

DSP Merrill Lynch Mutual Fund



Annual Report
- All Open Ended Schemes
- DSP Merrill Lynch Micro Cap Fund
2007-2008

SPONSOR



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TRUSTEE



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CUSTODIAN



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AUDITORS TO THE FUND

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UNITHOLDER INFORMATION REPORT

From the Board of Directors, DSP Merrill Lynch Trustee Company Private Limited

DSP MERRILL LYNCH MUTUAL FUND

DSP Merrill Lynch Mutual Fund (**DSPMLMF**) was set up as a Trust by the Settlers, DSP Merrill Lynch Ltd. (DSPML) and Merrill Lynch Asset Management L.P., now known as Merrill Lynch Investment Managers L.P., USA (**MLIM**), on 16th December, 1996, with DSP Merrill Lynch Trustee Company Pvt. Ltd. (the Trustee) as a trustee in accordance with the provisions of the Indian Trust Act, 1882 and is duly registered under the Indian Registration Act, 1908. The Trustee has entered into an Investment Management Agreement dated 16th December, 1996 with DSP Merrill Lynch Investment Managers Ltd., now known as DSP Merrill Lynch Fund Managers Ltd. (**the AMC**) to function as the Investment Manager for all the schemes of DSPMLMF. DSPMLMF was registered with the Securities and Exchange Board of India (SEBI) on 30th January, 1997.

THE TRUSTEE

The Trustee is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the Unit Holders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the SEBI (Mutual Funds) Regulations, 1996 (**'Regulations'**) and the Trust Deed. The Trustee seeks to ensure that DSPMLMF and the schemes floated thereunder are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by SEBI, the Stock Exchanges, the Association of Mutual Funds in India (AMFI) and other regulatory agencies.

DIRECTORS OF THE TRUSTEE

- Mr. Shitin D. Desai – Mr. Desai is the Executive Vice-Chairman of DSPML.
- Mr. S. S. Thakur – Mr. Thakur is currently the Chairman of Central Depository Services (India) Ltd. and serves on the Board of Directors of various other companies.
- Ms. Tarjani Vakil – Ms. Vakil was the Chairperson and Managing Director of Export Import Bank of India and currently serves on the Board of Directors of various well-known companies.
- Dr. P. R. Joshi – Dr. Joshi is an economic consultant, with about 17 years of experience in development banking, 12 years in merchant banking and 30 years in management teaching. He retired as the Director of UTI Institute of Capital Markets in May 2001, and through his illustrious career, served as Deputy General Manager at ICICI and as a Director at DSPML.
- Mr. S. Doreswamy – Mr. Doreswamy is a financial consultant, with an experience of about 35 years in commercial banking, preceded by practice as a High Court Advocate for about 3 years. Mr. Doreswamy has acted as Chairman and Managing Director of Dena Bank and Central Bank of India, is currently the Chairman of Can Fin Homes Ltd. and serves on the Board of Directors of various other companies.
- Mr. T. S. Krishnamurthy – Mr. Krishnamurthy, a former Chief Election Commissioner of India, has had a distinguished career in the Government of India, spanning over 36 years. He served the Income Tax department in various capacities and was also appointed Secretary, Department of Company Affairs, Government of India.

DIRECTORS OF DSP MERRILL LYNCH FUND MANAGERS LIMITED

- Mr. Hemendra M. Kothari – Mr. Kothari is the Chairman of DSPML.
- Mr. Pradeep Dokania – Mr. Dokania is the Managing Director of DSP Merrill Lynch Capital Limited and head of the Global Private Client Group of DSPML.
- Mr. K. R. V. Subrahmanian – Mr. Subrahmanian is a management consultant and is on the board of some well-known corporates in India.
- Dr. Omkar Goswami – Dr. Goswami is the Founder and Chairman of CERG Advisory Private Limited. CERG primarily provides corporate advisory services, consulting services and research for companies and industries in India and abroad.
- Mr. Ranjan Pant – Mr. Pant is a Global Management consultant, advising CEOs / boards on Strategy and Change Management.
- Mr. Piyush Mankad – Mr. Mankad is a retired civil servant with a distinguished career of over 40 years in the prestigious Indian Administrative Service.

As on March 31, 2008, DSPMLMF had twenty open ended schemes (available for ongoing purchases), namely, DSP Merrill Lynch Bond Fund, DSP Merrill Lynch Equity Fund, DSP Merrill Lynch Liquidity Fund, DSP Merrill Lynch Balanced Fund, DSP Merrill

Lynch Government Securities Fund, DSP Merrill Lynch Technology.com Fund, DSP Merrill Lynch Opportunities Fund, DSP Merrill Lynch Short Term Fund, DSP Merrill Lynch Top100 Equity Fund, DSP Merrill Lynch Savings Plus Fund - Moderate, DSP Merrill Lynch Floating Rate Fund, DSP Merrill Lynch Savings Plus Fund – Aggressive, DSP Merrill Lynch Savings Plus Fund – Conservative, DSP Merrill Lynch India T.I.G.E.R. Fund (The Infrastructure Growth and Economic Reforms Fund), DSP Merrill Lynch Liquid Plus Fund, DSP Merrill Lynch Small and Mid Cap Fund, DSP Merrill Lynch Tax Saver Fund, DSP Merrill Lynch Strategic Bond Fund, DSP Merrill Lynch World Gold Fund and DSP Merrill Lynch Cash Plus Fund and one close ended scheme, namely DSP Merrill Lynch Micro Cap Fund.

DSPMLMF has launched various fixed maturity plans, being closed ended income schemes. The primary investment objective of these schemes is to seek capital appreciation by investing in a portfolio of debt and money market securities. It is envisaged that the portfolio will display a maturity profile that is generally in line with the term of the scheme.

MARKET REVIEW

Debt Market

The financial year 2007-2008 was quite volatile for the bond market. The year began with the Reserve Bank of India hiking the Cash Reserve Ratio by 50 basis points to reduce surplus liquidity in the banking system. Despite that, surplus liquidity pushed overnight rates to less than 0.50% for most part of the first quarter. Low overnight rates were also instrumental in pushing the benchmark 10Y Govt. bond yield to 7.8% semi annual (SA) in late July from 8.3% SA in early June. One year money market rates touched a low of 7.5% p.a. in late July 2007 from a high of 10.5% p.a. in April 2007. However, things began to change in the second quarter as surplus liquidity in the banking system compelled the RBI to hike the Cash Reserve Ratio by 0.50% twice: first in August 2007 and later in November 2007. However, a sustained surge in global commodity prices began to work their way into headline inflation, which began its gradual ascent and touched 8% in the month of March 2008. On the global front, the sub-prime crisis reminded investors of the importance of credit risk in the portfolio, as market participants witnessed a huge flight to quality. One noteworthy feature was that the Reserve Bank of India ensured that there was sufficient liquidity in the banking system through out the second-half of the year. This helped prevent year-end tightness in the banking system and therefore, any significant increase in money market rates. The year ended on a positive note with sufficient liquidity and positive sentiment among market participants due to the marginally lower government borrowing program for the new financial year.

EQUITY MARKET

For the financial year 2007-2008, BSE-30 index, the Sensex, delivered a total return of 20.8%. However, this included significant volatility, in tandem with other emerging markets, as also the unfolding of the sub-prime crisis and fears of a slowdown in the global economy.

Following healthy corporate annual results, and through a period of increased industrial output and falling inflation, the Sensex rallied in the period April-July 2007, achieving a new high along the way. After a brief period of volatility in August, the Sensex, along with other emerging markets again rose to new highs through September and October, on the back of rate cuts by the Federal Reserve.

Emerging markets experienced a sharp correction beginning in November. However, the Sensex continued its high momentum rally through the end of the calendar year, as the Federal Reserve continued to aggressively cut rates, and as market participants contemplated the possibility of de-coupling with developed markets. The rally came to an abrupt halt in January and the Sensex experienced a major correction subsequently. The index lost 22.82% in the last quarter of the financial year 2007-2008.

The market rally through the first three quarters of the financial year 2007-2008 saw broad participation. In fact, small and midcap companies outperformed their larger counterparts. However, this was followed by severe underperformance during the market decline in the fourth quarter. The BSE Smallcap Index marginally outperformed the Sensex, delivering a return of 22.49% for the year. In the same period, the BSE Midcap Index gained 20.37%.

OBJECTIVES, INVESTMENT POLICY AND PERFORMANCE OF THE SCHEMES

EQUITY SCHEMES

DSP MERRILL LYNCH EQUITY FUND

The primary investment objective of the scheme is to seek to generate long term capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of issuers domiciled in India. Equity related securities include, but are not limited to, fully convertible debentures, partly convertible debentures, convertible preference shares and warrants converting into equity securities. The scheme may also invest a certain portion of its corpus in debt and money market securities, in order to meet liquidity requirements from time to time. There can be no assurance that the investment objective of the scheme will be realized.

The scheme outperformed its benchmark (the S&P CNX Nifty Index) over the last financial year. The out-performance was largely due the scheme's overweight position in the media and entertainment sector as well as superior stock selection and overweight position in the FMCG sector. The underweight position in the auto sector also helped the scheme outperform its benchmark.

As of June 30, 2008, the net assets of the scheme were Rs.1,090.63 crore.

DSP MERRILL LYNCH TECHNOLOGY.COM FUND

The scheme focuses on investing in technology and technology dependent companies, including businesses relating to hardware, peripherals and components, software (products and services), telecom, telecommunications and media and entertainment, internet and E-commerce, and other technology enabled companies (e.g. transaction processing and call centers). The primary investment objective of the scheme is to seek to generate long term capital appreciation and the secondary objective is income generation and the distribution of dividend from a portfolio constituted of equity and equity related securities concentrating on the investment focus of the scheme. However, there can be no assurance that the investment objective of the scheme will be realized.

The scheme outperformed its benchmark (the BSE Teck Index) over the last financial year. The outperformance may be attributed to the scheme's overweight position in the media and entertainment sector. Concentrated positions in frontline IT companies also benefited performance.

As of June 30, 2008, the net assets of the scheme were Rs. 108.16 crore.

DSP MERRILL LYNCH OPPORTUNITIES FUND

The scheme focuses on responding to the dynamically changing Indian economy by moving its investments amongst different sectors such as the Lifestyle sector, Pharmaceuticals sector, Cyclical sector and Technology sector as prevailing trends change. This scheme allows the Investment Manager to be highly concentrated in any of two or more Sectors. The Investment Manager may at any given time have a zero weightage in any or more of the sectors.

The investment objective of the scheme is to seek to generate long term capital appreciation and the secondary objective is income generation and the distribution of dividend from a portfolio constituted of equity and equity related securities concentrating on the investment focus of the scheme. However, there can be no assurance that the investment objective of the scheme will be realized.

The scheme underperformed its benchmark (the S&P CNX Nifty Index) over the last financial year. The underweight position in the financial services and energy sectors contributed to the scheme's underperformance relative to the benchmark. The scheme's overweight position in the media and entertainment, and FMCG sectors positively impacted performance.

As of June 30, 2008, the net assets of the scheme were Rs. 1021.02 crore.

DSP MERRILL LYNCH TOP100 EQUITY FUND

The primary investment objective of the scheme is to generate capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of the 100 largest corporates by market capitalisation, listed in India. However, there can be no assurance that the investment objective of the scheme will be realized.

The scheme outperformed its benchmark (the BSE 100 Index) over the last financial year. The outperformance was largely due to its stock selection and overweight position

in industrial manufacturing and media and entertainment sectors. The fund's tactical positioning in the construction sector also aided performance.

As of June 30, 2008, the net assets of the scheme were Rs. 839.60 crore.

DSP MERRILL LYNCH INDIA T.I.G.E.R. FUND (THE INFRASTRUCTURE GROWTH AND ECONOMIC REFORMS FUND)

The investment objective of the scheme is to seek to generate capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of corporates, which could benefit from structural changes brought about by continuing liberalization in economic policies by the Government and / or from continuing investments in infrastructure, both by the public and private sector. However, there can be no assurance that the investment objective of the scheme will be realized.

The scheme outperformed its benchmark (the BSE 100 Index) over the last financial year. The outperformance was largely due to its tactical positioning in the construction and industrial manufacturing sectors and overweight position in the media and entertainment sector.

As of June 30, 2008, the net assets of the scheme were Rs. 3,254.66 crore.

DSP MERRILL LYNCH SMALL AND MID CAP FUND

The primary investment objective is to seek to generate long term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities which are not part of the top 100 stocks by market capitalization. From time to time, the Investment Manager will also seek participation in other equity and equity related securities to achieve optimal portfolio construction. This shall be the fundamental attribute of the scheme. The scheme may also invest a certain portion of its corpus in debt and money market securities, in order to meet liquidity requirements from time to time. However, there can be no assurance that the investment objective of the scheme will be realized.

The scheme underperformed its benchmark (the CNX Midcap Index) over the last financial year. The underperformance was due to its underweight position in the pharmaceuticals sector and overweight position in the construction sector.

As of June 30, 2008, the net assets of the scheme were Rs. 744.73 crore.

DSP MERRILL LYNCH TAX SAVER FUND

The primary investment objective of the scheme is to seek to generate medium to long term capital appreciation, from a diversified portfolio that is substantially constituted of equity securities and equity related securities of corporates and to enable investors avail of a deduction from total income, as permitted under the Income Tax Act, 1961 from time to time. However, there can be no assurance that the investment objectives of the scheme will be realized.

The scheme outperformed its benchmark (the S&P CNX 500 Index) over the last financial year. The fund's performance can be attributed to its overweight position in the pharmaceuticals and media and entertainment sectors and its tactical positioning in the metals and construction sectors. Superior stock selection across sectors also aided the fund's performance.

As of June 30, 2008 the net assets of the scheme were Rs. 437.01 crore.

DSP MERRILL LYNCH MICRO CAP FUND

The primary investment objective of the scheme is to seek to generate long term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities, which are not part of the top 300 companies by market capitalisation. From time to time, the Investment Manager will also seek participation in other equity and equity related securities to achieve optimal portfolio construction. This shall be the fundamental attribute of the scheme. However, there can be no assurance that the investment objective of the scheme will be realized.

For the limited period since inception, the scheme underperformed its benchmark (the BSE Smallcap Index). The scheme's performance can be attributed to its underweight position in the metals sector and its overweight position in the pharmaceuticals sector towards the end of the year. Its overweight position in the FMCG sector positively impacted fund performance in the last quarter.

As of June 30, 2008, the net assets of the scheme were Rs. 268.38 crore.

FUND OF FUND SCHEME

DSP MERRILL LYNCH WORLD GOLD FUND

The scheme was launched on July 25, 2007 and was open for subscription between July 25, 2007 and August 23, 2007. Thereafter, the scheme was reopened for subscription and redemption on September 18, 2007.

The primary investment objective of the scheme is to seek capital appreciation by investing predominantly in BlackRock Global Funds - World Gold Fund (BGF-WGF). The scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus. The scheme may also invest a certain portion of its corpus in money market securities and/or money market / liquid schemes of DSPMLMF, in order to meet liquidity requirements from time to time. However, there is no assurance that the investment objective of the scheme will be realized.

For the limited period since inception, the scheme outperformed its benchmark, (the FTSE Gold Mines (cap) Index). The outperformance of the scheme can be attributed to the superior stock selection by the underlying BGF – World Gold Fund. Performance was aided by effective fund allocation in mining companies across geographies, and tactical reallocation between the various precious metals by investment managers to BGF-WGF.

As of June 30, 2008, the net assets of the scheme were Rs. 2,062.44 crore.

HYBRID SCHEMES

DSP MERRILL LYNCH BALANCED FUND

The primary investment objective of the scheme is to seek to generate long-term capital appreciation and current income from a portfolio constituted of equity and equity related securities as well as fixed income securities (debt and money market securities). Equity related securities include, but are not limited to, fully convertible debentures, partly convertible debentures, convertible preference shares and warrants converting into equity securities. However, there can be no assurance that the investment objective of the scheme will be realized.

The scheme outperformed its benchmark (the CRISIL Balanced Fund Index) over the last financial year. The scheme's performance was aided by its overweight position in the media and entertainment sector, underweight position in the automobiles sector and the dynamic allocation between the debt and equity components of its portfolio.

As of June 30, 2008, the net assets of the scheme were Rs. 532.58 crore.

DSP MERRILL LYNCH SAVINGS PLUS FUND – MODERATE

The objective of the scheme is to generate attractive returns with prudent risk from a portfolio which is substantially constituted of quality debt securities. The scheme will also seek to generate capital appreciation by investing a smaller portfolio of its corpus in equity and equity related securities of the 100 largest corporates, by market capitalization listed in India. However, there can be no assurance that the investment objective of the scheme will be realized.

The scheme has been actively managing the equity component of the portfolio, in keeping with its prevailing outlook on the equity market. The debt component of the portfolio was largely invested in floating rate debt securities and shorter-tenor fixed rate corporate assets. The fund has delivered 6.41% return in last year as compared to 11.12% return by the benchmark CRISIL MIP Blended Index. The under-performance of the fund is due to its higher exposure to floating rate assets as compared to the benchmark. Floating rate assets under-performed money market assets in the first-half of the last year.

As of June 30, 2008, the net assets of the scheme were Rs. 101.64 crore.

DSP MERRILL LYNCH SAVINGS PLUS FUND – AGGRESSIVE

The objective of the scheme is to generate attractive returns with prudent risk from a portfolio which is substantially constituted of quality debt securities. The scheme will also seek to generate capital appreciation by investing a smaller portfolio of its corpus in equity and equity related securities of the 100 largest corporates, by market capitalization listed in India. However, there can be no assurance that the investment objective of the scheme will be realized.

The scheme has been actively managing the equity component of the portfolio, in keeping with its prevailing outlook on the equity market. The debt component of the

portfolio was largely invested in floating rate debt securities and shorter-tenor fixed rate corporate securities. The fund has delivered 6.87% return in last year as compared to 11.12% return by the benchmark CRISIL MIP Blended Index. The under-performance of the fund is due to its higher exposure to floating rate assets as compared to the benchmark. Floating rate assets under-performed money market assets in the first-half of last year.

As of June 30, 2008, the net assets of the scheme were Rs. 103.92 crore.

DSP MERRILL LYNCH SAVINGS PLUS FUND – CONSERVATIVE

The objective of the scheme is to generate attractive returns with prudent risk from a portfolio which is substantially constituted of quality debt securities. The scheme will also seek to generate capital appreciation by investing a smaller portfolio of its corpus in equity and equity related securities of the 100 largest corporates, by market capitalization listed in India. However, there can be no assurance that the investment objective of the scheme will be realized.

The scheme has been actively managing the equity component of the portfolio, in keeping with its prevailing outlook on the equity market. The debt component of the portfolio was largely invested in floating rate debt securities and shorter-tenor fixed rate corporate securities. The fund has delivered 4.25% return in last year as compared to 11.12% return by benchmark CRISIL MIP Blended Index. The under-performance of the fund is due to its higher exposure to floating rate assets as compared to the benchmark. Floating rate assets under-performed money market assets in the first-half of last year.

As of June 30, 2008, the net assets of the scheme were Rs. 5.91 crore.

INCOME SCHEMES

DSP MERRILL LYNCH BOND FUND

The primary investment objective of the scheme is to seek to generate an attractive return, consistent with prudent risk, from a portfolio which is substantially constituted of high quality debt securities of issuers domiciled in India and the secondary objective of the scheme is to seek capital appreciation. The scheme will also invest a certain portion of its corpus in money market securities, in order to meet liquidity requirements from time to time. There can be no assurance that the investment objective of the scheme will be realized.

This category witnessed net outflow as investors continued to shun income funds amid volatile interest rates and widening of corporate spreads and preferred low duration funds such as liquidity funds for better risk-adjusted returns. The fund has delivered 4.93% return in last year as compared to 8.20% return by benchmark CRISIL Composite Bond Fund Index. The under-performance of the fund is mainly due to higher exposure to floating rate corporate assets in the fund as compared to the benchmark.

As of June 30, 2008, the net assets of the scheme were Rs. 36.41 crore.

DSP MERRILL LYNCH LIQUIDITY FUND

The primary investment objective of the scheme is to seek to generate a reasonable return commensurate with low risk and a high degree of liquidity, from a portfolio constituted of money market securities and high quality debt securities. However, there can be no assurance that the investment objective of the scheme will be realized.

Barring July and September of 2007, The Fund witnessed net outflows as investors preferred to invest in the Liquid Plus category due to its tax advantage. The fund has delivered 7.08% return in last one year as compared to 7.50% return by the benchmark CRISIL Liquid Fund Index. The fund under-performed the benchmark mainly due to its higher cash component in the first two quarters of the financial year. The fund decided to maintain higher liquidity due to significant increase in inflows / outflows.

As of June 30, 2008, the net assets of the scheme were Rs. 920.12 crore.

