been mentioned that all the initial issue expenses upto 1% of the amount mobilized under the scheme could be charged to the scheme. In effect, if the expenses were charged the amount available for investments per unit would have been Rs. 9.90 as against the issue price of Rs. 10/-. It has now been decided that these expenses will not be charged to the scheme and the entire of Rs. 10/- per unit is available for investments. Hence, the minimum amount available for investment and the maximum amount to be utilized towards meeting the initial issue expenses will be as follows:

Particulars	Available for Investment (Rs.)	Available for initial issue expenses (Rs.)
First India Income Fund	10.00	NIL

Load:-

For subscription during the initial offer period (i.e., from February 6, 2002 to February 14, 2002) there was no entry or exit load. However, on an ongoing basis the following load structure would be applicable

Schemes	Income	Liquid	Gilt
With effect from	22.02.2002	20.02.2002	22.02.2002
Entry load	Nil	Nil	Nil
Exit load			
More than Rs. 10 lakhs	0.25% if redeemed within 3 months	Nil	Nil
Less than or equal to Rs. 10 lakhs	0.50% if redeemed within 6 months	Nil	0.50% if redeemed within 3 months

This load structure is applicable for fresh investments only, changes if any, may be applicable on a prospective basis as per the Regulations.

The above changes have been approved by the Board of Trustees of First India Mutual Fund as well as the Board of First India Asset Management (P) Ltd.

Dated : 06th March, 2002

The following load structure will be applicable for the First India Income Fund, First India Liquid Fund & First India Gilt Fund with effect from 11th March, 2002 to 31st March, 2002 (both the days inclusive):

Schemes	Income	Liquid	Gilt
Entry load	NIL	NIL	NIL
Exit load	NIL	NIL	NIL

From 01st April, 2002 till further notice the following load structure will apply:

Schemes	Income	Liquid	Gilt
Exit load			
More than Rs. 10 lakhs	0.25% if redeemed within 3 months	Nil	Nil
Less than or equal to Rs. 10 lakhs	0.50% if redeemed within 6 months	Nil	0.50% if redeemed within 3 months



FIRST INDIA ASSET MANAGEMENT (P) LTD.,

Dated : 19th March, 2002

In our offer document on Page No. 74 under Applicable NAV defines the applicability of NAV for sale/repurchase, switch of fresh units under our schemes as follows:

“NAV for Sale, Repurchase, or Switches, as the context may require, in respect of any application received before close of Business Hours, subject to it being complete in all respects, the NAV of the respective Plans as at the close of that Business Day and in respect of any application received after Business Hours, the application will be deemed to be accepted as of the next Business Day and the NAV of the respective Plans as at the close of that immediately following Business Day shall be applicable.”

Henceforth the clause will read as:

“NAV for Sale, Repurchase, or Switches, as the context may require, in respect of any application received before close of Business Hours, subject to it being complete in all respects, the NAV of the respective Plans as at the close of that Business Day and in respect of any application received after Business Hours, the application will be deemed to be accepted as of the next Business Day and the NAV of the respective Plans as at the close of that immediately following Business Day shall be applicable.

And in respect of any application received on any business day for **First India Liquid Fund**, the applicable NAV for the subscription should be the one relating to the previous day.”

Dated : 08th April, 2002

Subsequent to our Addendum dated 19/03/02, the Addendum is changed as below for the sake of clarity:

In our offer document on Page No. 74 under Applicable NAV defines the applicability of NAV for sale/repurchase, switch of fresh units under our schemes as follows:

“NAV for Sale, Repurchase, or Switches, as the context may require, in respect of any application received before close of Business Hours, subject to it being complete in all respects, the NAV of the respective Plans as at the close of that Business Day and in respect of any application received after Business Hours, the application will be deemed to be accepted as of the next Business Day and the NAV of the respective Plans as at the close of that immediately following Business Day shall be applicable.”

