

November 06, 2025

## Tata Asset Management Private Limited: Ratings reaffirmed

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Tata Short-Term Bond Fund	-	-	[ICRA]AAAmfs; reaffirmed
Tata Money Market Fund	-	-	[ICRA]A1+mfs; reaffirmed
Tata Liquid Fund	-	-	[ICRA]A1+mfs; reaffirmed
Tata Overnight Fund	-	-	[ICRA]A1+mfs; reaffirmed
Tata Ultra Short-Term Fund	-	-	[ICRA]A1+mfs; reaffirmed
<b>Total</b>	-	-	

\*Instrument details are provided in Annexure I

### Rationale and key rating drivers

ICRA has reaffirmed the ratings of various debt schemes of Tata Asset Management Private Limited (the asset management company; AMC). The ratings have been reaffirmed following ICRA's monitoring of the credit risk profile of the month-end portfolio position of these schemes. The credit risk scores for these schemes were comfortably within the benchmark limits for their current rating levels.

Mutual fund (MF) ratings incorporate ICRA's assessment of the creditworthiness of a debt MF scheme's investment portfolio. These ratings are a symbolic representation of the credit risk in the underlying investments or the degree of safety regarding the timely receipt of payments from the investments made by the MF schemes. The ratings do not indicate the AMC and/or any of its scheme's willingness and/or ability to make timely redemptions to its investors. The ratings do not address market risks and hence should not be construed as an indication of the expected returns, prospective performance of the MF scheme, and the ability to redeem investments at the reported net asset value (NAV) or volatility in its past returns, as all these are influenced by market risks.

ICRA's assessment of debt MF schemes is guided by the credit ratings of the individual investments and the relative share of the schemes' allocation towards the investments, besides the maturity schedule of such investments. ICRA's MF ratings are not a reflection on the quality of the management of the AMC or its financial performance, reputation and other business practices including investment strategies, pricing, marketing and distribution activities. Furthermore, the ratings are not a reflection of whether the AMC or the fund is compliant with the applicable regulatory requirements.

The credit matrix is a tool used by ICRA for analysing the investment portfolio of the debt MF schemes by assessing the portfolio's aggregate credit quality while reviewing the credit quality of each underlying debt security. The portfolio's weighted average credit quality is compared with a benchmark credit score corresponding to the higher of the weighted average maturity of the scheme's portfolio or the maturity predefined by ICRA for the scheme category. The rating outcome corresponds to the rating level for which the portfolio's weighted average credit score is less than the benchmark credit score associated with the rating level. Further, the lowest rating of the investments of the scheme acts as the floor for its rating.

Once an MF scheme is rated and the rating is accepted, ICRA reviews the underlying investment portfolios for the credit scores on an ongoing basis. To this end, ICRA relies on the information provided by the AMC and/or publicly available sources. ICRA reviews the MF ratings on a monthly basis or earlier, if required, which involves an evaluation of the rating corresponding to the portfolio credit score in relation to the existing rating outstanding. If the portfolio credit score meets the benchmark score for the existing rating, the rating is retained. If the portfolio credit score has a negative breach from the benchmark credit score for the existing rating, ICRA communicates the same to the fund manager/product manager or other

officials of the concerned AMC before the end of the next month, and provides 30 working days from the date of such communication to bring the portfolio credit score within the benchmark credit score for maintaining the existing rating level. If the investment composition of the fund is realigned to bring the portfolio credit score within the benchmark credit score, the rating is retained. However, if the portfolio continues to breach the benchmark credit score for the existing rating level, the rating is revised to reflect the change in the portfolio’s credit quality.

In case of sharp breaches of the benchmark credit score (for instance due to a multi-notch downgrade in the underlying investment) and/or if ICRA believes that the breach may not get rectified within a month of the ongoing review, the rating is generally corrected immediately without giving a month’s time for rebalancing the portfolio. If the AMC corrects its portfolio, post the rating downgrade of the scheme, or the credit score improves in any manner subsequent to the downgrade, making the scheme eligible for an upgrade, ICRA may consider a rating upgrade only if the credit score is maintained consistently for a period of at least three months.

### Liquidity position: Not applicable

### Rating sensitivities

**Positive factors** – Not applicable

**Negative factors** –

**For Tata Overnight Fund** – ICRA could downgrade the rating of the scheme if the credit quality of the underlying investment deteriorates, leading to a breach in the threshold for the rating level.

**For other schemes** – ICRA could downgrade the ratings of the schemes if the credit quality of the underlying investment deteriorates or the size of the assets under management (AUM) declines, which may result in an increase in the share of lower rated investments, leading to a breach in the threshold for the rating level.

### Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">ICRA's Methodology for Mutual Funds</a>
Parent/Group support	Not applicable
Consolidation/Standalone	Not applicable

### About the company

Tata Asset Management Private Limited (the AMC) has a track record of more than 20 years in investment management. It offers a range of investment solutions for financial planning and wealth creation. It also advises international investors in Indian equity assets. As on September 30, 2025, the AMC’s average AUM stood at Rs. 2,16,960.8 crore<sup>1</sup>.