DSP MERRILL LYNCH GOVERNMENT SECURITIES FUND

The primary investment objective of the scheme is to seek to generate income through investments in Central Government Securities of various maturities. There are two Investment Plans offered under this scheme viz. Plan A – Longer Duration Plan and Plan B – Shorter Duration Plan. Plan A typically invests in long-term Government Securities with a residual maturity upto 30 years or more while Plan B typically invests in Government Securities with a residual maturity of upto 5 years. However, there can be no assurance that the investment objectives of the scheme / plans will be realized.

This category witnessed very little activity in the first three quarters of the year. However, the last quarter of the year saw some investor interest in this category.

DSP Merrill Lynch Government Securities Fund – Plan A has delivered 7.55% return in last one year as compared to 8.86% return by benchmark LIBEX. DSP Merrill Lynch Government Securities Funds – Plan B has delivered 6.12% return in last one year as compared to 8.91% return by benchmark SIBEX. The under-performance of both plans is mainly due to lower duration profile as compared to benchmarks and relatively higher cash components in both plans.

As of June 30, 2008 the net assets of the scheme were Rs. 34.44 crore.

DSP MERRILL LYNCH SHORT-TERM FUND

The primary investment objective of the scheme is to generate income commensurate with prudent risk, from a portfolio constituted of money market securities, floating rate debt securities and debt securities. However, there can be no assurance that the investment objective of the scheme will be realized.

The Fund witnessed outflows last year as investors continued to shun short-term income funds as a category due to rising interest rates and widening corporate spreads and preferred low duration funds such as liquidity funds for better risk-adjusted returns. The fund has delivered 8.76% return in last one year as compared to 7.50% return by the benchmark CRISIL Liquid Fund Index. The fund was able to generate better performance mainly due to lower exposure to medium-term corporate assets and higher exposure to money market and floating rate assets in the fund.

As of June 30, 2008, the net assets of the scheme were Rs. 59.37 crore.

DSP MERRILL LYNCH FLOATING RATE FUND

The primary investment objective of the scheme is to seek to generate income commensurate with prudent risk, from a portfolio substantially constituted of floating rate securities and fixed rate debt securities swapped for floating rate returns. The scheme may also invest in fixed rate debt securities. However, there can be no assurance that the investment objective of the scheme will be realized.

The scheme witnessed attrition of assets to other asset classes as floating rate assets could not keep up with rising money market rates over the year. Although the scheme offered less volatility, investors preferred to remain invested in short-term money market assets over floating rate assets. The scheme has delivered 5.60% return in last one year as compared to 7.5% return by the benchmark CRISIL Liquid Fund Index. The under-performance of the fund is mainly due to its high exposure to floating rate assets which under-performed its benchmark in the first half of the year.

As of June 30, 2008, the net assets of the scheme were Rs. 132.48 crore.

DSP MERRILL LYNCH LIQUID PLUS FUND

The scheme is an open ended income scheme which seeks to generate reasonable returns commensurate with low risk and a high degree of liquidity, from a portfolio constituted of money market securities and high quality debt securities. However, there can be no assurance that the objective of the scheme can be realized.

This category became quite popular among investors due to its liquid nature and better tax treatment relating to dividends. DSP Merrill Lynch Liquid Plus Fund witnessed good growth of assets in the second-half of the year. The scheme has delivered 7.73% return in last one year as compared to 7.5% return by the benchmark CRISIL Liquid Fund Index. Better performance of the fund was mainly due to its lower duration profile and selection of higher yielding assets as compared to its benchmark.

As of June 30, 2008, the net assets of the scheme were Rs. 4,272.23 crore.

DSP MERRILL LYNCH CASH PLUS FUND

The scheme was launched on October 25, 2007 and was open for subscription on October 25, 2007. Thereafter, the scheme was reopened for subscription and redemption on October 30, 2007. The primary objective of the fund is to seek to generate reasonable returns commensurate with low risk from a portfolio constituted of money market and debt securities.

The scheme was launched in the month of October 2007 to take advantage of high yields on short-term assets. The scheme witnessed a decent growth in its assets till January 2008. The scheme has delivered 3.77% of absolute return since its inception as compared to 2.88% absolute return by the benchmark CRISIL Liquid Fund Index. The fund was able to generate better performance mainly due to its exposure to short-term

high yielding corporate assets as well as floating rate assets in the second-half of the year.

As of June 30, 2008, the net assets of the scheme were Rs. 362.97 crore.

DSP MERRILL LYNCH STRATEGIC BOND FUND

The scheme was launched on April 23, 2007 and was open for subscription between April 23, 2007 and May 03, 2007. Thereafter, the scheme was reopened for subscription and redemption on May 10, 2007. The primary objective of the fund is to generate optimal returns with high liquidity through active management of the portfolio by investing in high quality debt and money market assets.

The scheme generated a lot of investor interest in the first half of the year due to benign interest rates and good performance. However, the CRR hike by the RBI in the month of October changed investors' outlook on bond funds. The scheme witnessed significant outflows in the last quarter of the calendar year. The scheme has delivered 6.73% absolute return since its inception as compared to 7.61% absolute return by the benchmark CRISIL Bond Fund Index. The fund's under-performance was mainly on account of widening of corporate spreads in the second half of the year.

As of June 30, 2008, the net assets of the scheme were Rs. 144.81 crore.

FUTURE OUTLOOK

Debt Market

The Indian economy grew at a strong pace of 8.8% Y-o-Y in the last quarter of FY 2007-08 despite slowing credit offtake and the negative impact of past increases in interest rates. However, the economy is likely to face some headwinds in the form of high inflation in the financial year 2008-09 due to higher commodity and crude oil prices as well as reduction in capital inflows due to risk aversion, after the unfolding of the sub-prime crisis and its consequent impact on global financial markets. The rising subsidy bill on account of food, fuel and fertiliser is also likely to be a key issue next year. We expect the Reserve Bank of India to remain hawkish in the first-half of the new financial year amid global inflation and turmoil in the global financial markets.

Equity Market

Interest rates are expected to peak by the second half of 2008, until which time we expect markets to be range-bound. The fundamentals of the Indian economy and corporate earnings remain robust with GDP growth and corporate earnings for financial year 2008-2009 expected to be 7.5-8% and 14%-16% respectively. Despite the near term volatility, we believe Indian equities can deliver a 15% CAGR over the longer term with reasonable probability.

INVESTOR SERVICES

During the year, the AMC continued to provide innovative services and facilities for investors. With increased retail interest and the consequent increase in transaction volumes across the country, the AMC has taken suitable measures to enhance process and controls with an endeavour to provide quality services to its customers and continuously reduce customer complaints.

The AMC opened new offices in Bhubaneswar, Guwahati, Jamshedpur, Kanpur, Ludhiana, Mangalore, Nasik, Patna and Rajkot apart from moving to new premises in Kolkata and Pune. Registrars & Transfer Agents (CAMS) have also increased their reach to cater to investors of various cities and now have presence in 152 locations across the country.

We encourage investors to provide their valuable feedback via email on dspmlmf@ml.com or by reaching us at 1800 345 4499 (Toll free from BSNL / MTNL Lines) or 044 3048 2855 from other lines.

DISTRIBUTION OF INCOME

The scheme has declared dividends in some of the schemes during the financial year 2007-2008. Details are annexed and form part of this Annual Report.

UNCLAIMED DIVIDENDS AND REDEMPTION AMOUNTS

Based on the feed back received from the bankers to the dividend / redemption account, the amount of dividends / redemption declared and remaining unclaimed (for more than six months) as on the balance sheet date is as under:

Schemes	Unclaimed Dividends		Unclaimed Redemptions	
	Amount (Rs.)	No. of Unclaimed Drafts/ Warrants	Amount (Rs.)	No. of Unclaimed Drafts / Warrants
DSP Merrill Lynch Balanced Fund	2,492,815	111	131,306	9
DSP Merrill Lynch Bond Fund	1,860,145	880	301,001	22
DSP Merrill Lynch Equity Fund	2,196,893	283	859,328	43
DSP Merrill Lynch Floating Rate Fund	8,025	23	532,450	5
DSP Merrill Lynch Government Securities Fund	20,172	14	-	-
DSP Merrill Lynch India TIGER Fund	1,788,516	312	2,209,341	118
DSP Merrill Lynch Liquidity Fund	2,584	10	430,384	3
DSP Merrill Lynch Opportunities Fund	3,810,327	535	2,140,800	95
DSP Merrill Lynch Savings Plus Fund Aggressive	245,788	235	73,134	5
DSP Merrill Lynch Savings Plus Fund Conservative	14,723	69	15,661	2
DSP Merrill Lynch Savings Plus Fund Moderate	233,172	880	155,983	42
DSP Merrill Lynch Short Term Fund	5,247	5	-	-
DSP Merrill Lynch Small and Mid Cap Fund	-	-	1,185,174	67
DSP Merrill Lynch Technology. com Fund	-	-	500,557	39
DSP Merrill Lynch Top 100 Equity Fund	1,723,443	325	402,021	20
Total	14,401,850	3,682	8,937,140	470

Apart from the above, a further sum of Rs. 942,047/- of 188 cases is outstanding for more than 3 years and is in the Investor Protection Fund.

Investors are requested to reconcile their bank account statements with the account statements sent by DSPMLMF and contact the AMC in case of any non receipt of dividend / redemption proceeds.

LARGE HOLDING IN THE SCHEMES (I.E. IN EXCESS OF 25% OF THE NET ASSETS)

Scheme	No. of Investors	Percentage of holding (%)
DSP Merrill Lynch Liquidity Fund	1 (One)	37.97
DSP Merrill Lynch Government Securities Fund – Plan B	1 (One)	25.23

EXPECTED CHANGE IN SHAREHOLDING OF THE AMC AND TRUSTEE

On account of the restructuring of Merrill Lynch's asset management business by the merger of MLIM with BlackRock Inc. (BlackRock) globally, DSPML, one of the Sponsors of DSPMLMF, has entered into a Share Purchase Agreement dated May 06, 2008,

pursuant to which BlackRock Singapore (Advisors) Pte. Ltd., a wholly owned subsidiary of BlackRock, will buy the entire stake of DSPML in the AMC, viz., 40% of the paid-up capital of the AMC.

BlackRock is currently one of the world's largest publicly traded investment management companies, with assets under management of over USD 1.3 trillion.

Parallel to the above change in shareholding of the AMC, BlackRock Singapore (Advisors) Pte. Ltd. will also buy the entire stake of DSPML in the Trustee, viz., 49% of the paid-up capital of the Trustee.

EXPECTED CHANGE IN SPONSOR FOR DSPMLMF

The proposed change in shareholding will, in terms of the Regulations, result in DSPML, one of the sponsors to DSPMLMF, ceasing to be a sponsor, and BlackRock becoming a deemed sponsor to DSPMLMF, by virtue of acquiring 40% stake in the AMC. DSP HMK Holdings Pvt. Ltd. and DSP ADIKO Holdings Pvt. Ltd. will continue as co-sponsors to DSPMLMF.

The approval for the proposed shareholding and consequent change in sponsor is pending with SEBI.

STATUTORY DETAILS

DSPMLMF was set up as a Trust by the settlors, DSPML and MLIM Sponsors: DSPML, DSP HMK Holdings Pvt. Ltd. and DSP ADIKO Holdings Pvt. Ltd. (collectively) (Liability restricted to Rs. 1 lakh). Trustee: DSP Merrill Lynch Trustee Company Pvt. Ltd. Investment Manager: DSP Merrill Lynch Fund Managers Ltd.

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

On written request, present and prospective unit holders / investors can obtain copies of the trust deed, the annual report of DSPMLMF / the AMC at a price.

Investors are requested to furnish the details of their bank account, if not already submitted, to DSPMLMF / the AMC, as it is mandatory to mention bank account details on redemption / dividend cheques. You will appreciate that this measure is in the interest of investors, as it is intended to prevent fraudulent encashment of cheques.

ACKNOWLEDGEMENTS

The Trustees wish to thank the Government of India, the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI), and AMFI for their support and directions.

The Trustees would also like to thank the Auditors, Custodian, Registrar & Transfer Agent, Fund Accountant, Bankers, Distributors, Brokers and all other service providers for DSPMLMF, for their valuable support.

The Trustees also wish to thank all Unit Holders for their strong support.

For and on behalf of DSP Merrill Lynch Trustee Company Private Limited

sd/-

S. S. Thakur
Director

Place : Mumbai
Date : July 22, 2008

CONSOLIDATED AUDITORS' REPORT

To the Trustee of

DSP MERRILL LYNCH MUTUAL FUND :

We have audited the attached balance sheets of the schemes mentioned below (collectively 'the Schemes') as at March 31, 2008, the revenue accounts and the cash flow statements, where applicable, for the period from April 1, 2007 or date of launch to March 31, 2008 ended on that date annexed thereto. These financial statements are the responsibility of the management of DSP Merrill Lynch Fund Managers Limited, the Schemes' asset manager. Our responsibility is to express an opinion on these financial statements based on our audit. Presentation of these separate balance sheets, revenue accounts and cash flow statements, where applicable, in a columnar form is not intended to indicate that they bear any relation to each other, or are interdependent or comparable in any way.

- DSP Merrill Lynch Bond Fund;
- DSP Merrill Lynch Equity Fund;
- DSP Merrill Lynch Liquidity Fund;
- DSP Merrill Lynch Balanced Fund;
- DSP Merrill Lynch Government Securities Fund – Plan A (Longer Duration Plan);
- DSP Merrill Lynch Government Securities Fund – Plan B (Shorter Duration Plan);
- DSP Merrill Lynch Technology.com Fund;
- DSP Merrill Lynch Opportunities Fund;
- DSP Merrill Lynch Short Term Fund;
- DSP Merrill Lynch Top 100 Equity Fund;
- DSP Merrill Lynch Savings Plus Fund - Moderate;
- DSP Merrill Lynch Floating Rate Fund;
- DSP Merrill Lynch Savings Plus Fund - Conservative;
- DSP Merrill Lynch Savings Plus Fund - Aggressive;
- DSP Merrill Lynch India T.I.G.E.R. Fund (The Infrastructure Growth and Economic Reforms Fund);
- DSP Merrill Lynch Liquid Plus Fund;
- DSP Merrill Lynch Tax Saver Fund;
- DSP Merrill Lynch Small and Mid Cap;
- DSP Merrill Lynch Strategic Bond Fund;
- DSP Merrill Lynch World Gold Fund;
- DSP Merrill Lynch Cash Plus Fund; and
- DSP Merrill Lynch Micro Cap Fund.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. We report that:

- i. 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.
- ii. The balance sheets, revenue accounts and cash flow statements, where applicable, dealt with by this report are in agreement with the books of account.
- iii. In our opinion, the balance sheet and revenue accounts dealt with by this report have been prepared in conformity with the accounting policies and standards specified in the Eighth, Ninth and Tenth Schedules to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 ('the SEBI Regulations').
- iv. In our opinion, and on the basis of information and explanations given to us, the methods used to value non traded securities, where applicable, as at March 31, 2008 are in accordance with the SEBI Regulations and other guidelines issued by the Securities and Exchange Board of India as applicable and approved by the Board of Directors of DSP Merrill Lynch Trustee Company Private Limited, and are fair and reasonable.
- v. In our opinion, and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the SEBI Regulations as applicable and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the balance sheets, of the state of affairs of the Schemes as at March 31, 2008;
 - b) in the case of the revenue accounts, of the surplus/deficit, as applicable, for the year/period, as applicable, ended on that date; and
 - c) in case of the cash flow statements, where applicable, of the cash flows for the year/period, as applicable, ended on that date.

For S. R. Batliboi & Co.
Chartered Accountants

per **Hemal Shah**
Partner
Membership No.: 42650

Mumbai, July 22, 2008

**DSP MERRILL LYNCH MUTUAL FUND
BALANCE SHEET AS AT MARCH 31, 2008**

	Schedule	DSP MERRILL LYNCH BOND FUND (BF)		DSP MERRILL LYNCH EQUITY FUND (EF)		DSP MERRILL LYNCH LIQUIDITY FUND (LF)		DSP MERRILL LYNCH BALANCED FUND (BaF)	
		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees
LIABILITIES									
Unit Capital	1	198,091,798	288,802,163	3,897,034,890	1,890,473,183	7,915,032,142	17,811,458,121	1,896,814,960	1,644,532,444
Reserves & Surplus	2	187,141,394	274,819,638	7,171,886,325	5,175,756,908	663,172,641	1,971,340,239	2,946,490,716	2,303,363,171
Current Liabilities and Provisions	3	5,799,068	5,386,865	472,364,005	231,241,863	25,314,521	28,310,211	175,228,269	92,576,370
		391,032,260	569,008,666	11,541,285,220	7,297,471,954	8,603,519,304	19,811,108,571	5,018,533,945	4,040,471,985
ASSETS									
Investments	4	336,721,583	552,254,971	9,161,037,271	6,855,127,796	7,116,254,724	19,603,588,173	4,453,077,817	3,869,877,474
Deposits	5	750,000	200,000	265,939,007	37,512,281	10,000,000	17,300,000	169,891,459	26,320,644
Other Current Assets	6	53,560,677	16,553,695	2,114,308,942	404,831,877	1,477,264,580	190,220,398	395,564,669	144,273,867
Net Deficit		-	-	-	-	-	-	-	-
Deferred Revenue Expenditure		-	-	-	-	-	-	-	-
		391,032,260	569,008,666	11,541,285,220	7,297,471,954	8,603,519,304	19,811,108,571	5,018,533,945	4,040,471,985

	Schedule	DSP MERRILL LYNCH TOP100 EQUITY FUND (TEF)		DSP MERRILL LYNCH SAVINGS PLUS FUND - MODERATE (SPF-M)		DSP MERRILL LYNCH FLOATING RATE FUND (FRF)		DSP MERRILL LYNCH SAVINGS PLUS FUND-AGGRESSIVE (SPF-A)		DSP MERRILL LYNCH SAVINGS PLUS FUND-CONSERVATIVE (SPF-C)	
		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees
LIABILITIES											
Unit Capital	1	2,636,542,371	1,307,950,552	796,777,325	1,191,249,369	1,109,101,405	3,047,287,476	1,035,599,222	544,965,247	76,581,283	94,106,367
Reserves & Surplus	2	5,382,873,472	1,966,870,651	280,930,864	395,044,260	137,507,594	244,287,835	288,569,759	107,332,109	8,882,550	11,644,166
Current Liabilities and Provisions	3	349,465,484	80,305,728	13,315,081	13,808,300	9,293,995	7,965,736	13,075,885	4,300,663	832,849	534,663
		8,368,881,327	3,355,126,931	1,091,023,270	1,600,101,929	1,255,902,994	3,299,541,047	1,337,244,866	656,598,019	86,296,682	106,285,196
ASSETS											
Investments	4	5,613,834,742	2,995,898,444	1,007,696,027	1,515,100,621	1,206,561,232	3,218,663,309	1,092,955,420	559,459,108	35,830,569	70,413,571
Deposits	5	216,302,664	86,861,801	45,252,279	32,777,740	750,000	700,000	125,728,404	27,160,895	28,831,156	21,766,910
Other Current Assets	6	2,538,743,921	272,366,686	38,074,964	52,223,568	48,591,762	80,177,738	118,561,042	69,978,016	21,634,957	14,104,715
Net Deficit		-	-	-	-	-	-	-	-	-	-
Deferred Revenue Expenditure		-	-	-	-	-	-	-	-	-	-
		8,368,881,327	3,355,126,931	1,091,023,270	1,600,101,929	1,255,902,994	3,299,541,047	1,337,244,866	656,598,019	86,296,682	106,285,196

Notes to Accounts 8

The schedules referred to the above and the notes to accounts form an integral part of the accounts.