Henceforth the clause will read as:

“NAV for Sale, Repurchase, or Switches, as the context may require, in respect of any application received before close of Business Hours, subject to it being complete in all respects, the NAV of the respective Plans as at the close of that Business Day and in respect of any application received after Business Hours, the application will be deemed to be accepted as of the next Business Day and the NAV of the respective Plans as at the close of that immediately following Business Day shall be applicable.

And in respect of any application received on any business day for **First India Liquid Fund** before 10.30 AM by way of high value cheque or Bank Transfers the NAV for the subscription should be the one relating to the previous day and in case the cheque or transfer so deposited is not cleared during the day the NAV for the application so received will be applicable at the close of that business day.”



FIRST INDIA ASSET MANAGEMENT (P) LTD.,

Dated : 24th September, 2002

The following load structure will be applicable for fresh subscriptions for First India Income Fund with effect from September 25, 2002 on a prospective basis:

Schemes	Income
Exit load	
More than or equal to Rs. 10 lakhs	NIL
Less than Rs. 10 lakhs	0.50% if redeemed within 6 months

The above changes have been approved by the Board of Trustees of First India Mutual Fund as well as the Board of First India Asset Management (P) Ltd.

Dated : 8th October, 2002

Change in Investment Pattern of First India Short Term Plan (a plan within First India Income Fund)

In order to give better return to the investors the AMC and Trustees with effect from **28.10.2002** have decided to change the investment pattern of the Short Term Plan under the Income Fund as follows:

Type of Instrument	Normal Allocation (as % of assets)	Risk Profile
Debt & Debt Related Instruments (including Money Market Instruments) with residual maturity of upto two years, at the point of purchase ⁺⁺	0-50	Low to Medium
Debt & Debt Related Instruments with residual maturity of beyond two years ⁺⁺	0-50	Low to Medium

⁺⁺ This could include securitised debt upto 50% of the net assets.

- The above investment pattern is at best indicative and could change depending upon market conditions prevailing from time to time and on the views of the Investment Manager, in the best interest of the unit holders.
- As a defensive measure or pending deployment, the money may be invested in short term deposits with scheduled commercial banks.

Any investor who is not in consonance with our revised Investment Pattern is at liberty to opt to exit from the scheme at the prevailing NAV without any exit load any time before 27.10.2002.

Dated : 24th October, 2002

First India Liquid Fund: *(with effect from November 16, 2002 on a prospective basis)*

- The clause pertaining to **Applicable NAV** is partly modified as below for **First India Liquid Fund**:

The NAV for First India Liquid Fund will be calculated on a daily basis through out the year. When redemption day is followed by a holiday, the opening NAV of the date of redemption will be applicable.



FIRST INDIA ASSET MANAGEMENT (P) LTD.,

Dated : 24th October, 2002

First India Short Term Plan: *(with effect from November 16, 2002 on a prospective basis)*

- a) The **minimum application** amount for First India Short Term Plan will be Rs. 5000/-.
- b) The clause pertaining to **Applicable NAV** is partly modified as below for **First India Short Term Plan (a plan within First India Income Fund):**

The NAV for First India Short Term Plan (a plan within First India Income Fund) will be calculated on a daily basis through out the year.

Any application received on any business day for **First India Short Term Plan** (a plan within First India Income Fund) before 10.30 AM by way of high value cheque or Bank Transfers the NAV for the subscription should be the one relating to the previous day and in case the cheque or transfer so deposited is not cleared during the day the NAV for the application so received will be applicable at the close of that business day. In case of subscriptions received after 10.30 AM and before 3.30 PM the same day's NAV will be applicable.

- c) The clause pertaining to **Cut-off time for acceptance of Repurchase request** is modified as below for **First India Short Term Plan (a plan within First India Income Fund) (with effect from November 16, 2002 on a prospective basis)**

All requests for repurchase received before 1200 PM on any business day by the ISC/AMC, will be priced at the same day's repurchase price. Request received after 1200 PM will be deemed as having been received the next business day and would therefore be priced at the next business day's repurchase price.