#### Tata Short-Term Bond Fund

Launched in August 2002, Tata Short-Term Bond Fund is an open-ended debt fund with the objective of generating regular income/appreciation over the short term. As on September 30, 2025, the fund had a corpus of Rs. 3,305 crore.

#### Tata Money Market Fund

<sup>1</sup> <https://www.amfiindia.com/research-information/aum-data/average-aum>

Launched in August 1998, Tata Money Market Fund is an open-ended money market MF scheme with the stated objective of generating returns with reasonable liquidity to the unitholders by investing in money market instruments. As on September 30, 2025, the fund had a corpus of Rs. 38,808 crore.

#### Tata Liquid Fund

Launched in December 2003, Tata Liquid Fund is an open-ended liquid scheme with the objective of creating reasonable returns and providing high liquidity to the unitholders. As on September 30, 2025, the fund had a corpus of Rs. 21,302 crore.

#### Tata Overnight Fund

Launched in March 2019, Tata Overnight Fund is an open-ended scheme investing in overnight securities. The investment objective is to generate returns commensurate with low risk and provide a high level of liquidity through investments primarily in overnight securities with a maturity of one business day. The fund's AUM stood at Rs. 2,811 crore as on September 30, 2025.

#### Tata Ultra Short-Term Fund

Launched in January 2019, Tata Ultra Short-Term Fund is an open-ended scheme investing in debt and money market instruments. The investment objective is to provide liquidity and generate reasonable returns with lower interest rate risk through investment in debt and money market instruments such that the Macaulay duration of the portfolio is between three and six months. The fund's AUM stood at Rs. 4,015 crore as on September 30, 2025.

**Key financial indicators: Not applicable**

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

#### Rating history for past three years

Instrument	Current (FY2026)			Chronology of rating history for the past 3 years					
	Type	Amount rated (Rs. crore)	Nov 06, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Tata Overnight Fund	Short term	-	[ICRA]A1+ mfs	Jan-09-2025	[ICRA]A1+ mfs	Jan-24-2024	[ICRA]A1+ mfs	Mar-08-2023	[ICRA]A1+ mfs
								Dec-02-2022	[ICRA]A1+ mfs
Tata Ultra Short-Term Fund	Short term	-	[ICRA]A1+ mfs	Jan-09-2025	[ICRA]A1+ mfs	Jan-24-2024	[ICRA]A1+ mfs	Mar-08-2023	[ICRA]A1+ mfs
								Dec-02-2022	[ICRA]A1+ mfs
Tata Short-Term Bond Fund	Long term	-	[ICRA]AAA mfs	Jan-09-2025	[ICRA]AAA mfs	Jan-24-2024	[ICRA]AAA mfs	Mar-08-2023	[ICRA]AAA mfs
								Dec-02-2022	[ICRA]AAA mfs
Tata Money Market Fund	Short term	-	[ICRA]A1+ mfs	Jan-09-2025	[ICRA]A1+ mfs	Jan-24-2024	[ICRA]A1+ mfs	Mar-08-2023	[ICRA]A1+ mfs
								Dec-02-2022	[ICRA]A1+ mfs
Tata Liquid Fund	Short term	-	[ICRA]A1+ mfs	Jan-09-2025	[ICRA]A1+ mfs	Jan-24-2024	[ICRA]A1+ mfs	Mar-08-2023	[ICRA]A1+ mfs
								Dec-02-2022	[ICRA]A1+ mfs

## Complexity level of the rated instrument

Instrument	Complexity indicator
Tata Short-Term Bond Fund	Not applicable
Tata Money Market Fund	Not applicable
Tata Liquid Fund	Not applicable
Tata Overnight Fund	Not applicable
Tata Ultra Short-Term Fund	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

**Annexure I: Instrument details**

ISIN	Instrument name	Date of issuance/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook
NA	Tata Short-Term Bond Fund	NA	NA	NA	NA	[ICRA]AAAmfs
NA	Tata Money Market Fund	NA	NA	NA	NA	[ICRA]A1+mfs
NA	Tata Liquid Fund	NA	NA	NA	NA	[ICRA]A1+mfs
NA	Tata Overnight Fund	NA	NA	NA	NA	[ICRA]A1+mfs
NA	Tata Ultra Short-Term Fund	NA	NA	NA	NA	[ICRA]A1+mfs

**Annexure II: List of entities considered for consolidated analysis**

Not applicable

## ANALYST CONTACTS

**Karthik Srinivasan**  
+91 22 6114 3444  
[karthiks@icraindia.com](mailto:karthiks@icraindia.com)

**Anil Gupta**  
+91 124 4545 314  
[anilg@icraindia.com](mailto:anilg@icraindia.com)

**Kruti Jagad**  
+91 22 6114 3447  
[kruti.jagad@icraindia.com](mailto:kruti.jagad@icraindia.com)

**Atharva Pednekar**  
+91 22 6114 3438  
[atharva.pednekar@icraindia.com](mailto:atharva.pednekar@icraindia.com)

**Mishi Yadav**  
+91 124 4545 320  
[mishi.yadav@icraindia.com](mailto:mishi.yadav@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**  
+91 22 6114 3406  
[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**  
Tel: +91 124 4545 860  
[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)  
[info@icraindia.com](mailto:info@icraindia.com)

## ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



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