As per our attached report of even date

For S.R. Batliboi & Co.
Chartered Accountants

For DSP Merrill Lynch Trustee Company Private Limited

per Hemal Shah
Partner
Membership No. 42650

Tarjani Vakil
Director

S. S. Thakur
Director

**DSP MERRILL LYNCH MUTUAL FUND
BALANCE SHEET AS AT MARCH 31, 2008**

DSP MERRILL LYNCH GOVERNMENT SECURITIES FUND - PLAN A (GSFA)		DSP MERRILL LYNCH GOVERNMENT SECURITIES FUND - PLAN B (GSFB)		DSP MERRILL LYNCH TECHNOLOGY.COM FUND (TF)		DSP MERRILL LYNCH OPPORTUNITIES FUND (OF)		DSP MERRILL LYNCH SHORT TERM FUND (STF)	
As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees
233,588,269	159,687,560	46,164,132	31,545,633	526,034,082	279,328,937	4,037,289,566	4,401,011,864	328,223,421	504,391,495
172,100,769	141,279,864	19,435,567	18,370,431	613,467,927	422,855,301	8,474,535,804	8,661,379,340	66,589,734	85,938,453
1,812,616	626,382	493,958	142,995	89,200,757	59,597,302	867,621,277	255,985,615	1,484,310	26,146,340
407,501,654	301,593,806	66,093,657	50,059,059	1,228,702,766	761,781,540	13,379,446,647	13,318,376,819	396,297,465	616,476,288
250,750,000	281,720,000	-	40,706,552	984,259,035	584,870,192	11,645,970,453	12,817,687,843	355,075,063	590,848,523
750,000	300,000	750,000	100,000	25,992,860	-	227,617,999	117,600,460	750,000	300,000
156,001,654	19,573,806	65,343,657	9,252,507	218,450,871	176,911,348	1,505,858,195	383,088,516	40,472,402	25,327,765
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
407,501,654	301,593,806	66,093,657	50,059,059	1,228,702,766	761,781,540	13,379,446,647	13,318,376,819	396,297,465	616,476,288

DSP MERRILL LYNCH INDIA T.I.G.E.R. FUND (THE INFRASTRUCTURE GROWTH AND ECONOMIC REFORMS FUND) (ITF)		DSP MERRILL LYNCH LIQUID PLUS FUND (LPLUS)		DSP MERRILL LYNCH SMALL & MIDCAP FUND (SM)		DSP MERRILL LYNCH TAX SAVER FUND (TSF)		DSP MERRILL LYNCH STRATEGIC BOND FUND (SBF)	DSP MERRILL LYNCH WORLD GOLD FUND (WGF)	DSP MERRILL LYNCH CASH PLUS FUND (CP)	DSP MERRILL LYNCH MICRO CAP FUND (MCF)
As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	As at 31.03.2008 Rupees	As at 31.03.2008 Rupees	As at 31.03.2008 Rupees	As at 31.03.2008 Rupees
14,804,594,103	6,705,372,166	24,790,660,393	17,259,318,149	8,631,309,690	14,642,336,130	3,932,320,889	1,265,649,978	4,410,371,477	11,325,385,692	5,311,846,369	3,080,714,435
23,504,813,280	7,651,908,626	270,461,425	112,870,527	830,454,260	-	481,949,913	-	80,410,556	4,711,524,822	44,105,070	104,769,504
297,523,702	385,962,624	317,828,004	30,036,906	248,717,765	144,654,330	30,121,711	17,485,704	108,678,279	243,399,368	6,142,833	42,753,419
38,606,931,085	14,743,243,416	25,378,949,822	17,402,225,582	9,710,481,715	14,786,990,460	4,444,392,513	1,283,135,682	4,599,460,312	16,280,309,882	5,362,094,272	3,228,237,358
33,244,656,519	14,095,742,177	23,600,077,650	16,738,806,431	8,432,862,030	14,317,646,463	3,450,639,287	1,001,264,219	4,282,610,220	15,896,035,891	4,559,331,498	2,760,926,433
322,267,456	120,691,639	12,000,000	-	86,539,952	111,910,100	100,119,821	22,406,267	850,000	-	4,500,000	76,655,897
5,040,007,110	526,809,600	1,766,872,172	663,419,151	1,191,079,733	264,456,263	893,633,405	208,340,145	316,000,092	384,273,991	798,262,774	288,970,390
-	-	-	-	-	92,977,634	-	51,125,051	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	101,684,638
38,606,931,085	14,743,243,416	25,378,949,822	17,402,225,582	9,710,481,715	14,786,990,460	4,444,392,513	1,283,135,682	4,599,460,312	16,280,309,882	5,362,094,272	3,228,237,358

For DSP Merrill Lynch Fund Managers Limited

Hemendra Kothari
ChairmanK. R. V. Subramanian
DirectorNaganath Sundaresan
President & Chief Investment OfficerDhawal Dalal
Fund ManagerApoorva Shah
Fund ManagerAnup Maheshwari
Fund ManagerAseem Gupta
Fund ManagerAniruddha Naha
Fund ManagerAditya Merchant
Fund Manager

Mumbai, July 21, 2008

DSP MERRILL LYNCH MUTUAL FUND
REVENUE ACCOUNT FOR THE YEAR/PERIOD ENDED MARCH 31, 2008

	Schedule	DSP MERRILL LYNCH BOND FUND (BF)		DSP MERRILL LYNCH EQUITY FUND (EF)		DSP MERRILL LYNCH LIQUIDITY FUND (LF)		DSP MERRILL LYNCH BALANCED FUND (BaF)	
		Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees
INCOME & GAINS									
Dividend		-	-	82,890,545	80,014,696	-	-	29,097,550	37,187,706
Interest	7	30,908,935	40,817,413	38,397,780	23,300,283	758,668,245	2,928,692,190	84,916,256	76,872,226
Profit on sale/redemption of investments (net)		4,852,745	-	3,191,526,882	2,033,495,544	27,044,719	45,028,428	1,373,416,707	971,401,853
Profit on inter-scheme sale of Investments (net)		-	-	-	-	-	-	-	599,219
Miscellaneous Income		-	-	-	174,033	-	19,348	-	-
Write back of provision for unrealised loss in the value of investments		-	4,717,529	-	257,353	39,960	1,794,743	3,460,050	110,294
Write back of marked to market loss on derivative trade		-	-	-	-	-	-	-	-
		35,761,680	45,534,942	3,312,815,207	2,137,241,909	785,752,924	2,975,534,709	1,490,890,563	1,086,171,298
EXPENSES & LOSSES									
Management fees		5,422,169	6,697,147	105,621,957	58,260,566	23,539,986	110,187,454	50,289,924	35,076,158
Service tax on management fees		669,564	812,388	13,048,256	7,080,901	2,907,050	13,265,253	6,212,075	4,261,981
Transfer agents fees and expenses		484,801	694,107	12,870,571	9,422,987	5,355,657	24,867,316	4,993,884	4,793,158
Custodian fees and Transaction charges		49,106	103,645	4,223,306	3,069,776	1,914,296	6,977,725	1,862,015	1,583,677
Trusteeship fees		12,368	21,400	253,494	209,100	341,015	1,469,854	122,275	124,500
Marketing expenses		2,461,356	3,905,676	70,240,479	53,509,097	7,000,474	16,868,758	31,480,990	26,523,773
Payment to Auditor's									
Audit fees		21,377	28,060	434,091	252,540	255,667	1,346,880	199,683	196,420
Other matters including reimbursement of expenses		128	2,258	1,947	3,669	2,896	30,658	1,109	4,413
Other operating expenses		193,322	124,196	3,499,637	3,772,949	2,117,259	4,649,701	949,846	797,975
NFO Amortisation Expenses		-	-	-	-	-	-	-	-
Loss on sale/redemption of investments (net)		-	2,769,175	-	-	-	-	-	-
Loss on inter-scheme sale of Investments (net)		2,125,730	473,705	254,400	62,600	8,454,403	3,577,349	20,885,938	-
Loss on Exchange Rate Fluctuation		-	-	-	-	-	-	-	-
Change in net unrealised loss in the value of investments		5,404,584	-	714,271,048	-	76,064	-	235,490,245	4,465,881
Marked to Market Loss on Derivative trade		-	-	4,566,570	663,883	-	-	675,680	-
Change in net unrealised loss in the value of investments due to foreign exchange fluctuation		-	-	-	-	-	-	-	-
		16,844,505	15,631,757	929,285,756	136,308,068	51,964,767	183,240,948	353,163,664	77,827,936
Excess of income and gains over expenses and losses / (Excess of expenses and losses over income and gains)		18,917,175	29,903,185	2,383,529,451	2,000,933,841	733,788,157	2,792,293,761	1,137,726,899	1,008,343,362
Add/ (Less): Income Equalisation Account		(2,190,310)	(2,076,561)	1,141,585,010	264,647,993	(98,902,839)	(434,081,876)	94,282,136	31,156,556
Income available for appropriation		16,726,865	27,826,624	3,525,114,461	2,265,581,834	634,885,318	2,358,211,885	1,232,009,035	1,039,499,918
Income Distributed during the year / period (refer note 7 of schedule 8)		3,837,910	8,160,325	1,374,342,746	1,236,834,644	326,622,208	1,645,370,469	854,003,210	527,959,257
Tax on income distributed during the year / period		728,482	1,515,579	-	-	92,516,813	316,108,736	-	-
Retained Surplus / (Deficit) carried forward to Balance Sheet		12,160,473	18,150,720	2,150,771,715	1,028,747,190	215,746,297	396,732,680	378,005,825	511,540,661

Notes to Accounts

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The schedules referred to the above and the notes to accounts form an integral part of the accounts.

As per our attached report of even date

For S. R. Batliboi & Co.
Chartered Accountants

For DSP Merrill Lynch Trustee Company Private Limited

per Hemal Shah
Partner
Membership No. 42650

Tarjani Vakil
Director

S. S. Thakur
Director

Mumbai, July 22, 2008

Mumbai, July 22, 2008

**DSP MERRILL LYNCH MUTUAL FUND
REVENUE ACCOUNT FOR THE YEAR/PERIOD ENDED MARCH 31, 2008**

DSP MERRILL LYNCH GOVERNMENT SECURITIES FUND - PLAN A (GSFA)		DSP MERRILL LYNCH GOVERNMENT SECURITIES FUND - PLAN B (GSFB)		DSP MERRILL LYNCH TECHNOLOGY.COM FUND (TF)		DSP MERRILL LYNCH OPPORTUNITIES FUND (OF)		DSP MERRILL LYNCH SHORT TERM FUND (STF)	
Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees
-	-	-	-	8,698,539	3,663,839	114,331,370	163,164,429	-	-
25,353,115	24,112,600	3,782,228	5,745,994	5,263,910	1,163,142	27,749,083	38,358,328	50,168,207	65,206,713
-	-	-	-	119,127,889	217,970,961	3,723,725,330	1,936,510,887	9,645,076	4,029,755
-	-	-	411,503	-	-	-	-	1,605,615	-
-	-	-	-	-	-	-	-	-	-
1,039,084	-	425,500	-	-	-	101,400	221,750	4,997	5,012,673
-	-	-	-	-	-	-	-	-	-
26,392,199	24,112,600	4,207,728	6,157,497	133,090,338	222,797,942	3,865,907,183	2,138,255,394	61,423,895	74,249,141
1,939,179	1,688,390	209,410	224,550	17,010,429	3,827,726	153,108,112	110,726,981	2,704,695	2,214,093
239,625	204,947	25,901	27,253	2,101,648	465,905	18,912,127	13,458,496	334,199	268,646
268,237	358,039	62,307	100,661	3,089,783	545,233	17,285,511	17,305,189	378,707	1,004,085
-	-	-	-	500,788	159,368	5,710,170	6,140,861	146,528	265,909
8,308	11,900	1,445	3,700	34,163	10,600	391,418	408,500	15,947	39,200
1,432,379	1,721,717	28,282	45,441	10,686,596	2,618,995	92,130,248	85,385,746	2,755,019	3,975,947
15,676	28,060	6,144	28,060	98,292	28,060	710,809	561,200	19,389	56,120
71	803	10	728	186	765	3,526	13,848	116	2,467
91,977	102,861	61,794	22,549	1,367,067	374,587	4,225,811	5,414,460	172,084	183,793
-	-	-	-	-	-	-	-	-	-
85,865	2,074,607	456,940	93,739	-	-	-	-	-	-
136,219	-	-	-	-	-	979,500	63,850	-	361,452
-	-	-	-	-	-	-	-	-	-
-	4,744,917	-	425,500	71,686,752	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
4,217,536	10,936,241	852,233	972,181	106,575,704	8,031,239	293,457,232	239,479,131	6,526,684	8,371,712
22,174,663	13,176,359	3,355,495	5,185,316	26,514,634	214,766,703	3,572,449,951	1,898,776,263	54,897,211	65,877,429
7,442,538	(1,569,013)	(971,127)	(2,500,242)	109,210,630	131,731,926	99,610,907	196,387,398	(12,199,130)	(15,685,548)
29,617,201	11,607,346	2,384,368	2,685,074	135,725,264	346,498,629	3,672,060,858	2,095,163,661	42,698,081	50,191,881
6,324,987	1,946,801	793,070	238,609	461,007,616	-	1,119,296,657	1,609,885,729	19,599,102	25,916,751
1,135,544	392,429	177,551	45,528	-	-	-	-	3,637,983	4,906,795
22,156,670	9,268,116	1,413,747	2,400,937	(325,282,352)	346,498,629	2,552,764,201	485,277,932	19,460,996	19,368,335

For DSP Merrill Lynch Fund Managers Limited

Hemendra Kothari
ChairmanK. R. V. Subramanian
DirectorNaganath Sundaresan
President & Chief Investment OfficerDhawal Dalal
Fund ManagerApoorva Shah
Fund ManagerAnup Maheshwari
Fund ManagerAseem Gupta
Fund ManagerAnirudha Naha
Fund ManagerAditya Merchant
Fund Manager

Mumbai, July 21, 2008

DSP MERRILL LYNCH MUTUAL FUND
REVENUE ACCOUNT FOR THE YEAR/PERIOD ENDED MARCH 31, 2008

	Schedule	DSP MERRILL LYNCH TOP100 EQUITY FUND (TEF)		DSP MERRILL LYNCH SAVINGS PLUS FUND-MODERATE (SPF-M)		DSP MERRILL LYNCH FLOATING RATE FUND (FRF)		DSP MERRILL LYNCH SAVINGS PLUS FUND-AGGRESSIVE (SPF-A)		DSP MERRILL LYNCH SAVINGS PLUS FUND-CONSERVATIVE (SPF-C)	
		Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees
INCOME & GAINS											
Dividend	7	41,873,040	36,213,772	2,381,204	3,073,108	-	-	2,191,865	1,349,654	101,872	100,067
Interest		33,746,419	10,854,321	77,580,892	110,058,576	143,495,350	520,554,737	49,007,331	29,056,283	4,949,256	5,794,606
Profit on sale/redemption of investments (net)		1,120,942,324	614,762,550	65,669,113	156,726,507	-	-	5,089,576	52,578,758	2,876,329	6,127,671
Profit on inter-scheme sale of Investments (net)		-	-	-	4,081,518	-	5,731,654	-	-	80,501	14
Miscellaneous Income		-	-	-	-	-	-	-	-	-	-
Write back of provision for unrealised loss in the value of investments		-	-	-	-	128,697	449,753	760	-	761	-
Write back of marked to market loss on derivative trade		-	-	-	-	-	-	-	-	-	-
		1,196,561,783	661,830,643	145,631,209	273,939,709	143,624,047	526,736,144	56,289,532	82,984,695	8,008,719	12,022,358
EXPENSES & LOSSES											
Management fees		57,944,365	25,501,240	16,154,673	19,791,556	6,011,823	20,639,280	10,899,963	5,322,153	1,292,782	920,463
Service tax on management fees		7,158,680	3,103,302	1,974,821	2,406,162	742,338	2,491,560	1,346,675	647,333	159,717	111,845
Transfer agents fees and expenses		8,038,326	4,395,341	1,406,264	2,387,001	1,701,662	6,426,686	1,296,513	913,410	176,285	193,109
Custodian fees and Transaction charges		2,243,335	1,384,591	428,208	546,303	435,204	1,657,480	349,112	168,108	21,398	26,231
Trusteeship fees		131,177	80,900	37,979	71,000	64,798	300,900	24,188	19,400	3,302	5,000
Marketing expenses		43,918,386	23,006,607	9,195,389	14,378,724	6,082,015	21,646,100	7,474,393	5,372,552	665,769	619,390
Payment to Auditor's											
Audit fees		286,835	112,240	56,421	112,240	68,100	308,660	37,120	28,060	10,828	28,060
Other matters including reimbursement of expenses		1,117	2,040	357	4,823	554	26,500	159	878	29	746
Other operating expenses		3,128,240	1,808,951	339,047	461,170	698,779	2,175,210	436,102	316,929	139,634	80,354
NFO Amortisation Expenses		-	-	-	-	-	-	-	-	-	-
Loss on sale/redemption of investments (net)		-	-	-	-	1,778,708	830,778	-	-	-	-
Loss on inter-scheme sale of Investments (net)		2,230,450	4	10,865,728	-	12,391,687	-	5,043,459	749,967	-	-
Loss on Exchange Rate Fluctuation		-	-	-	-	-	-	-	-	-	-
Change in net unrealised loss in the value of investments		272,261,717	-	6,504,270	955,887	9,774,307	-	3,377,064	760	209,443	761
Marked to Market Loss on Derivative trade		25,592,234	360,553	2,508	-	-	-	4,425	-	-	-
Change in net unrealised loss in the value of investments due to foreign exchange fluctuation		-	-	-	-	-	-	-	-	-	-
		422,934,862	59,755,769	46,965,665	41,114,866	39,749,975	56,503,154	30,289,173	13,539,550	2,679,187	1,985,959
Excess of income and gains over expenses and losses / (Excess of expenses and losses over income and gains)		773,626,921	602,074,874	98,665,544	232,824,843	103,874,072	470,232,990	26,000,359	69,445,145	5,329,532	10,036,399
Add/ (Less): Income Equalisation Account		1,548,469,298	(150,886,583)	(22,477,261)	(36,455,668)	(18,837,825)	(122,028,847)	46,202,105	3,923,930	(2,096,235)	(1,518,405)
Income available for appropriation		2,322,096,219	451,188,291	76,188,283	196,369,175	85,036,247	348,204,143	72,202,464	73,369,075	3,233,297	8,517,994
Income Distributed during the year / period (refer note 7 of schedule 8)		749,284,552	672,157,003	31,432,387	46,823,216	39,273,081	220,634,508	32,020,718	22,121,797	1,872,498	2,828,270
Tax on income distributed during the year / period		-	-	4,988,881	8,076,557	11,123,532	40,472,916	4,874,588	3,528,927	298,974	447,629
Retained Surplus / (Deficit) carried forward to Balance Sheet		1,572,811,667	(220,968,712)	39,767,015	141,469,402	34,639,634	87,096,719	35,307,158	47,718,351	1,061,825	5,242,095

Notes to Accounts

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The schedules referred to the above and the notes to accounts form an integral part of the accounts.

As per our attached report of even date

For S. R. Batliboi & Co.
Chartered Accountants

per Hemal Shah
Partner

Membership No. 42650
Mumbai, July 22, 2008

For DSP Merrill Lynch Trustee Company Private Limited

Tarjani Vakil
Director

S. S. Thakur
Director

Mumbai, July 22, 2008

**DSP MERRILL LYNCH MUTUAL FUND
REVENUE ACCOUNT FOR THE YEAR/PERIOD ENDED MARCH 31, 2008**

DSP MERRILL LYNCH INDIA T.I.G.E.R. FUND (THE INFRA-STRUCTURE GROWTH AND ECONOMIC REFORMS FUND) (ITF)		DSP MERRILL LYNCH LIQUID PLUS FUND (LPLUS)		DSP MERRILL LYNCH SMALL & MIDCAP FUND (SM)		DSP MERRILL LYNCH TAX SAVER FUND (TSF)		DSP MERRILL LYNCH STRATEGIC BOND FUND (SBF)	DSP MERRILL LYNCH WORLD GOLD FUND (WGF)	DSP MERRILL LYNCH CASH PLUS FUND (CP)	DSP MERRILL LYNCH MICRO CAP FUND (MCF)
Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	Period ended 31.03.2008 Rupees	Period ended 31.03.2008 Rupees	Period ended 31.03.2008 Rupees	Period ended 31.03.2008 Rupees
177,236,662	142,903,833	-	-	85,465,763	60,672,033	7,867,015	1,623,880	-	-	-	22,909,669
112,294,665	40,806,065	2,007,508,791	1,393,843,062	38,678,585	160,639,638	10,501,335	7,115,419	784,026,493	7,845,826	534,086,462	12,744,041
5,464,146,501	2,280,001,639	77,221,366	-	2,607,033,777	63,165,842	389,170,120	973,619	-	47,969,810	1,345,317	331,276,930
-	-	8,792,570	47,789,137	-	1,773,396	-	-	-	-	-	-
-	34,208	-	10,425	-	-	-	-	-	-	-	-
-	-	89,338	-	731,000	-	-	-	-	-	-	-
-	-	-	-	7,318,767	-	98,132	-	-	-	-	-
5,753,677,828	2,463,745,745	2,093,612,065	1,441,642,624	2,739,227,892	286,250,909	407,636,602	9,712,918	784,026,493	55,815,636	535,431,779	366,930,640
284,432,496	104,032,338	71,498,327	35,559,060	138,661,000	60,491,063	25,032,576	3,024,034	50,797,023	-	9,080,308	32,724,056
35,142,513	12,660,017	8,834,062	4,352,429	17,125,346	7,404,106	3,092,693	370,142	6,278,512	-	1,122,329	4,044,687
46,144,873	19,209,999	11,332,488	8,303,487	17,686,377	6,849,986	6,793,691	485,178	4,902,963	8,370,321	2,082,138	1,767,486
9,386,704	5,574,473	4,815,423	3,799,446	4,397,903	2,496,436	937,444	133,790	1,731,821	-	1,273,723	771,729
664,294	358,700	599,753	484,880	376,553	113,800	52,370	-	180,217	137,725	118,655	68,068
145,909,893	80,750,376	30,184,317	33,187,003	68,219,039	39,954,101	11,805,357	1,513,965	9,152,538	44,062,002	3,086,260	26,005,555
1,108,720	477,020	539,448	561,200	925,071	112,240	250,905	112,240	198,768	62,000	74,998	163,554
3,928	9,709	4,067	-	3,562	-	363	-	496	-	-	458
16,181,050	7,249,923	2,622,196	805,667	6,913,764	1,393,330	4,925,771	143,292	489,223	1,111,728	358,139	242,408
-	-	-	-	-	-	-	-	-	-	-	38,022,976
-	-	-	46,844,496	-	-	-	-	1,689,739	-	-	-
411,313	-	-	-	962,778	-	96,249	-	8,596,221	-	715	-
-	-	-	-	-	-	-	-	-	2,045,952	-	-
3,110,584,381	-	16,690,031	89,338	188,804,877	261,214,567	371,316,994	48,242,147	24,684,584	-	-	147,089,987
10,539,132	-	-	-	-	7,318,767	-	98,132	-	-	-	1,408,677
-	-	-	-	-	-	-	-	-	21,430,301	-	-
3,660,509,297	230,322,555	147,120,112	133,987,006	444,076,270	387,348,396	424,304,413	54,122,920	108,702,105	77,220,029	17,197,265	252,309,641
2,093,168,531	2,233,423,190	1,946,491,953	1,307,655,618	2,295,151,622	(101,097,487)	(16,667,811)	(44,410,002)	675,324,388	(21,404,393)	518,234,514	114,620,999
6,584,622,460	625,118,324	(221,345,261)	(113,671,798)	(528,696,244)	1,802,729	681,317,391	(8,466,296)	(56,112,778)	(1,806,453)	(108,928,387)	-
8,677,790,991	2,858,541,514	1,725,146,692	1,193,983,820	1,766,455,378	(99,294,758)	664,649,580	(52,876,298)	619,211,610	(23,210,846)	409,306,127	114,620,999
4,392,619,558	2,122,195,623	1,318,593,255	900,742,428	-	-	406,525,581	-	439,904,738	-	290,474,609	-
-	-	244,257,503	181,372,164	-	-	-	-	94,641,330	-	82,276,928	-
4,285,171,433	736,345,891	162,295,934	111,869,228	1,766,455,378	(99,294,758)	258,123,999	(52,876,298)	84,665,542	(23,210,846)	36,554,590	114,620,999