Dated : December 20, 2002

The Board of Trustees has changed the Load structure of First India Short Term Plan (a plan within First India Income Fund) as below with effect from December 23, 2002 on a prospective basis:

Fund	Load
First India Short Term Plan (a plan within First India Income Fund)	Entry load : NIL Exit load: * NIL in case of redemption after expiry of 7 days from the date of allotment. * 0.25% of applicable NAV in case of redemption on or before the expiry of 7 days from the date of allotment.

Dated : December 31, 2002

PENALTIES & PENDING LITIGATION

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

Units A & B, 8th Floor, Riaz Garden, 29, Kodambakkam High Road, Chennai 600 0034.



FIRST INDIA ASSET MANAGEMENT (P) LTD.,

SEBI had initiated adjudication proceeding under the Section 15D(b) & Section 15E of SEBI Act, 1992 against the Asset Management Company and the Mutual Fund for contravention of Regulation 44(1) read with Clause 1 of 7th Schedule of SEBI (Mutual Funds) Regulations, 1996 by First India Asset Management (P) Ltd. The main issue was that in First India Income Fund its investments in the debentures of HDFC Ltd., was beyond the permissible limits as stipulated under Regulation 44(1) read with Clause 1 of 7th Schedule of SEBI (Mutual Funds) Regulations, 1996 during the period from February 14, 2002 to April 07, 2002.

Based on the adjudication proceedings and vide the order dated October 4, 2002 a penalty of Rs. Three lakhs was imposed on First India Asset Management (P) Ltd., and a penalty of Rs. One lakh on First India Mutual Fund.

The Asset Management Company has paid the aggregate amount of Rs. Four lakhs to SEBI.

The above said violation has since been rectified and the compliance monitoring, systems and process within the Mutual Fund have been strengthened to prevent such violations in the future.

Place: Chennai
Date: 31.12.2002

For First India Asset Management (P) Ltd.,
R. Balakrishnan
Chief Executive

Scheme classification & Objective: First India Income Fund is an open ended income scheme with a primary objective to generate regular income and secondary objective of capital growth through investment in debt instruments (likely around 80%) and money market and related securities (likely around 20%). First India Liquid Fund is an open ended liquid scheme with an investment objective to provide high liquidity and reasonable returns to unit holders from a portfolio of good quality debt and related instruments (likely around 30%) & Money Market Instruments(around 70%). First India Gilt Fund is an open ended gilt scheme investing 100% in Central/State government securities with a view to generate credit risk free returns and thus provide medium to long term capital gains & income distribution. First India Short Term Plan (a plan within First India Income Fund) is an open ended income scheme with an investment objective in consonance with the investment objective of First India Income Fund, however the specific objective is to generate returns that would endeavor to generate returns in line with Mibor linked short term papers with daily call/put option. First India Growth Fund is an open ended growth scheme with an investment objective to achieve capital appreciation by investing in equity & equity related instruments. First India Tax Gain is an open ended equity linked savings scheme with an investment objective to mobilize savings from a wide cross-section of people and to provide them attractive returns, security and liquidity through investments in equity & equity related instruments, capital and money market instruments.

Risk Factors: Mutual Funds and securities investments are subject to market risks and the NAV of the scheme may go up and down depending upon the factors affecting the securities market. There can be no assurance or guarantee that the Scheme objectives will be achieved. The past performance of the previous scheme, sponsor or its group affiliates is not indicative of and does not guarantee future performance of the scheme. The sponsor is not responsible or liable for any loss or shortfall resulting from the operations of the scheme beyond the initial contribution of Rs. 1 lakh made by him towards setting up of the Mutual Fund. First India Liquid Fund, First India Income Fund and First India Gilt Fund 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. **Please read the offer document before investing.** The units are being offered at par value of Rs.10 per unit during the initial offer period and at NAV based prices upon reopening subject to the prevailing load.. the fund will offer NAVs, purchases and redemptions on all business days from the reopening date. **Statutory Details:** First India Mutual Fund has been set up as a trust under the India Trust Act 1882 (liability restricted to the corpus of Rs.1 lac) with Dr. A C Muthiah as settlor and First India Asset Management Company Pvt. Ltd as the Investment Managers to the First India Mutual Fund.