For DSP Merrill Lynch Fund Managers Limited

Hemendra Kothari
ChairmanK. R. V. Subramanian
DirectorNaganath Sundaresan
President & Chief Investment OfficerDhawal Dalal
Fund ManagerApoorva Shah
Fund ManagerAnup Maheshwari
Fund ManagerAseem Gupta
Fund ManagerAnirudha Naha
Fund ManagerAditya Merchant
Fund Manager

Mumbai, July 21, 2008

DSP MERRILL LYNCH MUTUAL FUND
CASH FLOW STATEMENT FOR THE YEAR/PERIOD ENDED MARCH 31, 2008

		DSP MERRILL LYNCH EQUITY FUND (EF)		DSP MERRILL LYNCH LIQUIDITY FUND (LF)		DSP MERRILL LYNCH BALANCED FUND (BaF)		DSP MERRILL LYNCH OPPORTUNITIES FUND (OF)	
		Year ended 31-03-2008 Rupees	Year ended 31-03-2007 Rupees	Year ended 31-03-2008 Rupees	Year ended 31-03-2007 Rupees	Year ended 31-03-2008 Rupees	Year ended 31-03-2007 Rupees	Year ended 31-03-2008 Rupees	Year ended 31-03-2007 Rupees
A. Cashflow from Operating Activity									
Excess of income and gains over expenses and losses		2,383,529,451	2,000,933,841	733,788,157	2,792,293,761	1,137,726,899	1,008,343,362	3,572,449,951	1,898,776,263
Add / (Less): Unrealised loss provided / Written back		718,837,618	(257,353)	36,104	(1,794,743)	232,705,875	4,355,587	(101,400)	(221,750)
Excess dividend written back		-	-	-	-	-	-	-	-
Net Marked to Market on outstanding derivatives		(8,082,719)	3,749,199	-	-	(1,267,192)	591,512	936,240	-
Operating Profit Before Working Capital Changes		3,094,284,350	2,004,425,687	733,824,261	2,790,499,018	1,369,165,582	1,013,290,461	3,573,284,791	1,898,554,513
Adjustments for:-									
(Increase)/Decrease in Other Current Assets		(1,286,680,170)	(152,776,043)	(1,289,052,623)	2,237,339,666	(55,843,437)	(35,942,619)	(1,102,984,605)	174,435,130
(Increase)/Decrease in Money Market Lending (Deposits)		(228,426,726)	(19,746,994)	7,300,000	(15,850,000)	(143,570,815)	(26,020,644)	(110,017,539)	(90,689,161)
(Increase)/Decrease in Investments		(3,531,326,250)	(2,828,906,502)	12,487,745,477	17,103,195,123	(1,093,661,380)	(1,320,035,569)	408,797,507	(3,765,595,236)
Increase/(Decrease) in Current Liabilities and Provisions		15,253,985	173,610,896	(2,689,048)	(34,566,843)	6,346,934	74,061,909	(12,306,893)	27,752,776
Net Cash Generated From Operations	(A)	(1,936,894,811)	(823,392,956)	11,937,128,067	22,080,616,964	82,436,884	(294,646,462)	2,756,773,261	(1,755,541,978)
B Cashflow from Financing Activities									
Increase/(Decrease) in Unit Corpus		2,006,561,707	473,682,540	(9,896,425,979)	(28,972,873,725)	252,282,516	329,946,201	(363,722,298)	932,548,200
Increase/(Decrease) in Unit Premium		1,328,859,259	1,596,839,593	(1,623,264,867)	(994,819,802)	541,504,434	495,506,972	(1,971,735,799)	2,357,467,632
Outstanding Receivable/Payables for Unit Corpus		12,077,525	(3,832,468)	1,001,036	167,557,450	3,506,172	(20,191,424)	31,108,596	60,404,513
Dividend Paid during the year (including dividend tax paid)		(1,373,109,598)	(1,236,381,193)	(420,446,699)	(1,960,403,967)	(852,608,385)	(527,017,006)	(410,575,537)	(1,609,545,326)
Net Cash Used in Financing Activities	(B)	1,974,388,893	830,308,472	(11,939,136,509)	(31,760,540,044)	(55,315,263)	278,244,743	(2,714,925,038)	1,740,875,019
Net Increase/(Decrease) in Cash & Cash Equivalents	(A+B)	37,494,082	6,915,516	(2,008,442)	(9,679,923,080)	27,121,621	(16,401,719)	41,848,223	(14,666,959)
Cash and Cash Equivalents as at the beginning of the year / period		41,713,858	34,798,342	15,907,896	9,695,830,976	15,446,141	31,847,860	58,297,374	72,964,333
Cash and Cash Equivalents as at the close of the year / period		79,207,940	41,713,858	13,899,454	15,907,896	42,567,762	15,446,141	100,145,597	58,297,374
Net Increase/(Decrease) in Cash & Cash Equivalents		37,494,082	6,915,516	(2,008,442)	(9,679,923,080)	27,121,621	(16,401,719)	41,848,223	(14,666,959)
Components of cash and cash equivalents									
With Banks - on Current Account		79,207,940	41,713,858	13,899,454	15,907,896	42,567,762	15,446,141	100,145,597	58,297,374
With Banks - Fixed Deposits		-	-	-	-	-	-	-	-
		79,207,940	41,713,858	13,899,454	15,907,896	42,567,762	15,446,141	100,145,597	58,297,374

As per our attached report of even date

For S.R. Batliboi & Co.
Chartered Accountants

For DSP Merrill Lynch Trustee Company Private Limited

per Hemal Shah
Partner
Membership No. 42650

Tarjani Vakil
Director

S. S. Thakur
Director

Mumbai, July 22, 2008

Mumbai, July 22, 2008

DSP MERRILL LYNCH MUTUAL FUND
CASH FLOW STATEMENT FOR THE YEAR/PERIOD ENDED MARCH 31, 2008

DSP MERRILL LYNCH FLOATING RATE FUND (FRF)		DSP MERRILL LYNCH TOP100 EQUITY FUND (TEF)		DSP MERRILL LYNCH INDIA T.I.G.E.R. FUND (THE INFRASTRUCTURE GROWTH AND ECONOMIC REFORMS FUND) (ITF)		DSP MERRILL LYNCH LIQUID PLUS FUND (LPLUS)		DSP MERRILL LYNCH SMALL & MIDCAP FUND (SM)	DSP MERRILL LYNCH STRATEGIC BOND FUND (SBF)	DSP MERRILL LYNCH CASH PLUS FUND (CP)
Year ended 31-03-2008 Rupees	Year ended 31-03-2007 Rupees	Year ended 31-03-2008 Rupees	Year ended 31-03-2007 Rupees	Year ended 31-03-2008 Rupees	Period ended 31-03-2007 Rupees	Period ended 31-03-2008 Rupees	Period ended 31-03-2007 Rupees	Period ended 31-03-2008 Rupees	Period ended 31-03-2008 Rupees	Period ended 31-03-2008 Rupees
103,874,072	470,232,990	773,626,921	602,074,874	2,093,168,531	2,233,423,190	1,946,491,953	1,307,655,618	2,295,151,622	675,324,388	518,234,514
9,645,610	(449,753)	297,853,951	-	3,121,123,513	-	16,600,693	89,338	180,755,110	24,684,584	-
-	-	-	-	-	-	-	-	-	-	-
-	-	(24,184,399)	981,085	(10,119,849)	-	-	-	10,744,172	-	-
113,519,682	469,783,237	1,047,296,473	603,055,959	5,204,172,195	2,233,423,190	1,963,092,646	1,307,744,956	2,486,650,904	700,008,972	518,234,514
32,613,016 (50,000)	148,948,925 (450,000)	(1,777,323,765) (129,440,863)	(219,980,785) (77,719,430)	(3,833,195,330) (201,575,817)	65,970,993 (93,414,850)	(929,883,779) (12,000,000)	(824,098,483) -	(653,663,596) 25,370,148	(313,009,191) (850,000)	(793,551,491) (4,500,000)
1,994,973,974 (2,756,178)	8,173,914,182 (6,458,400)	(3,135,285,482) 47,217,523	(1,838,757,559) 32,589,870	(24,381,441,483) 49,427,759	(7,371,314,747) 175,698,655	(6,871,062,372) 5,677,467	(16,140,538,874) 14,771,303	5,537,919,128 (22,605,915)	(4,307,294,805) 4,130,210	(4,559,232,192) 4,112,538
2,138,300,494	8,785,737,944	(3,947,536,114)	(1,500,811,945)	(23,162,612,676)	(4,989,636,759)	(5,844,176,038)	(15,642,121,098)	7,373,670,669	(3,917,014,814)	(4,834,936,631)
(1,938,186,071) (152,775,206) 6,103,406 (52,281,281)	(7,799,314,812) (554,702,897) (175,212,917) (264,438,402)	1,328,591,819 3,548,165,354 (54,471,237) (747,348,745)	750,981,199 1,201,986,852 26,982,781 (671,803,314)	8,099,221,937 19,612,899,848 20,840,061 (4,391,677,237)	2,885,433,874 4,149,789,875 74,161,649 (2,121,494,211)	7,531,342,244 (232,859,837) 154,316,729 (1,562,850,907)	17,259,318,149 (112,957,966) 4,008,599 (1,082,114,443)	(6,011,026,440) (1,375,145,133) 1,023,012	4,410,371,477 (60,367,764) 103,273,620 (534,082,892)	5,311,846,369 (101,477,213) 2,030,295 (372,751,537)
(2,137,139,152)	(8,793,669,028)	4,074,937,191	1,308,147,518	23,341,284,609	4,987,891,187	5,889,948,229	16,068,254,339	(7,385,148,561)	3,919,194,441	4,839,647,914
1,161,342	(7,931,084)	127,401,077	(192,664,427)	178,671,933	(1,745,572)	45,772,191	426,133,241	(11,477,892)	2,179,627	4,711,283
4,250,075	12,181,159	25,015,897	217,680,324	141,648,715	143,394,287	426,133,241	-	28,186,993	-	-
5,411,417	4,250,075	152,416,974	25,015,897	320,320,648	141,648,715	471,905,432	426,133,241	16,709,101	2,179,627	4,711,283
1,161,342	(7,931,084)	127,401,077	(192,664,427)	178,671,933	(1,745,572)	45,772,191	426,133,241	(11,477,892)	2,179,627	4,711,283
5,411,417	4,250,075	152,416,974	25,015,897	320,320,648	141,648,715	471,905,432	426,133,241	16,709,101	2,179,627	4,711,283
-	-	-	-	-	-	-	-	-	-	-
5,411,417	4,250,075	152,416,974	25,015,897	320,320,648	141,648,715	471,905,432	426,133,241	16,709,101	2,179,627	4,711,283

For DSP Merrill Lynch Fund Managers Limited

Hemendra Kothari
ChairmanK. R. V. Subramanian
DirectorNaganath Sundaresan
President & Chief Investment OfficerDhawal Dalal
Fund ManagerApoorva Shah
Fund ManagerAnup Maheshwari
Fund ManagerAseem Gupta
Fund ManagerAniruddha Naha
Fund ManagerAditya Merchant
Fund Manager

Mumbai, July 21, 2008

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

Schedules	DSP MERRILL LYNCH BOND FUND (BF)			
	As at 31.03.2008		As at 31.03.2007	
	Units	Rupees	Units	Rupees
1 UNIT CAPITAL				
Issued and subscribed:				
Units of Rs. 10 each fully paid up (Rs. 1000 each fully paid up for LPLUS, SBF, CP and Institutional Plans - LF, FRF)				
Opening Balance	28,880,216.284	288,802,163	35,227,684.645	352,276,846
New Fund / Plan Offer	-	-	-	-
Capital issued during the year / period	5,454,957.787	54,549,578	3,041,619.318	30,416,193
	34,335,174.071	343,351,741	38,269,303.963	382,693,039
Redemptions during the year / period	14,525,994.235	145,259,943	9,389,087.679	93,890,876
Unit Capital at the end of the year / period	19,809,179.836	198,091,798	28,880,216.284	288,802,163
Regular: Growth Plan	11,212,018.227	112,120,182	17,845,765.285	178,457,653
Regular: Daily Dividend Plan	-	-	-	-
Regular: Weekly Dividend Plan	-	-	-	-
Regular: Monthly Dividend Plan	849,333.743	8,493,337	71,704.494	717,045
Regular: Quarterly / Dividend Plan	7,747,827.866	77,478,279	10,962,746.505	109,627,465
Institution: Growth Plan	-	-	-	-
Institution: Daily Dividend Plan	-	-	-	-
Institution: Weekly Dividend Plan	-	-	-	-
Institution: Monthly Dividend Plan	-	-	-	-
Institution: Quarterly / Dividend Plan	-	-	-	-
Unit Capital at the end of the year / period	19,809,179.836	198,091,798	28,880,216.284	288,802,163
	As at		As at	
2 RESERVES AND SURPLUS / NET DEFICIT	31.03.2008		31.03.2007	
	Rupees		Rupees	
Unit Premium Reserve				
Opening balance		(4,895,540,845)	(4,818,553,956)	
Net premium on issue / redemption of units during the year / period		(104,119,437)	(79,063,450)	
Transfer from / (to) Income Equalisation Account		2,190,310	2,076,561	
Closing balance		(4,997,469,972)	(4,895,540,845)	
Retained Surplus				
Opening balance		5,170,115,506	5,151,964,786	
Add: Surplus transferred from / (to) Revenue Account		12,160,473	18,150,720	
Closing balance		5,182,275,979	5,170,115,506	
Unrealised Appreciation on Investments				
Opening balance		244,977	-	
Less: Reversed during the year / period		(244,977)	-	
Add: Unrealised appreciation as at year / period end		2,335,387	244,977	
Add: Unrealised appreciation on outstanding equity derivatives		-	-	
Closing balance		2,335,387	244,977	
		187,141,394	274,819,638	
	As at		As at	
3 CURRENT LIABILITIES & PROVISIONS	31.03.2008		31.03.2007	
	Rupees		Rupees	
Sundry Creditors		721,489	1,434,428	
Payable for units repurchased / switch out		735,147	27,099	
Distributed income payable		1,026,976	721,208	
Unclaimed redemptions / distributed income		3,022,013	2,898,824	
Contracts for Purchase of investments		-	-	
Provision for Marked-to-Market on equity derivatives		-	-	
Other liabilities		293,443	305,306	
		5,799,068	5,386,865	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH EQUITY FUND (EF)				DSP MERRILL LYNCH LIQUIDITY FUND (LF)			
As at 31.03.2008		As at 31.03.2007		As at 31.03.2008		As at 31.03.2007	
Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
189,047,318.320	1,890,473,183	141,679,064.268	1,416,790,643	615,921,522.363	17,811,458,121	779,481,948.039	46,784,331,846
-	-	-	-	-	-	-	-
521,938,332.496	5,219,383,325	172,490,036.294	1,724,900,363	1,875,145,001.772	231,806,301,789	4,942,301,761.848	391,278,707,064
710,985,650.816	7,109,856,508	314,169,100.562	3,141,691,006	2,491,066,524.135	249,617,759,910	5,721,783,709.887	438,063,038,910
321,282,161.759	3,212,821,618	125,121,782.242	1,251,217,823	2,336,424,935.487	241,702,727,768	5,105,862,187.524	420,251,580,789
389,703,489.057	3,897,034,890	189,047,318.320	1,890,473,183	154,641,588.648	7,915,032,142	615,921,522.363	17,811,458,121
174,345,444.124	1,743,454,441	-	-	36,923,636.625	369,236,366	126,073,114.975	1,260,731,150
-	-	-	-	56,728,662.608	567,286,626	229,021,706.342	2,290,217,063
-	-	-	-	54,556,343.702	545,563,437	249,056,758.725	2,490,567,587
-	-	-	-	-	-	-	-
215,358,044.933	2,153,580,449	189,047,318.320	1,890,473,183	-	-	-	-
-	-	-	-	1,026,030.981	1,026,030,981	3,411,533.563	3,411,533,563
-	-	-	-	4,407,711.525	4,407,711,525	4,553,200.355	4,553,200,355
-	-	-	-	-	-	3,805,208.403	3,805,208,403
-	-	-	-	-	-	-	-
-	-	-	-	999,203.207	999,203,207	-	-
389,703,489.057	3,897,034,890	189,047,318.320	1,890,473,183	154,641,588.648	7,915,032,142	615,921,522.363	17,811,458,121
As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
4,190,183,387	2,857,991,787				375,027,430		935,765,356
1,328,859,259	1,596,839,593				(1,623,264,867)		(994,819,802)
(1,141,585,010)	(264,647,993)				98,902,839		434,081,876
4,377,457,636	4,190,183,387				(1,149,334,598)		375,027,430
642,712,817	(386,034,373)				1,596,098,659		1,199,365,979
2,150,771,715	1,028,747,190				215,746,297		396,732,680
2,793,484,532	642,712,817				1,811,844,956		1,596,098,659
342,860,704	1,627,967,051				214,150		3,830,450
(342,860,704)	(1,627,967,051)				(214,150)		(3,830,450)
711,106	339,111,504				662,283		214,150
233,051	3,749,200				-		-
944,157	342,860,704				662,283		214,150
7,171,886,325	5,175,756,908				663,172,641		1,971,340,239
As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
18,906,712	12,943,256				4,083,908		5,372,707
55,915,668	24,698,377				18,054,010		17,483,358
-	-				682		1,308,362
3,076,853	1,299,990				432,968		2,582
374,800,235	181,926,232				-		-
5,230,453	663,883				-		-
14,434,084	9,710,125				2,742,953		4,143,202
472,364,005	231,241,863				25,314,521		28,310,211

DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008

Schedules	DSP MERRILL LYNCH BALANCED FUND (BaF)			
	As at 31.03.2008		As at 31.03.2007	
	Units	Rupees	Units	Rupees
1 UNIT CAPITAL				
Issued and subscribed:				
Units of Rs. 10 each fully paid up (Rs. 1000 each fully paid up for LPLUS, SBF, CP and Institutional Plans - LF, FRF)				
Opening Balance	164,453,244.615	1,644,532,444	131,458,624.342	1,314,586,243
New Fund / Plan Offer	-	-	-	-
Capital issued during the year / period	106,049,996.327	1,060,499,963	123,752,368.249	1,237,523,682
	270,503,240.942	2,705,032,407	255,210,992.591	2,552,109,925
Redemptions during the year / period	80,821,744.929	808,217,447	90,757,747.976	907,577,481
Unit Capital at the end of the year / period	189,681,496.013	1,896,814,960	164,453,244.615	1,644,532,444
Regular: Growth Plan	32,811,160.510	328,111,605	25,841,671.682	258,416,716
Regular: Daily Dividend Plan	-	-	-	-
Regular: Weekly Dividend Plan	-	-	-	-
Regular: Monthly Dividend Plan	-	-	-	-
Regular: Quarterly / Dividend Plan	156,870,335.503	1,568,703,355	-	-
Institution: Growth Plan	-	-	138,611,572.933	1,386,115,728
Institution: Daily Dividend Plan	-	-	-	-
Institution: Weekly Dividend Plan	-	-	-	-
Institution: Monthly Dividend Plan	-	-	-	-
Institution: Quarterly / Dividend Plan	-	-	-	-
Unit Capital at the end of the year / period	189,681,496.013	1,896,814,960	164,453,244.615	1,644,532,444
2 RESERVES AND SURPLUS / NET DEFICIT				
Unit Premium Reserve				
Opening balance		849,211,588	384,861,172	
Net premium on issue /redemption of units during the year / period		541,504,434	495,506,972	
Transfer from / (to) Income Equalisation Account		(94,282,136)	(31,156,556)	
Closing balance		1,296,433,886	849,211,588	
Retained Surplus				
Opening balance		1,271,827,311	760,286,650	
Add: Surplus transferred from / (to) Revenue Account		378,005,825	511,540,661	
Closing balance		1,649,833,136	1,271,827,311	
Unrealised Appreciation on Investments				
Opening balance		182,324,272	867,702,913	
Less: Reversed during the year / period		(182,324,272)	(867,702,913)	
Add: Unrealised appreciation as at year / period end		223,694	181,732,760	
Add: Unrealised appreciation on outstanding equity derivatives		-	591,512	
Closing balance		223,694	182,324,272	
		2,946,490,716	2,303,363,171	
3 CURRENT LIABILITIES & PROVISIONS				
Sundry Creditors		11,058,799	6,608,488	
Payable for units repurchased / switch out		18,420,636	6,561,007	
Distributed income payable		-	-	
Unclaimed redemptions / distributed income		2,684,669	1,266,745	
Contracts for Purchase of investments		139,011,438	75,984,026	
Provision for Marked-to-Market on equity derivatives		675,680	-	
Other liabilities		3,377,047	2,156,104	
		175,228,269	92,576,370	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH GOVERNMENT SECURITIES FUND – PLAN A (GSF A)				DSP MERRILL LYNCH GOVERNMENT SECURITIES FUND – PLAN B (GSF B)			
As at 31.03.2008		As at 31.03.2007		As at 31.03.2008		As at 31.03.2007	
Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
15,968,755.929	159,687,560	20,566,933.387	205,669,334	3,154,563.243	31,545,633	8,674,401.168	86,744,012
-	-	-	-	-	-	-	-
17,855,568.314	178,555,683	3,525,189.111	35,251,891	3,844,588.976	38,445,890	1,464,030.866	14,640,309
33,824,324.243	338,243,243	24,092,122.498	240,921,225	6,999,152.219	69,991,523	10,138,432.034	101,384,321
10,465,497.334	104,654,974	8,123,366.569	81,233,665	2,382,739.073	23,827,391	6,983,868.791	69,838,688
23,358,826.909	233,588,269	15,968,755.929	159,687,560	4,616,413.146	46,164,132	3,154,563.243	31,545,633
10,533,042.596	105,330,426	10,191,439.851	101,914,399	2,407,899.259	24,078,993	2,600,839.096	26,008,391
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
774,350.783	7,743,508	27,295.520	272,955	1,918,113.112	19,181,131	155,725.369	1,557,254
12,051,433.530	120,514,335	5,750,020.558	57,500,206	290,400.775	2,904,008	397,998.778	3,979,988
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
23,358,826.909	233,588,269	15,968,755.929	159,687,560	4,616,413.146	46,164,132	3,154,563.243	31,545,633
	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees
	(306,384,676)		(282,178,738)		(74,241,685)		(40,899,896)
	16,106,773		(25,774,951)		(1,319,738)		(35,842,031)
	(7,442,538)		1,569,013		971,127		2,500,242
	(297,720,441)		(306,384,676)		(74,590,296)		(74,241,685)
	447,664,540		438,396,424		92,612,116		90,211,179
	22,156,670		9,268,116		1,413,747		2,400,937
	469,821,210		447,664,540		94,025,863		92,612,116
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	-		-		-		-
	172,100,769		141,279,864		19,435,567		18,370,431
	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees
	435,700		327,945		41,827		45,888
	-		-		10,003		-
	794,127		232,335		368,423		66,693
	20,172		8,440		-		-
	-		-		-		-
	-		-		-		-
	562,617		57,662		73,705		30,414
	1,812,616		626,382		493,958		142,995

DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008

Schedules	DSP MERRILL LYNCH TECHNOLOGY.COM FUND (TF)			
	As at 31.03.2008		As at 31.03.2007	
	Units	Rupees	Units	Rupees
1 UNIT CAPITAL				
Issued and subscribed:				
Units of Rs. 10 each fully paid up (Rs. 1000 each fully paid up for LPLUS, SBF, CP and Institutional Plans - LF, FRF)				
Opening Balance	27,932,893.684	279,328,937	16,828,126.830	168,281,268
New Fund / Plan Offer	-	-	-	-
Capital issued during the year / period	82,126,065.665	821,260,657	15,754,518.041	157,545,180
	110,058,959.349	1,100,589,594	32,582,644.871	325,826,448
Redemptions during the year / period	57,455,551.167	574,555,512	4,649,751.187	46,497,511
Unit Capital at the end of the year / period	52,603,408.182	526,034,082	27,932,893.684	279,328,937
Regular: Growth Plan	20,392,359.551	203,923,596	9,896,452.381	98,964,524
Regular: Daily Dividend Plan	-	-	-	-
Regular: Weekly Dividend Plan	-	-	-	-
Regular: Monthly Dividend Plan	-	-	-	-
Regular: Quarterly / Dividend Plan	32,211,048.631	322,110,486	18,036,441.303	180,364,413
Institution: Growth Plan	-	-	-	-
Institution: Daily Dividend Plan	-	-	-	-
Institution: Weekly Dividend Plan	-	-	-	-
Institution: Monthly Dividend Plan	-	-	-	-
Institution: Quarterly / Dividend Plan	-	-	-	-
Unit Capital at the end of the year / period	52,603,408.182	526,034,082	27,932,893.684	279,328,937
2 RESERVES AND SURPLUS / NET DEFICIT				
		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
Unit Premium Reserve				
Opening balance		118,189,387	72,476,794	
Net premium on issue /redemption of units during the year / period		664,626,020	177,444,519	
Transfer from / (to) Income Equalisation Account		(109,210,630)	(131,731,926)	
Closing balance		673,604,777	118,189,387	
Retained Surplus				
Opening balance		265,145,502	(81,353,127)	
Add: Surplus transferred from / (to) Revenue Account		(325,282,352)	346,498,629	
Closing balance		(60,136,850)	265,145,502	
Unrealised Appreciation on Investments				
Opening balance		39,520,412	141,981,508	
Less: Reversed during the year / period		(39,520,412)	(141,981,508)	
Add: Unrealised appreciation as at year / period end		-	39,520,412	
Add: Unrealised appreciation on outstanding equity derivatives		-	-	
Closing balance		-	39,520,412	
		613,467,927	422,855,301	
3 CURRENT LIABILITIES & PROVISIONS				
		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
Sundry Creditors		2,432,883	1,109,532	
Payable for units repurchased / switch out		33,124,984	623,435	
Distributed income payable		825,290	-	
Unclaimed redemptions / distributed income		500,557	335,297	
Contracts for Purchase of investments		51,410,168	53,723,814	
Provision for Marked-to-Market on equity derivatives		-	-	
Other liabilities		906,875	3,805,224	
		89,200,757	59,597,302	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH OPPORTUNITIES FUND (OF)				DSP MERRILL LYNCH SHORT TERM FUND (STF)			
As at 31.03.2008		As at 31.03.2007		As at 31.03.2008		As at 31.03.2007	
Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
440,101,186.378	4,401,011,864	346,846,366.374	3,468,463,664	50,439,149.500	504,391,495	67,021,993.580	670,219,936
-	-	-	-	-	-	-	-
161,930,912.080	1,619,309,121	321,283,441.810	3,212,834,418	152,715,388.825	1,527,153,888	216,124,949.234	2,161,249,492
602,032,098.458	6,020,320,985	668,129,808.184	6,681,298,082	203,154,538.325	2,031,545,383	283,146,942.814	2,831,469,428
198,303,141.814	1,983,031,419	228,028,621.806	2,280,286,218	170,332,196.139	1,703,321,962	232,707,793.314	2,327,077,933
403,728,956.644	4,037,289,566	440,101,186.378	4,401,011,864	32,822,342.186	328,223,421	50,439,149.500	504,391,495
78,992,132.328	789,921,323	93,380,588.015	933,805,880	15,066,117.079	150,661,171	27,930,232.552	279,302,326
-	-	-	-	-	-	-	-
-	-	-	-	7,863,234.738	78,632,347	3,169,373.924	31,693,739
-	-	-	-	2,950,857.135	29,508,571	10,021,617.427	100,216,174
294,736,824.316	2,947,368,243	346,720,598.363	3,467,205,984	6,942,133.234	69,421,332	9,317,925.597	93,179,256
5,000,000.000	50,000,000	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
25,000,000.000	250,000,000	-	-	-	-	-	-
403,728,956.644	4,037,289,566	440,101,186.378	4,401,011,864	32,822,342.186	328,223,421	50,439,149.500	504,391,495
	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees
	3,009,768,199 (1,971,735,799)		848,687,965 2,357,467,632		(165,557,642) (52,137,145)		(125,596,122) (55,647,068)
	(99,610,907)		(196,387,398)		12,199,130		15,685,548
	938,421,493		3,009,768,199		(205,495,657)		(165,557,642)
	2,677,952,542		2,192,674,610		251,496,095		232,127,760
	2,552,764,201		485,277,932		19,460,996		19,368,335
	5,230,716,743		2,677,952,542		270,957,091		251,496,095
	2,973,658,599 (2,973,658,599)		4,022,296,248 (4,022,296,248)		- -		- -
	2,304,461,328		2,973,658,599		1,128,300		-
	936,240		-		-		-
	2,305,397,568		2,973,658,599		1,128,300		-
	8,474,535,804		8,661,379,340		66,589,734		85,938,453
	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees
	25,008,733		27,124,613		353,522		613,591
	116,753,980		83,538,002		643,333		25,442,560
	707,908,619		-		226,268		24,392
	5,951,127		3,792,783		5,247		1,744
	-		119,340,386		-		-
	-		-		-		-
	11,998,818		22,189,831		255,940		64,053
	867,621,277		255,985,615		1,484,310		26,146,340

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

Schedules	DSP MERRILL LYNCH TOP100 EQUITY FUND (TEF)			
	As at 31.03.2008		As at 31.03.2007	
	Units	Rupees	Units	Rupees
1 UNIT CAPITAL				
Issued and subscribed:				
Units of Rs. 10 each fully paid up (Rs. 1000 each fully paid up for LPLUS, SBF, CP and Institutional Plans - LF, FRF)				
Opening Balance	130,795,055.170	1,307,950,552	55,696,935.352	556,969,353
New Fund / Plan Offer	-	-	-	-
Capital issued during the year / period	245,236,080.705	2,452,360,807	131,007,111.853	1,310,071,119
	376,031,135.875	3,760,311,359	186,704,047.205	1,867,040,472
Redemptions during the year / period	112,376,898.801	1,123,768,988	55,908,992.035	559,089,920
Unit Capital at the end of the year / period	263,654,237.074	2,636,542,371	130,795,055.170	1,307,950,552
Regular: Growth Plan	45,814,816.567	458,148,166	12,007,621.884	120,076,219
Regular: Daily Dividend Plan	-	-	-	-
Regular: Weekly Dividend Plan	-	-	-	-
Regular: Monthly Dividend Plan	-	-	-	-
Regular: Quarterly / Dividend Plan	207,839,420.507	2,078,394,205	118,787,433.286	1,187,874,333
Institution: Growth Plan	5,000,000.000	50,000,000	-	-
Institution: Daily Dividend Plan	-	-	-	-
Institution: Weekly Dividend Plan	-	-	-	-
Institution: Monthly Dividend Plan	-	-	-	-
Institution: Quarterly / Dividend Plan	5,000,000.000	50,000,000	-	-
Unit Capital at the end of the year / period	263,654,237.074	2,636,542,371	130,795,055.170	1,307,950,552
		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
2 RESERVES AND SURPLUS / NET DEFICIT				
Unit Premium Reserve				
Opening balance		1,416,462,373	63,588,938	
Net premium on issue /redemption of units during the year / period		3,548,165,354	1,201,986,852	
Transfer from / (to) Income Equalisation Account		(1,548,469,298)	150,886,583	
Closing balance		3,416,158,429	1,416,462,373	
Retained Surplus				
Opening balance		390,507,491	611,476,203	
Add: Surplus transferred from / (to) Revenue Account		1,572,811,667	(220,968,712)	
Closing balance		1,963,319,158	390,507,491	
Unrealised Appreciation on Investments				
Opening balance		159,900,787	342,056,811	
Less: Reversed during the year / period		(159,900,787)	(342,056,811)	
Add: Unrealised appreciation as at year / period end		646,412	158,559,149	
Add: Unrealised appreciation on outstanding equity derivatives		2,749,473	1,341,638	
Closing balance		3,395,885	159,900,787	
		5,382,873,472	1,966,870,651	
		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
3 CURRENT LIABILITIES & PROVISIONS				
Sundry Creditors		13,914,115	12,245,752	
Payable for units repurchased / switch out		10,977,170	16,783,113	
Distributed income payable		682,612	-	
Unclaimed redemptions / distributed income		2,125,464	595,521	
Contracts for Purchase of investments		269,275,780	43,740,159	
Provision for Marked-to-Market on equity derivatives		25,952,787	360,553	
Other liabilities		26,537,556	6,580,630	
		349,465,484	80,305,728	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH SAVINGS PLUS FUND - MODERATE (SPF-M)				DSP MERRILL LYNCH FLOATING RATE FUND (FRF)			
As at 31.03.2008		As at 31.03.2007		As at 31.03.2008		As at 31.03.2007	
Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
119,124,936.987	1,191,249,369	148,171,155.130	1,481,711,551	276,792,836.707	3,047,287,476	1,016,605,427.271	10,846,602,288
-	-	-	-	-	-	-	-
23,521,839.399	235,218,394	82,758,595.588	827,585,956	293,946,219.476	3,405,105,349	1,213,715,988.092	14,125,278,909
142,646,776.386	1,426,467,763	230,929,750.718	2,309,297,507	570,739,056.183	6,452,392,825	2,230,321,415.363	24,971,881,197
62,969,043.916	629,690,438	111,804,813.731	1,118,048,138	462,435,867.338	5,343,291,420	1,953,528,578.657	21,924,593,721
79,677,732.470	796,777,325	119,124,936.987	1,191,249,369	108,303,188.845	1,109,101,405	276,792,836.706	3,047,287,476
39,128,899.650	391,288,997	65,831,351.916	658,313,519	41,536,235.710	415,362,357	93,581,278.983	935,812,790
-	-	-	-	15,012,158.175	150,121,582	43,776,433.205	437,764,332
-	-	-	-	24,505,487.251	245,054,873	73,118,097.908	731,180,979
16,738,997.728	167,389,977	20,141,083.828	201,410,838	-	-	-	-
23,809,835.092	238,098,351	33,152,501.243	331,525,012	27,222,974.865	272,229,749	66,034,845.692	660,348,457
-	-	-	-	26,332.844	26,332,844	75,710.771	75,710,771
-	-	-	-	-	-	206,470.147	206,470,147
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
79,677,732.470	796,777,325	119,124,936.987	1,191,249,369	108,303,188.845	1,109,101,405	276,792,836.706	3,047,287,476
	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees
	(344,286,915)		(287,895,955)		(546,519,940)		(113,845,890)
	(174,733,761)		(92,846,628)		(152,775,206)		(554,702,897)
	22,477,261		36,455,668		18,837,825		122,028,847
	(496,543,415)		(344,286,915)		(680,457,321)		(546,519,940)
	737,642,777		596,173,375		782,859,178		695,762,459
	39,767,015		141,469,402		34,639,634		87,096,719
	777,409,792		737,642,777		817,498,812		782,859,178
	1,688,398		108,483,111		7,948,597		29,234,456
	(1,688,398)		(108,483,111)		(7,948,597)		(29,234,456)
	-		1,688,398		466,103		7,948,597
	64,487		-		-		-
	64,487		1,688,398		466,103		7,948,597
	280,930,864		395,044,260		137,507,594		244,287,835
	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees
	5,287,965		8,490,962		902,428		2,280,389
	1,579,766		1,715,419		5,904,588		55,262
	-		2,365,470		744,934		2,629,760
	389,155		491,031		540,475		420,538
	4,360,072		-		-		-
	2,508		-		-		-
	1,695,615		745,418		1,201,570		2,579,787
	13,315,081		13,808,300		9,293,995		7,965,736

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

Schedules	DSP MERRILL LYNCH SAVINGS PLUS FUND-AGGRESSIVE (SPF-A)			
	As at 31.03.2008		As at 31.03.2007	
	Units	Rupees	Units	Rupees
1 UNIT CAPITAL				
Issued and subscribed:				
Units of Rs. 10 each fully paid up (Rs. 1000 each fully paid up for LPLUS, SBF, CP and Institutional Plans - LF, FRF)				
Opening Balance	54,496,524.691	544,965,247	40,207,835.590	402,078,356
New Fund / Plan Offer	-	-	-	-
Capital issued during the year / period	109,031,369.719	1,090,313,697	43,580,055.249	435,800,552
	163,527,894.410	1,635,278,944	83,787,890.839	837,878,908
Redemptions during the year / period	59,967,972.247	599,679,722	29,291,366.148	292,913,661
Unit Capital at the end of the year / period	103,559,922.163	1,035,599,222	54,496,524.691	544,965,247
Regular: Growth Plan	55,738,884.094	557,388,841	22,490,996.406	224,909,964
Regular: Daily Dividend Plan	-	-	-	-
Regular: Weekly Dividend Plan	-	-	-	-
Regular: Monthly Dividend Plan	24,073,493.511	240,734,935	13,066,643.986	130,666,440
Regular: Quarterly / Dividend Plan	23,747,544.558	237,475,446	18,938,884.299	189,388,843
Institution: Growth Plan	-	-	-	-
Institution: Daily Dividend Plan	-	-	-	-
Institution: Weekly Dividend Plan	-	-	-	-
Institution: Monthly Dividend Plan	-	-	-	-
Institution: Quarterly / Dividend Plan	-	-	-	-
Unit Capital at the end of the year / period	103,559,922.163	1,035,599,222	54,496,524.691	544,965,247
2 RESERVES AND SURPLUS / NET DEFICIT				
		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
Unit Premium Reserve				
Opening balance		29,068,000	2,901,053	
Net premium on issue /redemption of units during the year / period		192,996,001	30,090,877	
Transfer from / (to) Income Equalisation Account		(46,202,105)	(3,923,930)	
Closing balance		175,861,896	29,068,000	
Retained Surplus				
Opening balance		77,272,102	29,553,751	
Add: Surplus transferred from / (to) Revenue Account		35,307,158	47,718,351	
Closing balance		112,579,260	77,272,102	
Unrealised Appreciation on Investments				
Opening balance		992,007	23,093,563	
Less: Reversed during the year / period		(992,007)	(23,093,563)	
Add: Unrealised appreciation as at year / period end		-	992,007	
Add: Unrealised appreciation on outstanding equity derivatives		128,603	-	
Closing balance		128,603	992,007	
		288,569,759	107,332,109	
3 CURRENT LIABILITIES & PROVISIONS		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
Sundry Creditors		2,555,130	1,180,582	
Payable for units repurchased / switch out		1,572,055	598,647	
Distributed income payable		13,672	1,942,176	
Unclaimed redemptions / distributed income		318,922	59,136	
Contracts for Purchase of investments		7,985,055	-	
Provision for Marked-to-Market on equity derivatives		4,425	-	
Other liabilities		626,626	520,122	
		13,075,885	4,300,663	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH SAVINGS PLUS FUND-CONSERVATIVE (SPF-C)				DSP MERRILL LYNCH INDIA T.I.G.E.R. FUND (THE INFRASTRUCTURE GROWTH AND ECONOMIC REFORMS FUND) (ITF)			
As at 31.03.2008		As at 31.03.2007		As at 31.03.2008		As at 31.03.2007	
Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
9,410,636.711	94,106,367	11,713,357.022	117,133,570	670,537,216.591	6,705,372,166	381,993,829.156	3,819,938,292
-	-	-	-	-	-	-	-
16,252,833.647	162,528,336	10,182,071.228	101,820,712	1,268,225,624.238	12,682,256,242	610,471,019.713	6,104,710,197
25,663,470.358	256,634,703	21,895,428.250	218,954,282	1,938,762,840.829	19,387,628,408	992,464,848.869	9,924,648,489
18,005,342.032	180,053,420	12,484,791.539	124,847,915	458,303,430.437	4,583,034,305	321,927,632.278	3,219,276,323
7,658,128.326	76,581,283	9,410,636.711	94,106,367	1,480,459,410.392	14,804,594,103	670,537,216.591	6,705,372,166
2,730,675.698	27,306,757	4,802,221.210	48,022,212	477,786,254.717	4,777,862,547	174,513,785.711	1,745,137,857
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
2,603,391.121	26,033,911	1,331,295.858	13,312,959	-	-	-	-
2,324,061.507	23,240,615	3,277,119.643	32,771,196	941,998,599.533	9,419,985,995	496,023,430.880	4,960,234,309
-	-	-	-	32,036,237.402	320,362,374	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	28,638,318.740	286,383,187	-	-
7,658,128.326	76,581,283	9,410,636.711	94,106,367	1,480,459,410.392	14,804,594,103	670,537,216.591	6,705,372,166
	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees
	(7,718,852)		(4,928,922)		5,222,555,939		1,697,884,388
	(5,872,402)		(4,308,335)		19,612,899,848		4,149,789,875
	2,096,235		1,518,405		(6,584,622,460)		(625,118,324)
	(11,495,019)		(7,718,852)		18,250,833,327		5,222,555,939
	19,308,566		14,066,471		966,001,154		229,655,263
	1,061,825		5,242,095		4,285,171,433		736,345,891
	20,370,391		19,308,566		5,251,172,587		966,001,154
	54,452		2,138,187		1,463,351,533		2,262,698,212
	(54,452)		(2,138,187)		(1,463,351,533)		(2,262,698,212)
	-		54,452		2,388,083		1,463,351,533
	7,178		-		419,283		-
	7,178		54,452		2,807,366		1,463,351,533
	8,882,550		11,644,166		23,504,813,280		7,651,908,626
	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees
	196,807		149,300		49,270,451		21,139,926
	22,952		15,430		127,517,082		85,420,643
	-		256,190		-		81,530
	30,384		30,160		3,997,857		1,202,047
	143,527		-		61,018,909		243,696,309
	-		-		10,539,132		-
	439,179		83,583		45,180,271		34,422,169
	832,849		534,663		297,523,702		385,962,624

DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008

Schedules	DSP MERRILL LYNCH LIQUID PLUS FUND (LPLUS)			
	As at 31.03.2008		As at 31.03.2007	
	Units	Rupees	Units	Rupees
1 UNIT CAPITAL				
Issued and subscribed:				
Units of Rs. 10 each fully paid up (Rs. 1000 each fully paid up for LPLUS, SBF, CP and Institutional Plans - LF, FRF)				
Opening Balance	17,259,318.149	17,259,318,149	-	-
New Fund / Plan Offer	-	-	129,023,273.706	129,023,273,706
Capital issued during the year / period	196,878,556.581	196,878,556,581	-	-
	214,137,874.730	214,137,874,730	129,023,273.706	129,023,273,706
Redemptions during the year / period	189,347,214.337	189,347,214,337	111,763,955.557	111,763,955,557
Unit Capital at the end of the year / period	24,790,660.393	24,790,660,393	17,259,318.149	17,259,318,149
Regular: Growth Plan	1,055,373.189	1,055,373,189	801,438.723	801,438,723
Regular: Daily Dividend Plan	2,764,257.824	2,764,257,824	1,151,130.278	1,151,130,278
Regular: Weekly Dividend Plan	4,149,450.512	4,149,450,512	2,105,293.647	2,105,293,647
Regular: Monthly Dividend Plan	-	-	-	-
Regular: Quarterly / Dividend Plan	-	-	-	-
Institution: Growth Plan	856,008.115	856,008,115	1,371,115.223	1,371,115,223
Institution: Daily Dividend Plan	6,792,066.443	6,792,066,443	6,588,602.706	6,588,602,706
Institution: Weekly Dividend Plan	9,173,504.310	9,173,504,310	5,241,737.572	5,241,737,572
Institution: Monthly Dividend Plan	-	-	-	-
Institution: Quarterly / Dividend Plan	-	-	-	-
Unit Capital at the end of the year / period	24,790,660.393	24,790,660,393	17,259,318.149	17,259,318,149
2 RESERVES AND SURPLUS / NET DEFICIT				
		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
Unit Premium Reserve				
Opening balance		713,832	-	
Net premium on issue /redemption of units during the year / period		(232,859,837)	(112,957,966)	
Transfer from / (to) Income Equalisation Account		221,345,261	113,671,798	
Closing balance		(10,800,744)	713,832	
Retained Surplus				
Opening balance		111,869,228	-	
Add: Surplus transferred from / (to) Revenue Account		162,295,934	111,869,228	
Closing balance		274,165,162	111,869,228	
Unrealised Appreciation on Investments				
Opening balance		287,467	-	
Less: Reversed during the year / period		(287,467)	-	
Add: Unrealised appreciation as at year / period end		7,097,007	287,467	
Add: Unrealised appreciation on outstanding equity derivatives		-	-	
Closing balance		7,097,007	287,467	
		270,461,425	112,870,527	
3 CURRENT LIABILITIES & PROVISIONS				
		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
Sundry Creditors		10,998,697	10,369,183	
Payable for units repurchased / switch out		297,379,234	15,265,454	
Distributed income payable		-	149	
Unclaimed redemptions / distributed income		-	-	
Contracts for Purchase of investments		-	-	
Provision for Marked-to-Market on equity derivatives		-	-	
Other liabilities		9,450,073	4,402,120	
		317,828,004	30,036,906	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH SMALL & MIDCAP FUND (SM)				DSP MERRILL LYNCH TAX SAVER FUND (TSF)			
As at 31.03.2008		As at 31.03.2007		As at 31.03.2008		As at 31.03.2007	
Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
1,464,233,612.970	14,642,336,130	-	-	126,564,997.783	1,265,649,978	-	-
-	-	1,618,697,923.182	16,186,979,232	-	-	126,564,997.783	1,265,649,978
117,392,654.021	1,173,926,540	-	-	266,667,091.126	2,666,670,911	-	-
1,581,626,266.991	15,816,262,670	1,618,697,923.182	16,186,979,232	393,232,088.909	3,932,320,889	126,564,997.783	1,265,649,978
718,495,297.986	7,184,952,980	154,464,310.212	1,544,643,102	-	-	-	-
863,130,969.005	8,631,309,690	1,464,233,612.970	14,642,336,130	393,232,088.909	3,932,320,889	126,564,997.783	1,265,649,978
333,495,976.958	3,334,959,770	515,401,806.599	5,154,018,066	222,483,163.561	2,224,831,636	71,394,031.941	713,940,319
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
529,634,992.047	5,296,349,920	893,950,423.964	8,939,504,240	170,748,925.348	1,707,489,253	55,170,965.842	551,709,659
-	-	34,881,382.407	348,813,824	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	20,000,000.000	200,000,000	-	-	-	-
863,130,969.005	8,631,309,690	1,464,233,612.970	14,642,336,130	393,232,088.909	3,932,320,889	126,564,997.783	1,265,649,978
	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees
	6,317,124		-		1,751,247		-
	(1,375,145,133)		8,119,853		956,268,356		(6,715,049)
	528,696,244		(1,802,729)		(681,317,391)		8,466,296
	(840,131,765)		6,317,124		276,702,212		1,751,247
	(99,294,758)		-		(52,876,298)		-
	1,766,455,378		(99,294,758)		258,123,999		(52,876,298)
	1,667,160,620		(99,294,758)		205,247,701		(52,876,298)
	-		-		-		-
	-		-		-		-
	-		-		-		-
	3,425,405		-		-		-
	3,425,405		-		-		-
	830,454,260		(92,977,634)		481,949,913		(51,125,051)
	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees
	16,517,593		36,899,943		3,462,536		2,241,361
	30,295,809		29,559,783		-		-
	-		-		-		-
	1,185,174		-		-		-
	189,043,155		64,295,005		-		11,821,342
	-		7,318,767		-		98,132
	11,676,034		6,580,832		26,659,175		3,324,869
	248,717,765		144,654,330		30,121,711		17,485,704

DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008

Schedules	DSP MERRILL LYNCH STRATEGIC BOND FUND (SBF)	
	As at 31.03.2008	
	Units	Rupees
1 UNIT CAPITAL		
Issued and subscribed:		
Units of Rs. 10 each fully paid up (Rs. 1000 each fully paid up for LPLUS, SBF, CP and Institutional Plans - LF, FRF)		
Opening Balance	-	-
New Fund / Plan Offer	2,861,413.520	2,861,413,520
Capital issued during the year / period	42,415,717.072	42,415,717,072
	45,277,130.592	45,277,130,592
Redemptions during the year / period	40,866,759.115	40,866,759,115
Unit Capital at the end of the year / period	4,410,371.477	4,410,371,477
Regular: Growth Plan	232,075.720	232,075,720
Regular: Daily Dividend Plan	-	-
Regular: Weekly Dividend Plan	295,623.760	295,623,760
Regular: Monthly Dividend Plan	60,372.071	60,372,071
Regular: Quarterly / Dividend Plan	110,321.533	110,321,533
Institution: Growth Plan	705,320.931	705,320,931
Institution: Daily Dividend Plan	-	-
Institution: Weekly Dividend Plan	2,222,105.696	2,222,105,696
Institution: Monthly Dividend Plan	784,551.766	784,551,766
Institution: Quarterly / Dividend Plan	-	-
Unit Capital at the end of the year / period	4,410,371.477	4,410,371,477
2 RESERVES AND SURPLUS / NET DEFICIT		As at 31.03.2008
Unit Premium Reserve		Rupees
Opening balance		-
Net premium on issue /redemption of units during the year / period		(60,367,764)
Transfer from / (to) Income Equalisation Account		56,112,778
Closing balance		(4,254,986)
Retained Surplus		
Opening balance		-
Add: Surplus transferred from / (to) Revenue Account		84,665,542
Closing balance		84,665,542
Unrealised Appreciation on Investments		
Opening balance		-
Less: Reversed during the year / period		-
Add: Unrealised appreciation as at year / period end		-
Add: Unrealised appreciation on outstanding equity derivatives		-
Closing balance		-
		80,410,556
3 CURRENT LIABILITIES & PROVISIONS		As at 31.03.2008
		Rupees
Sundry Creditors		3,295,137
Payable for units repurchased / switch out		104,084,893
Distributed income payable		463,176
Unclaimed redemptions / distributed income		-
Contracts for Purchase of investments		-
Provision for Marked-to-Market on equity derivatives		-
Other liabilities		835,073
		108,678,279

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH WORLD GOLD FUND (WGF)		DSP MERRILL LYNCH CASH PLUS FUND (CP)		DSP MERRILL LYNCH MICRO CAP FUND (MCF)	
As at 31.03.2008		As at 31.03.2008		As at 31.03.2008	
Units	Rupees	Units	Rupees	Units	Rupees
-	-	-	-	-	-
475,511,780.120	4,755,117,801	1,050,324.610	1,050,324,610	320,327,826.462	3,203,278,265
917,648,791.700	9,176,487,917	219,255,897.862	219,255,897,862	-	-
1,393,160,571.820	13,931,605,718	220,306,222.472	220,306,222,472	320,327,826.462	3,203,278,265
260,622,002.595	2,606,220,026	214,994,376.103	214,994,376,103	12,256,382.930	122,563,830
1,132,538,569.225	11,325,385,692	5,311,846.369	5,311,846,369	308,071,443.532	3,080,714,435
644,559,875.922	6,445,598,759.000	111,304.285	111,304,285	308,071,443.532	3,080,714,435
-	-	-	-	-	-
-	-	376,309.196	376,309,196	-	-
-	-	-	-	-	-
487,978,693.303	4,879,786,933.000	-	-	-	-
-	-	1,012,693.574	1,012,693,574	-	-
-	-	2,984,666.638	2,984,666,638	-	-
-	-	826,872.676	826,872,676	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,132,538,569.225	11,325,385,692	5,311,846.369	5,311,846,369	308,071,443.532	3,080,714,435
	As at 31.03.2008 Rupees		As at 31.03.2008 Rupees		As at 31.03.2008 Rupees
	-		-		-
	2,227,050,651		(101,477,213)		(9,851,495)
	1,806,453		108,928,387		-
	2,228,857,104		7,451,174		(9,851,495)
	-		-		-
	(23,210,846)		36,554,590		114,620,999
	(23,210,846)		36,554,590		114,620,999
	-		-		-
	-		-		-
	2,505,878,564		99,306		-
	-		-		-
	2,505,878,564		99,306		-
	4,711,524,822		44,105,070		104,769,504
	As at 31.03.2008 Rupees		As at 31.03.2008 Rupees		As at 31.03.2008 Rupees
	10,984,185		2,238,349		7,551,745
	203,241,538		2,030,295		11
	-		-		-
	-		-		-
	-		-		32,710,520
	-		-		1,408,677
	29,173,645		1,874,189		1,082,466
	243,399,368		6,142,833		42,753,419

DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008

DSP MERRILL LYNCH BOND FUND (BF)				
	As at		As at	
	31.03.2008		31.03.2007	
	Rupees		Rupees	
	Cost	Market/Fair Value	Cost	Market/Fair Value
4 INVESTMENTS				
(Refer Note 16 to Notes to Accounts)				
Equity Shares				
Listed or awaiting listing	-	-	-	-
Unlisted	-	-	-	-
Preference Shares				
Listed or awaiting listing	-	-	-	-
Government Securities	204,866,250	200,600,000	-	-
Bonds & Debentures				
Listed or awaiting listing	122,563,173	124,898,560	370,981,948	371,226,925
Private placement / unlisted	12,361,357	11,223,023	-	-
Commercial Papers (CP)	-	-	-	-
Certificate of Deposits (CD)	-	-	181,028,046	181,028,046
Treasury Bills (T bills)	-	-	-	-
Bills Rediscounting (BRDS)	-	-	-	-
Foreign Securities				
Units of Mutual Fund				
	339,790,780	336,721,583	552,009,994	552,254,971
5 DEPOSITS		As at	As at	
		31.03.2008	31.03.2007	
		Rupees	Rupees	
Margin money with the Clearing Corporation of India Ltd. (CCIL)		750,000	200,000	
Initial margin money for equity derivatives		-	-	
		750,000	200,000	
6 OTHER CURRENT ASSETS		As at	As at	
		31.03.2008	31.03.2007	
		Rupees	Rupees	
Balances with banks in current account		10,434,070	4,098,683	
Receivable for units switch in		-	84,765	
Contracts for sale of investments		-	-	
Collateralised lending (reverse repurchase transactions) (Reverse Repo) / Collateralized Borrowing and Lending Obligations (CBLO)		37,482,336	6,970,207	
Initial margin money utilised for equity derivatives		-	-	
Marked-to-market margin for equity derivatives		-	-	
Share application money		-	-	
Outstanding and accrued income		4,551,741	4,307,649	
Tax deducted at source		1,092,391	1,092,391	
Other receivable		139	-	
		53,560,677	16,553,695	
7 INTEREST		Year ended	Year ended	
		31.03.2008	31.03.2007	
		Rupees	Rupees	
Reverse Repo / CBLO		1,100,406	5,563,615	
Securities and fixed deposits		29,808,529	35,253,798	
		30,908,935	40,817,413	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH EQUITY FUND (EF)				DSP MERRILL LYNCH LIQUIDITY FUND (LF)			
As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
Cost	Market/Fair Value	Cost	Market/Fair Value	Cost	Market/Fair Value	Cost	Market/Fair Value
9,860,711,773	9,147,604,939	5,530,947,596	5,870,059,100	-	-	-	-
35,119,490	1,433,826	35,119,490	2,598,039	-	-	-	-
11,287,400	11,998,506	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	520,670,220	520,594,160	5,711,098,010	5,711,312,160
-	-	-	-	818,752,966	819,415,249	546,403,442	546,363,482
-	-	498,014,748	498,014,748	1,055,236,505	1,055,236,505	1,536,590,649	1,536,590,649
-	-	484,455,909	484,455,909	4,721,008,815	4,721,008,810	11,809,321,882	11,809,321,882
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
9,907,118,663	9,161,037,271	6,548,537,743	6,855,127,796	7,115,668,506	7,116,254,724	19,603,413,983	19,603,588,173
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	750,000	400,000			10,000,000	17,300,000	
	265,189,007	37,112,281			-	-	
	265,939,007	37,512,281			10,000,000	17,300,000	
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	79,207,940	41,713,858			13,899,454	15,907,896	
	20,981,767	1,298,286			-	-	
	498,353,789	132,734,456			-	-	
	1,379,350,004	151,353,120			1,406,837,052	90,025,124	
	131,606,259	55,878,509			-	-	
	233,051	3,749,200			-	-	
	-	8,683,620			-	-	
	4,215,571	9,389,693			56,488,495	84,287,378	
	31,135	31,135			-	-	
	329,426	-			39,579	-	
	2,114,308,942	404,831,877			1,477,264,580	190,220,398	
	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees			Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	
	32,915,726	20,354,359			94,829,816	274,418,586	
	5,482,054	2,945,924			663,838,429	2,654,273,604	
	38,397,780	23,300,283			758,668,245	2,928,692,190	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

		DSP MERRILL LYNCH BALANCED FUND (BaF)			
		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
		Cost	Market/Fair Value	Cost	Market/Fair Value
4	INVESTMENTS (Refer Note 16 to Notes to Accounts)				
	Equity Shares				
	Listed or awaiting listing	3,300,296,223	3,065,304,927	2,259,934,647	2,441,667,407
	Unlisted	14,522,501	614,496	14,522,501	1,113,445
	Preference Shares				
	Listed or awaiting listing	3,550,700	3,774,394	-	-
	Government Securities				
	Bonds & Debentures				
	Listed or awaiting listing	1,384,704,250	1,383,384,000	1,224,273,200	1,219,492,900
	Private placement / unlisted	-	-	60,000,000	60,000,000
	Commercial Papers (CP)				
	Certificate of Deposits (CD)				
	Treasury Bills (T bills)				
	Bills Rediscounting (BRDS)				
	Foreign Securities				
	Units of Mutual Fund				
		4,703,073,674	4,453,077,817	3,706,334,070	3,869,877,474
5	DEPOSITS		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	Margin money with the Clearing Corporation of India Ltd. (CCIL)		750,000	100,000	
	Initial margin money for equity derivatives		169,141,459	26,220,644	
			169,891,459	26,320,644	
6	OTHER CURRENT ASSETS		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	Balances with banks in current account		42,567,762	15,446,141	
	Receivable for units switch in		8,404,350	27,794	
	Contracts for sale of investments		163,282,996	3,333,808	
	Collateralised lending (reverse repurchase transactions) (Reverse Repo) / Collateralized Borrowing and Lending Obligations (CBLO)		133,437,121	67,212,736	
	Initial margin money utilised for equity derivatives		37,253,530	27,920,105	
	Marked-to-market margin for equity derivatives		-	591,512	
	Share application money		-	4,884,000	
	Outstanding and accrued income		9,808,978	24,805,123	
	Tax deducted at source		52,648	52,648	
	Other receivable		757,284	-	
			395,564,669	144,273,867	
7	INTEREST		Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	
	Reverse Repo / CBLO		11,835,606	7,719,443	
	Securities and fixed deposits		73,080,650	69,152,486	
			84,916,256	76,871,929	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH GOVERNMENT SECURITIES FUND - PLAN A (GSF A)				DSP MERRILL LYNCH GOVERNMENT SECURITIES FUND - PLAN B (GSF B)			
As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
Cost	Market/Fair Value	Cost	Market/Fair Value	Cost	Market/Fair Value	Cost	Market/Fair Value
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
257,483,333	250,750,000	289,492,417	281,720,000	-	-	21,425,500	21,000,000
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	19,706,552	19,706,552
-	-	-	-	-	-	-	-
257,483,333	250,750,000	289,492,417	281,720,000	-	-	41,132,052	40,706,552
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	750,000	300,000			750,000	100,000	
	-	-			-	-	
	750,000	300,000			750,000	100,000	
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	12,463,785	1,508,419			1,343,778	1,304,184	
	20,743	-			14,951	-	
	-	-			-	-	
	138,934,530	10,953,188			63,969,854	7,468,081	
	-	-			-	-	
	-	-			-	-	
	-	-			-	-	
	4,582,596	7,112,199			15,074	480,242	
	-	-			-	-	
	-	-			-	-	
	156,001,654	19,573,806			65,343,657	9,252,507	
	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees			Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	
	1,965,724	7,855,008			1,323,447	2,121,971	
	23,387,391	16,257,592			2,458,781	3,624,023	
	25,353,115	24,112,600			3,782,228	5,745,994	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

		DSP MERRILL LYNCH TECHNOLOGY.COM FUND (TF)			
		As at 31.03.2008		As at 31.03.2007	
		Rupees		Rupees	
		Cost	Market/Fair Value	Cost	Market/Fair Value
4	INVESTMENTS (Refer Note 16 to Notes to Accounts)				
	Equity Shares				
	Listed or awaiting listing	1,055,945,787	984,259,035	545,349,780	584,870,192
	Unlisted	-	-	-	-
	Preference Shares				
	Listed or awaiting listing	-	-	-	-
	Government Securities				
	Bonds & Debentures				
	Listed or awaiting listing	-	-	-	-
	Private placement / unlisted	-	-	-	-
	Commercial Papers (CP)				
	Certificate of Deposits (CD)				
	Treasury Bills (T bills)				
	Bills Rediscounting (BRDS)				
	Foreign Securities				
	Units of Mutual Fund				
		1,055,945,787	984,259,035	545,349,780	584,870,192
5	DEPOSITS		As at 31.03.2008		As at 31.03.2007
	Margin money with the Clearing Corporation of India Ltd. (CCIL)		Rupees		Rupees
	Initial margin money for equity derivatives		750,000		-
			25,242,860		-
			25,992,860		-
6	OTHER CURRENT ASSETS		As at 31.03.2008		As at 31.03.2007
	Balances with banks in current account		Rupees		Rupees
	Receivable for units switch in		19,964,910		23,607,303
	Contracts for sale of investments		3,878,353		694,626
	Collateralised lending (reverse repurchase transactions) (Reverse Repo) / Collateralized Borrowing and Lending Obligations (CBLO)		94,531,476		26,649,329
	Initial margin money utilised for equity derivatives		99,952,899		125,482,500
	Marked-to-market margin for equity derivatives		-		-
	Share application money		-		-
	Outstanding and accrued income		23,642		477,590
	Tax deducted at source		-		-
	Other receivable		99,591		-
			218,450,871		176,911,348
7	INTEREST		Year ended 31.03.2008		Year ended 31.03.2007
	Reverse Repo / CBLO		Rupees		Rupees
	Securities and fixed deposits		5,238,830		-
			24,956		1,163,142
			5,263,786		1,163,142

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH OPPORTUNITIES FUND (OF)				DSP MERRILL LYNCH SHORT TERM FUND (STF)			
As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
Cost	Market/Fair value	Cost	Market/Fair value	Cost	Market/Fair value	Cost	Market/Fair value
9,340,712,625	11,645,123,773	8,895,682,878	11,869,341,477	-	-	-	-
-	-	-	-	-	-	-	-
796,500	846,680	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	558,593,000	558,491,600	140,130,898	140,833,755	50,022,000	50,019,900
-	-	-	-	213,815,866	214,241,308	139,281,737	139,278,840
-	-	-	-	-	-	-	-
-	-	389,854,766	389,854,766	-	-	401,549,783	401,549,783
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
9,341,509,125	11,645,970,453	9,844,130,644	12,817,687,843	353,946,764	355,075,063	590,853,520	590,848,523
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	750,000	700,000			750,000	300,000	
	226,867,999	116,900,460			-	-	
	227,617,999	117,600,460			750,000	300,000	
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	100,145,597	58,297,374			5,488,592	1,866,435	
	8,744,569	5,291,344			3,246,715	-	
	85,193,803	110,710,177			-	-	
	1,262,916,264	194,369,464			16,991,988	22,051,332	
	41,662,174	-			-	-	
	936,240	-			-	-	
	-	-			-	-	
	6,245,399	14,420,157			14,745,107	1,409,998	
	-	-			-	-	
	14,149	-			-	-	
	1,505,858,195	383,088,516			40,472,402	25,327,765	
	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees			Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	
	18,308,688	32,583,794			2,977,618	6,272,428	
	9,440,395	5,774,534			47,190,589	58,934,285	
	27,749,083	38,358,328			50,168,207	65,206,713	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

		DSP MERRILL LYNCH TOP100 EQUITY FUND (TEF)			
		As at 31.03.2008		As at 31.03.2007	
		Rupees		Rupees	
		Cost	Market/Fair Value	Cost	Market/Fair Value
4	INVESTMENTS (Refer Note 16 to Notes to Accounts)				
	Equity Shares				
	Listed or awaiting listing	5,865,189,547	5,592,927,830	2,496,930,194	2,655,489,343
	Unlisted	-	-	-	-
	Preference Shares				
	Listed or awaiting listing	10,260,500	10,906,912	-	-
	Government Securities				
	Bonds & Debentures				
	Listed or awaiting listing	10,000,000	10,000,000	-	-
	Private placement / unlisted	-	-	-	-
	Commercial Papers (CP)				
	Certificate of Deposits (CD)			340,409,101	340,409,101
	Treasury Bills (T bills)				
	Bills Rediscounting (BRDS)				
	Foreign Securities				
	Units of Mutual Fund				
		5,885,450,047	5,613,834,742	2,837,339,295	2,995,898,444
5	DEPOSITS		As at 31.03.2008	As at 31.03.2007	
			Rupees	Rupees	
	Margin money with the Clearing Corporation of India Ltd. (CCIL)		750,000	300,000	
	Initial margin money for equity derivatives		215,552,664	86,561,801	
			216,302,664	86,861,801	
6	OTHER CURRENT ASSETS		As at 31.03.2008	As at 31.03.2007	
			Rupees	Rupees	
	Balances with banks in current account		152,416,974	25,015,897	
	Receivable for units switch in		52,839,733	3,897,691	
	Contracts for sale of investments		373,264,324	60,553,973	
	Collateralised lending (reverse repurchase transactions) (Reverse Repo) / Collateralized Borrowing and Lending Obligations (CBLO)		1,699,217,888	144,007,499	
	Initial margin money utilised for equity derivatives		254,487,587	34,912,274	
	Marked-to-market margin for equity derivatives		2,749,473	360,553	
	Share application money		-	-	
	Outstanding and accrued income		3,667,941	3,618,799	
	Tax deducted at source		-	-	
	Other receivable		100,001	-	
			2,538,743,921	272,366,686	
7	INTEREST		Year ended 31.03.2008	Year ended 31.03.2007	
			Rupees	Rupees	
	Reverse Repo / CBLO		30,695,018	10,183,649	
	Securities and fixed deposits		3,051,401	670,093	
			33,746,419	10,853,742	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH SAVINGS PLUS FUND - MODERATE (SPF-M)				DSP MERRILL LYNCH FLOATING RATE FUND (FRF)			
As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
Cost	Market/Fair Value	Cost	Market/Fair Value	Cost	Market/Fair Value	Cost	Market/Fair Value
110,717,467	110,412,007	81,816,298	83,504,696	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
440,855,800	436,552,300	1,184,209,035	1,183,253,148	901,756,507	891,982,200	3,207,035,213	3,214,983,810
-	-	-	-	71,989,692	72,455,451	3,808,196	3,679,499
-	-	99,602,950	99,602,950	-	-	-	-
463,582,917	460,731,720	148,739,827	148,739,827	242,123,236	242,123,581	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,015,156,184	1,007,696,027	1,514,368,110	1,515,100,621	1,215,869,435	1,206,561,232	3,210,843,409	3,218,663,309
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	750,000	600,000			750,000	700,000	
	44,502,279	32,177,740			-	-	
	45,252,279	32,777,740			750,000	700,000	
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	2,490,396	12,244,054			5,411,417	4,250,075	
	303,367	-			-	134,301	
	17,482,218	-			-	-	
	13,993,399	20,412,749			30,985,387	40,463,123	
	1,261,976	-			-	-	
	64,487	-			-	-	
	-	-			-	-	
	2,365,009	19,566,765			12,188,222	35,330,239	
	-	-			-	-	
	114,112	-			6,736	-	
	38,074,964	52,223,568			48,591,762	80,177,738	
	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees			Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	
	7,792,029	10,426,427			3,660,615	9,618,928	
	69,788,863	99,631,767			139,834,735	510,935,809	
	77,580,892	110,058,194			143,495,350	520,554,737	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

		DSP MERRILL LYNCH SAVINGS PLUS FUND-AGGRESSIVE (SPF-A)			
		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
		Cost	Market/Fair Value	Cost	Market/Fair Value
4	INVESTMENTS (Refer Note 16 to Notes to Accounts)				
	Equity Shares				
	Listed or awaiting listing	203,193,358	202,668,740	47,585,732	48,569,749
	Unlisted	-	-	-	-
	Preference Shares				
	Listed or awaiting listing	-	-	-	-
	Government Securities				
	Bonds & Debentures				
	Listed or awaiting listing	528,484,500	526,107,350	343,995,470	344,003,460
	Private placement / unlisted	100,000,000	100,000,000	17,836,250	17,835,490
	Commercial Papers (CP)				
	Certificate of Deposits (CD)	264,654,626	264,179,330	149,050,409	149,050,409
	Treasury Bills (T bills)				
	Bills Rediscounting (BRDS)				
	Foreign Securities				
	Units of Mutual Fund				
		1,096,332,484	1,092,955,420	558,467,861	559,459,108
5	DEPOSITS		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	Margin money with the Clearing Corporation of India Ltd. (CCIL)		750,000	300,000	
	Initial margin money for equity derivatives		124,978,404	26,860,895	
			125,728,404	27,160,895	
6	OTHER CURRENT ASSETS		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	Balances with banks in current account		5,542,889	4,103,870	
	Receivable for units switch in		68,218	115,252	
	Contracts for sale of investments		32,444,640	-	
	Collateralised lending (reverse repurchase transactions) (Reverse Repo)/Collateralized Borrowing and Lending Obligations (CBLO)		72,465,860	60,242,534	
	Initial margin money utilised for equity derivatives		2,461,581	-	
	Marked-to-market margin for equity derivatives		128,603	-	
	Share application money		-	-	
	Outstanding and accrued income		4,128,512	5,516,360	
	Tax deducted at source		-	-	
	Other receivable		1,320,739	-	
			118,561,042	69,978,016	
7	INTEREST		Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	
	Reverse Repo / CBLO		9,341,448	7,617,913	
	Securities and fixed deposits		39,665,883	21,438,370	
			49,007,331	29,056,283	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH SAVINGS PLUS FUND-CONSERVATIVE (SPF-C)				DSP MERRILL LYNCH INDIA T.I.G.E.R. FUND (THE INFRASTRUCTURE GROWTH AND ECONOMIC REFORMS FUND) (ITF)			
As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
Cost	Market/Fair Value	Cost	Market/Fair Value	Cost	Market/Fair Value	Cost	Market/Fair Value
5,255,942	5,248,729	2,633,106	2,687,558	36,313,072,943	33,202,488,561	11,704,165,326	13,167,516,859
-	-	-	-	-	-	-	-
-	-	-	-	35,407,700	37,638,385	-	-
-	-	-	-	-	-	-	-
30,784,070	30,581,840	-	-	4,372,175	4,529,573	-	-
-	-	17,836,251	17,835,490	-	-	-	-
-	-	-	-	-	-	-	-
-	-	49,890,523	49,890,523	-	-	928,225,318	928,225,318
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
36,040,012	35,830,569	70,359,880	70,413,571	36,352,852,818	33,244,656,519	12,632,390,644	14,095,742,177
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	750,000	100,000			750,000	1,000,000	
	28,081,156	21,666,910			321,517,456	119,691,639	
	28,831,156	21,766,910			322,267,456	120,691,639	
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	3,040,212	1,058,878			320,320,648	141,648,715	
	18,495	-			29,636,431	6,608,094	
	482,949	-			560,657,181	82,355,272	
	17,491,758	12,944,675			3,838,444,818	285,480,020	
	134,357	-			280,648,188	-	
	7,178	-			419,283	-	
	-	-			-	-	
	436,585	101,162			854,260	10,717,499	
	-	-			-	-	
	23,423	-			9,026,301	-	
	21,634,957	14,104,715			5,040,007,110	526,809,600	
	Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees			Year ended 31.03.2008 Rupees	Year ended 31.03.2007 Rupees	
	2,948,579	2,805,026			93,278,932	35,434,687	
	2,000,677	2,989,580			19,015,733	5,371,378	
	4,949,256	5,794,606			112,294,665	40,806,065	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

		DSP MERRILL LYNCH LIQUID PLUS FUND (LPLUS)			
4	INVESTMENTS (Refer Note 16 to Notes to Accounts)	As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
		Cost	Market/Fair value	Cost	Market/Fair value
	Equity Shares				
	Listed or awaiting listing	-	-	-	-
	Unlisted	-	-	-	-
	Preference Shares				
	Listed or awaiting listing	-	-	-	-
	Government Securities	-	-	-	-
	Bonds & Debentures				
	Listed or awaiting listing	5,671,795,654	5,655,118,100	549,076,483	549,363,950
	Private placement / unlisted	6,364,588,612	6,371,685,615	839,266,788	839,177,450
	Commercial Papers (CP)	1,733,589,998	1,733,590,002	3,694,822,287	3,694,822,287
	Certificate of Deposits (CD)	6,603,871,740	6,603,859,263	11,655,442,744	11,655,442,744
	Treasury Bills (T bills)	-	-	-	-
	Bills Rediscounting (BRDS)	3,235,824,670	3,235,824,670	-	-
	Foreign Securities				
	Units of Mutual Fund				
		23,609,670,674	23,600,077,650	16,738,608,302	16,738,806,431
5	DEPOSITS		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	Margin money with the Clearing Corporation of India Ltd. (CCIL)		12,000,000	-	
	Initial margin money for equity derivatives		-	-	
			12,000,000	-	
6	OTHER CURRENT ASSETS		As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	Balances with banks in current account		471,905,432	426,133,241	
	Receivable for units switch in		139,053,906	11,256,855	
	Contracts for sale of investments		-	-	
	Collateralised lending (reverse repurchase transactions) (Reverse Repo) / Collateralized Borrowing and Lending Obligations (CBLO)		847,100,818	189,769,931	
	Initial margin money utilised for equity derivatives		-	-	
	Marked-to-market margin for equity derivatives		-	-	
	Share application money		-	-	
	Outstanding and accrued income		308,637,575	36,259,124	
	Tax deducted at source		-	-	
	Other receivable		174,441	-	
			1,766,872,172	663,419,151	
7	INTEREST		Year ended 31.03.2008 Rupees	Period ended 31.03.2007 Rupees	
	Reverse Repo / CBLO		181,266,692	64,188,603	
	Securities and fixed deposits		1,826,241,601	1,329,654,459	
			2,007,508,293	1,393,843,062	

**DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008**

DSP MERRILL LYNCH SMALL & MIDCAP FUND (SM)				DSP MERRILL LYNCH TAX SAVER FUND (TSF)			
As at 31.03.2008 Rupees		As at 31.03.2007 Rupees		As at 31.03.2008 Rupees		As at 31.03.2007 Rupees	
Cost	Market/Fair Value	Cost	Market/Fair Value	Cost	Market/Fair Value	Cost	Market/Fair Value
8,732,150,475	8,282,862,030	13,278,316,420	13,017,832,853	3,870,198,428	3,450,639,287	905,195,717	856,953,570
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
150,000,000	150,000,000	1,104,938,750	1,104,207,750	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	195,605,860	195,605,860	-	-	144,310,649	144,310,649
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
8,882,150,475	8,432,862,030	14,578,861,030	14,317,646,463	3,870,198,428	3,450,639,287	1,049,506,366	1,001,264,219
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	750,000	200,000			750,000	-	
	85,789,952	111,710,100			99,369,821	22,406,267	
	86,539,952	111,910,100			100,119,821	22,406,267	
	As at 31.03.2008 Rupees	As at 31.03.2007 Rupees			As at 31.03.2008 Rupees	As at 31.03.2007 Rupees	
	16,709,101	28,186,993			479,552,011	51,597,486	
	984,604	86,416			2,782,172	420,276	
	318,914,141	35,374,564			-	-	
	769,704,771	121,972,500			409,848,056	147,664,541	
	69,424,555	37,584,900			-	6,450,683	
	3,425,405	-			-	-	
	9,331,740	17,926,260			-	1,408,440	
	2,484,820	23,324,630			116,445	798,719	
	-	-			-	-	
	100,596	-			1,334,721	-	
	1,191,079,733	264,456,263			893,633,405	208,340,145	
	Year ended 31.03.2008 Rupees	Period ended 31.03.2007 Rupees			Year ended 31.03.2008 Rupees	Period ended 31.03.2007 Rupees	
	23,029,682	63,145,495			8,235,483	4,075,571	
	15,648,847	97,494,143			2,265,852	3,039,848	
	38,678,529	160,639,638			10,501,335	7,115,419	

DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE ACCOUNTS AS AT MARCH 31, 2008

4 INVESTMENTS (Refer Note 16 to Notes to Accounts)	DSP MERRILL LYNCH STRATEGIC BOND FUND (SBF)		DSP MERRILL LYNCH WORLD GOLD FUND (WGF)		DSP MERRILL LYNCH CASH PLUS FUND (CP)		DSP MERRILL LYNCH MICRO CAP FUND (MCF)	
	As at 31.03.2008 Rupees		As at 31.03.2008 Rupees		As at 31.03.2008 Rupees		As at 31.03.2008 Rupees	
	Cost	Market/Fair value	Cost	Market/Fair value	Cost	Market/Fair value	Cost	Market/Fair value
Equity Shares								
Listed or awaiting listing	-	-	-	-	-	-	2,908,016,420	2,760,926,433
Unlisted	-	-	-	-	-	-	-	-
Preference Shares								
Listed or awaiting listing	-	-	-	-	-	-	-	-
Government Securities	40,959,501	39,184,200	-	-	-	-	-	-
Bonds & Debentures								
Listed or awaiting listing	4,266,335,304	4,243,426,020	-	-	1,860,000,000	1,860,000,000	-	-
Private placement / unlisted	-	-	-	-	599,808,600	599,907,900	-	-
Commercial Papers (CP)	-	-	-	-	-	-	-	-
Certificate of Deposits (CD)	-	-	-	-	2,099,423,592	2,099,423,598	-	-
Treasury Bills (T bills)	-	-	-	-	-	-	-	-
Bills Rediscounting (BRDS)	-	-	-	-	-	-	-	-
Foreign Securities			13,143,404,520	15,623,416,199				
Units of Mutual Fund			268,183,108	272,619,692				
	4,307,294,805	4,282,610,220	13,411,587,628	15,896,035,891	4,559,232,192	4,559,331,498	2,908,016,420	2,760,926,433
5 DEPOSITS		As at 31.03.2008 Rupees		As at 31.03.2008 Rupees		As at 31.03.2008 Rupees		As at 31.03.2008 Rupees
Margin money with the Clearing Corporation of India Ltd. (CCIL)		850,000		-		4,500,000		750,000
Initial margin money for equity derivatives		-		-		-		75,905,897
		850,000		-		4,500,000		76,655,897
6 OTHER CURRENT ASSETS		As at 31.03.2008 Rupees		As at 31.03.2008 Rupees		As at 31.03.2008 Rupees		As at 31.03.2008 Rupees
Balances with banks in current account		2,179,627		158,342,622		4,711,283		4,110,876
Receivable for units switch in		811,273		15,969,541		-		-
Contracts for sale of investments		-		-		-		46,517,271
Collateralised lending (reverse repurchase transactions) (Reverse Repo) / Collateralized Borrowing and Lending Obligations (CBLO)		164,922,283		209,930,762		697,160,523		229,919,371
Initial margin money utilised for equity derivatives		-		-		-		5,468,996
Marked-to-market margin for equity derivatives		-		-		-		-
Share application money		-		-		-		1,499,990
Outstanding and accrued income		148,084,095		31,066		96,390,968		1,453,886
Tax deducted at source		-		-		-		-
Other receivable		2,814		-		-		-
		316,000,092		384,273,991		798,262,774		288,970,390
7 INTEREST		Year ended 31.03.2008 Rupees		Period ended 31.03.2008 Rupees		Period ended 31.03.2008 Rupees		Period ended 31.03.2008 Rupees
Reverse Repo / CBLO		41,500,278		7,845,826		90,507,964		12,693,541
Securities and fixed deposits		742,526,215		-		443,578,498		50,500
		784,026,493		7,845,826		534,086,462		12,744,041

DSP MERRILL LYNCH MUTUAL FUND
SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2008 AND THE
REVENUE ACCOUNT FOR THE YEAR / PERIOD ENDED MARCH 31, 2008

SCHEDULE 8: NOTES TO ACCOUNTS**1. Organisation**

In conformity with Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (the Regulations), DSP Merrill Lynch Fund Managers Limited has been set up to act as the Asset Management Company (AMC) to DSP Merrill Lynch Mutual Fund (Fund). In terms of the Investment Management Agreement (IMA) dated December 16, 1996, entered into between DSP Merrill Lynch Trustee Company Private Limited (Trustee) and the AMC, the AMC has been appointed as the Investment Manager to the Schemes of the Fund.

The Schemes have been sponsored by DSP Merrill Lynch Limited (DSPML), DSP HMK Holdings Pvt. Ltd. and DSP Adiko Holdings Pvt. Ltd.

Scheme Name	Date of Launch	NFO Period	Date of Reopen	Investment Objective
BF	April 07, 1997	April 7, 1997 - April 15, 1997	May 2, 1997	Primarily generate attractive returns, consistent with prudent risk, from a portfolio of high quality debt securities of issuers domiciled in India.
EF	April 07, 1997	April 7, 1997 - April 15, 1997	May 2, 1997	Primarily generate long term capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of issuers domiciled in India.
LF	Mar. 06, 1998	March 6, 1998 - March 9, 1998	Mar. 16, 1998	Primarily generate a reasonable return commensurate with low risk and a high degree of liquidity, from a portfolio of money market securities and high quality debt securities of issuers domiciled in India.
BaF	May 03, 1999	May 03, 1999 - May 14, 1999	May 31, 1999	Seek to generate long term capital appreciation and current income from a portfolio constituted of equity and equity related securities as well as fixed income securities (debt and money market securities).
GSFA	Sept. 20, 1999	Sept. 20, 1999 - Sept. 23, 1999	Oct. 01, 1999	Seek to generate income through investment in Central Government Securities of various maturities.
GSFB	Sept. 20, 1999	Sept. 20, 1999 - Sept. 23, 1999	Oct. 01, 1999	Seek to generate income through investment in Central Government Securities of various maturities.
TF	Mar. 11, 2000	Mar. 11, 2000 - April 18, 2000	May 18, 2000	Primarily generate long term capital appreciation, and secondary objective is income generation and the distribution of dividend from a portfolio that is substantially constituted of equity securities and equity related securities concentrating on the investment focus of the Scheme.
OF	Mar. 11, 2000	Mar. 11, 2000 - April 18, 2000	May 18, 2000	Primarily generate long term capital appreciation, and the secondary objective is income generation and the distribution of dividend from a portfolio that is substantially constituted of equity securities and equity related securities concentrating on the investment focus of the Scheme.
STF	Aug. 30, 2002	Aug. 30, 2002 - Sept. 04, 2002	Sep. 10, 2002	Primarily generate income commensurate with prudent risk, from a portfolio constituting of money market securities, floating rate debt securities and debt securities.
TEF	Feb. 10, 2003	Feb. 10, 2003 - Feb. 21, 2003	Mar. 11, 2003	Primarily generate capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of the 100 largest corporates by market capitalisation, listed in India.
SPF-M	Feb. 10, 2003	Feb. 10, 2003 - Feb. 21, 2003	Mar. 11, 2003	Generate attractive returns with prudent risk from a portfolio which is substantially constituted of quality debt securities. The Scheme will also seek to generate capital appreciation by investing a smaller portfolio of its corpus in equity and equity related securities of the 100 largest corporates, by market capitalization listed in India. The Scheme will also invest a certain portion of its corpus in money market securities, in order to meet liquidity requirements from time to time.
FRF	May 12, 2003	May 12, 2003	May 13, 2003	Generate income commensurate with prudent risk from a portfolio comprised substantially of floating rate debt securities and fixed rate debt securities swapped for floating rate returns.
SPF-C	April 27, 2004	April 27, 2004 - May 25, 2004	June 14, 2004	Generate attractive returns with prudent risk from a portfolio which is substantially constituted of quality debt securities. The Scheme will also seek to generate capital appreciation by investing a smaller portfolio of its corpus in equity and equity related securities of the 100 largest corporates, by market capitalization listed in India. The Scheme will also invest a certain portion of its corpus in money market securities, in order to meet liquidity requirements from time to time.
SPF-A	April 27, 2004	April 27, 2004 - May 25, 2004	June 14, 2004	Generate attractive returns with prudent risk from a portfolio which is substantially constituted of quality debt securities. The Scheme will also seek to generate capital appreciation by investing a smaller portfolio of its corpus in equity and equity related securities of the 100 largest corporates, by market capitalization listed in India. The Scheme will also invest a certain portion of its corpus in money market securities, in order to meet liquidity requirements from time to time.
ITF	April 27, 2004	April 27, 2004 - May 25, 2004	June 14, 2004	The primary investment objective of the scheme is to seek to generate capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of corporates, which could benefit from structural changes brought about by continuing liberalization in economic policies by the Government and/or from continuing investments in infrastructure, both by the public and private sector. The Scheme may also invest a certain portion of its corpus in debt and money market securities, in order to meet liquidity requirements from time to time.
LPLUS	July 24, 2006	July 24, 2006 - July 27, 2006	July 31, 2006	The primary investment objective of the Scheme is to seek to generate reasonable returns commensurate with low risk and a high degree of liquidity, from a portfolio constituted of money market securities and high quality debt securities.

Scheme Name	Date of Launch	NFO Period	Date of Reopen	Investment Objective
SM	Sept. 29, 2006	Sept. 29, 2006 - Oct. 18, 2006	Nov. 16, 2006	The Primary investment objective of the scheme is to seek to generate long term capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities, which are not part of the top 100 stocks by market capitalisation. From time to time, the investment Manager will also seek participation in other equity and equity related securities to achieve optimal portfolio construction. This shall be the fundamental attribute of the scheme. The Scheme may also invest a certain portion of its corpus in debt and money market securities, in order to meet liquidity requirements from time to time.
TSF	Nov. 27, 2006	Nov. 27, 2006 - Dec. 26, 2006	Jan. 22, 2007	The Primary investment objective of the scheme is to seek to generate medium to long term capital appreciation from a diversified portfolio that is substantially constituted of equity securities and equity related securities of corporates, and to enable investors to avail of a deduction from total income, as permitted under the Income Tax Act 1961 from time to time.
SBF	April 23, 2007	April 23, 2007 - May 03, 2007	May 10, 2007	DSP Merrill Lynch Strategic Bond Fund is an open ended income Scheme seeking to generate optimal returns with high liquidity through active management of the portfolio by investing in high quality debt and money market securities. However, there is no assurance that the objective of the Scheme can be realised.
WGF	July 25, 2007	July 25, 2007 - Aug. 23, 2007	Sept. 21, 2007	The primary investment objective of the Scheme is to seek capital appreciation by investing predominantly in MLIIF - WGF. The Scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus. The Scheme may also invest a certain portion of its corpus in money market securities and/or money market/liquid schemes of DSP Merrill Lynch Mutual Fund, in order to meet liquidity requirements from time to time. However, there is no assurance that the investment objective of the Scheme will be realized.
CP	Oct. 25, 2007	Oct. 25, 2007 - Oct. 25, 2007	Oct. 30, 2007	The primary investment objective of DSP Merrill Lynch Cash Plus Fund is to seek to generate reasonable returns commensurate with low risk from a portfolio constituted of money market and debt securities. However, there is no assurance that the objective of the Scheme will be realised.
MCF	May 04, 2007	May 04, 2007 - May 25, 2007		The primary investment objective is to seek to generate long term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities which are not part of the top 300 companies by market capitalisation. From time to time, the Investment Manager will also seek participation in other equity and equity related securities to achieve optimal portfolio construction. This shall be the fundamental attribute of the Scheme. Equity related securities include, but are not limited to, fully convertible debentures, partly convertible debentures, optionally convertible debentures, unlisted securities, convertible preference shares, initial public offerings, private placements and warrants converting into equity securities. The Scheme may also invest a certain portion of its corpus in debt and money market securities while waiting for expected investment opportunities. After the Scheme becomes open ended, the investments in debt and money market securities will also be used to meet the liquidity requirements from time to time. There can be no assurance that the investment objective of the Scheme will be realised.

BF – Bond Fund, EF – Equity Fund, LF – Liquidity Fund, BF – Balanced Fund, GSFA – Government Securities Fund – Plan A (Longer Duration Plan), GSFB – Government Securities Fund – Plan B (Shorter Duration Plan), TF – Technology.com fund, OF – Opportunities Fund, STF – Short Term Fund, TEF – Top 100 Equity Fund, SPF-M – Savings Plus Fund – Moderate, FRF – Floating Rate Fund, SPF-A – Savings Plus Fund - Aggressive, SPF-C – Savings Plus Fund – Conservative, ITF – India T.I.G.E.R. Fund, LPLUS – Liquid Plus Fund, SM – Small and Mid Cap Fund, TSF – Tax Saver Fund, SBF – Strategic Bond Fund, MCF – Micro Cap Fund, WGF – World Gold Fund and CP – Cash Plus Fund (Collectively referred as ‘Schemes’).

Note: All the above schemes are open ended except MCF.

2. Significant Accounting Policies

2.1 Basis of Accounting

The financial statements are prepared on the accrual basis of accounting, under the historical cost convention, as modified for investments, which are ‘marked to market’. The financial statements have been prepared in accordance with the Regulations as amended from time to time.

2.2 Unit Capital

Unit Capital represents the net outstanding units as at the Balance Sheet date.

Upon issue and redemption of units, the net premium or discount to the face value of units is credited or debited respectively to the Unit Premium Reserve account, after adjusting an appropriate portion of the sale / repurchase price to the Income Equalisation account.

2.3 Income Equalisation Account

When units are issued or redeemed, the net distributable income or loss for transacted units (excluding unrealised appreciation) from the beginning of the accounting year upto the date of issue or redemption of such units is transferred to / from the Income Equalisation account.

The purpose is to ensure that the per unit amount of the continuing unit holders’ share of the undistributed income / loss remains unaffected by movement in unit capital. At the year end, the balance in the Equalisation account is transferred to the Revenue account.

2.4 Investments

a) Accounting for investment transactions

Investments are accounted on the date of the transaction at cost after considering transaction costs as applicable excluding custodian transaction charges. The front end

fee receivable, if any, is reduced from the cost of such investment. Bonus entitlements are recognised as investments on the ‘ex- bonus date’. Rights entitlements are recognised as investments on the ‘ex-rights date’.

Investments in Foreign securities are accounted at the exchange rate prevailing on the date of accounting the trade. Differences in exchange rate till settlement are recognised as income or expense.

b) Valuation of Investments

During the year, the Fund has valued its investments in accordance with the Regulations, as amended from time to time. All investments are marked to market and are stated in the balance sheet at their market / fair value. In valuing the Scheme’s investments:

I. Valuation of Traded Securities

I.I Equity and Equity related Securities

Traded Equity and Equity related Securities are valued at the last quoted closing price on the National Stock Exchange (NSE) or other Stock Exchange (SE) (in case where security is either not listed on NSE or not traded on NSE). In case where a security is not traded on the valuation day then it is valued at last traded price on the NSE or any other SE on which it traded provided it is not more than thirty days prior to the date of valuation.

I.II Debt Securities

Traded Debt Securities (other than Government Securities) are valued at the last quoted price on the NSE on the day of valuation.

II. Valuation of Thinly Traded Securities/ Non-traded and Unlisted Securities

II.I Equity & Equity related Securities

Thinly Traded, Non-traded and unlisted Equity and Equity Related securities are valued "in good faith" on the basis of net worth per share and earnings capitalization as prescribed by the SEBI.

II.II Debt Securities of upto 182 Days to Maturity

Non-traded / thinly traded / unlisted debt securities of upto 182 days to maturity are valued at cost or last valuation price (in case of securities having maturity period of more than 182 days at the time of purchase) plus difference between the redemption value and the cost or last valuation price spread uniformly over the remaining maturity period of the instrument.

II.III Debt Securities of over 182 Days to Maturity

Non traded / thinly traded / unlisted debt securities of over 182 days to maturity are valued in good faith by the investment manager on the basis of valuation principles laid down by the SEBI. The approach in valuation of a non-traded / thinly traded / unlisted debt security is based on the concept of using spreads over the benchmark rate to arrive at the yields for pricing the security.

III. Valuation of Non Traded /Thinly Traded and Unlisted Floating Rate Debt Securities (Floaters)

There are no valuation guidelines prescribed by SEBI for Valuation of Non Traded/ Thinly Traded and Unlisted Floating Rate Debt Securities. These securities are valued as determined by the investment manager based on policy as approved by the Board of Trustees.

IV. Valuation of Government Securities

Government Securities are valued at the prices provided by the agency (currently Crisil Limited) approved by the Association of Mutual Funds of India (AMFI), on a daily basis.

V. Valuation of securities with Put/Call Options

V.I Securities with Call Option

The securities with call option are valued at the lower of the value as obtained by valuing the security to final maturity and valuing the security to call option. In case there are multiple call options, the lowest value obtained by valuing to the various call dates and valuing to the maturity date is taken as the value of the instrument.

V.II Securities with Put Option

The securities with put option are valued at the higher of the value as obtained by valuing the security to final maturity and valuing the security to put option. In case there are multiple put options, the highest value obtained by valuing to the various put dates and valuing to the maturity date is taken as the value of the instruments.

V.III The securities with both Put and Call option on the same day would be deemed to mature on the Put/Call day and would be valued accordingly.

VI. Valuation of Money Market Instruments

Investments in CBLO and short-term deposits with banks are valued at cost plus accrued interest.

Money market instruments are valued at the last traded yield on the date of valuation. In case the Money Market Instrument is not traded on the valuation day then it is valued on straight-line amortization over the maturity period of the instrument.

VII. Valuation of Foreign Securities

Investments in shares of Foreign Mutual Fund (Merrill Lynch International Investments Fund – World Gold Fund) are stated at the last declared Net Asset Value per share by the respective mutual fund and are translated into Indian rupees at RBI exchange rate prevalent on the date of valuation / Balance Sheet. Unrealised foreign exchange gain or loss on translation is credited/ debited to Reserves & Surplus and Profit & Loss account respective account on the date of valuation/ Balance sheet.

4. Open position of ETED as at March 31, 2008 is as under

Scheme	IDFC	Indusind Bank	Kotak Mahindra Bank	Nagarjuna Fertilizers	National Aluminum	Nifty	Reliance Capital	Tata Steel	IDFC	Indusind Bank	Kotak Mahindra Bank	Nagarjuna Fertilizers	National Aluminum	Nifty	Reliance Capital	Tata Steel
No. of Units									Number of Contracts Long / (Short)							
BaF	-	-	-	-	-	44,550	-	-	-	-	-	-	-	891	-	-
DSPSM	-	-	-	1,988,000	-	(37,750)	-	-	-	-	-	568	-	(755)	-	-
EF	-	-	-	-	241,500	105,150	-	35,526	-	-	-	-	420	2,103	-	93
ITF	-	-	-	-	-	245,650	99,912	61,120	-	-	-	-	-	4,913	724	160

In accordance with the Guidance Note on Accounting for Investments in the Financial Statements of Mutual Funds issued by the Institute of Chartered Accountants of India (pursuant to the Eleventh Schedule to the SEBI Regulations), the net unrealised gain or loss in the value of investments is determined separately for each category of investments. The change in the net unrealised loss, if any, between two balance sheet dates is recognised in the revenue account and the change in net unrealised gain, if any, is adjusted in an unrealised appreciation reserve. The loss on investments sold/transferred during the year is charged to the revenue account instead of being first adjusted against the provision for depreciation, if already created in the prior year, as recommended by the Guidance Note. However, this departure from the Guidance Note does not have any net impact on the Scheme's net assets.

2.5 Equity Derivatives

- Initial Margin paid against equity derivatives is accounted as current assets.
- Open position of exchange traded equity derivatives (ETED) are marked-to-market on daily basis at the closing prices provided by the respective stock exchanges.
- Realised gain / loss on closure / expiry of ETED are accounted as realised gain/ loss on investments.

2.6 Revenue Recognition

- Income on investments is recognised on accrual basis except where there is uncertainty about ultimate recovery / realisation. Such income is recognised when the uncertainty is resolved.
- For quoted shares, the dividend income earned by a scheme is recognized on the date the share is quoted on an ex-dividend basis. For investments in shares which are not quoted on the stock exchanges, the dividend income is recognised on the date of declaration.
- Interest on fixed income securities is recognised as income on a daily basis over the period of holding (interest paid for the period from the last interest due date upto the date of purchase, is not treated as a cost of purchase, but debited to interest accrued but not due account. Similarly, interest received at the time of sale for the period from the last interest due date upto the date of sale is not treated as an addition to sale value but credited to interest accrued but not due account). In respect of discounted securities, the discount to redemption value is amortised and recognised as interest income equally over the period to redemption.
- Profit or loss on sale of investments is recognised on the trade date and is determined on the basis of the weighted average cost method.

2.7 Expenses

- All expenses are accounted for on accrual basis
- **New Fund Offer (NFO) Expenses**
NFO expenses for SBF & CP were borne by the AMC. In case of WGF the entry load collected during the NFO was utilized to meet the NFO expenses and the remainder of the NFO expenses was borne by the AMC.
- **Amortization of NFO Expenses in MCF**
NFO expenses incurred upto 4.50% of amount mobilized is amortized over a period of 36 months, starting from 14th June, 2007. An early exit charge equivalent to the balance unamortized NFO expenses upto the date of redemption is adjusted against the outstanding balance.

2.8 Entry Load / Exit Load

The Entry Load / Exit Load collected is utilised for meeting the selling and distribution expenses.

3. Dividend Distribution

Income distribution during the previous financial year was made from the distributable surplus of previous year's/period's earnings and accumulated reserves of earlier years.

Scheme	IDFC	Indusind Bank	Kotak Mahindra Bank	Nagarjuna Fertilizers	National Aluminum	Nifty	Reliance Capital	Tata Steel	IDFC	Indusind Bank	Kotak Mahindra Bank	Nagarjuna Fertilizers	National Aluminum	Nifty	Reliance Capital	Tata Steel
No. of Units									Number of Contracts Long / (Short)							
MCF	-	192,500	-	-	-	-	-	-	-	100	-	-	-	-	-	-
OF	-	-	-	-	-	41,450	-	31,706	-	-	-	-	-	829	-	83
SPF-A	(23,600)	-	(5,775)	-	-	-	-	-	(16)	-	(21)	-	-	-	-	-
SPF-C	(1,475)	-	(275)	-	-	-	-	-	(1)	-	(1)	-	-	-	-	-
SPF-M	(11,800)	-	(3,025)	-	-	-	-	-	(8)	-	(11)	-	-	-	-	-
TEF	-	-	(107,250)	-	-	266,400	-	25,594	-	-	(390)	-	-	5,328	-	67

Year 2006-2007

Scheme	Series	No. of Contracts	No. of Units - Long / (Short)
EF	ICICI Bank Ltd. - April 2007	230	(80,500)
EF	NIFTY - April 2007	1719	85,950
BaF	NIFTY - April 2007	1145	57,250
TEF	ICICI Bank Ltd. - April 2007	106	(37,100)
TEF	NIFTY - April 2007	1169	58,450
SM	Balrampur Chini Mills Ltd. - April 2007	606	(1,454,400)
SM	Balrampur Chini Mills Ltd. - May 2007	42	(100,800)
SM	Renuka Sugars Ltd. - April 2007	280	(140,000)
TSF	NIFTY - April 2007	300	15,000

5. Securities contributed towards Settlement Guarantee Fund – Business Segment (BS) & collateral for Collateralized Borrowing and Lending Obligations (CBLO)

Following Central Government Securities were pledged towards BS & collateral for CBLO with the Clearing Corporation of India Limited as of March 31, 2008

Segment	Scheme	Security	Face Value (Rupees)
CBLO	BF	7.99% GSE 2017	15,00,00,000
BS	BF	7.99% GSE 2017	5,00,00,000
BS	GSFA	7.99% GSE 2017	25,00,00,000

6. Investments

a. Investments of the Schemes are registered in the name of the Trustees for the benefits of the Schemes Unitholders.

b. **In vestments made in Foreign Securities:**

Scheme	Investment in Foreign Securities % to net assets as of March 31, 2008
WGF	97.42%

c. Investments made in companies which have invested more than five percent of the net asset value of the Schemes of DSP Merrill Lynch Mutual Fund in terms of Regulation 25 (11)

- Investment in Companies includes investment in subsidiaries.
- Purchases represents purchases (including derivatives transactions and inter scheme transactions) made during the period prescribed under regulation 25(11).
- Value represents closing market value of investments as of March 31, 2008.

Rupees in Crores

Company Name	Scheme invested in by the Company	Investing Scheme	Purchases	Value
Adani Enterprises Ltd.	LF	BaF	3.98	-
		EF	12.67	-
		OF	7.57	4.8
		TSF	4.23	1.97
		TEF	15.05	-

Company Name	Scheme invested in by the Company	Investing Scheme	Purchases	Value
Allahabad Bank	LF	CP	24.96	-
		EF	69.97	-
		LF	502.61	9.97
		LPLUS	401.85	64.8
		OF	29.99	-
		SM	20.06	-
		SPF - A	9.85	-
Axis Bank Ltd.	LF	BaF	79.67	2.41
		BF	1	2
		CP	93.16	79.67
		EF	63.76	7.37
		ITF	100.03	78.21
		LF	598.92	48.98
		LPLUS	791.5	72.73
		OF	36.06	24.58
		SBF	148.46	97.09
		SPF - A	21.4	6.96
		SPF - C	1.34	1
		SPF - M	26.8	17.65
		STF	9	-
		TSF	2.86	-
TEF	74.69	8.06		
Bank of Baroda	LF	BaF	8.79	-
		EF	31.71	-
		ITF	23.43	-
		TSF	6.38	6.28
		TEF	19.24	-

Company Name	Scheme invested in by the Company	Investing Scheme	Purchases	Value
Bank of Maharashtra	LF	MCF	1.41	-
		SM	20.84	16.1
		TSF	1.27	-
Bosch Ltd.	FTP Series 3E	SPF - A	0.59	-
		SPF - C	0.02	-
		SPF - M	0.34	-
		TSF	4.08	-
Centurion Bank of Punjab Ltd.	LF	ITF	20.7	-
		LPLUS	123.86	-
		OF	2.88	-
		SM	19.06	-
DLF Ltd.	LF	BaF	13.18	-
		EF	35.43	-
		ITF	96.54	-
		LF	47.74	48.97
		OF	69.01	19.52
		SM	43.4	-
		SPF - A	7.51	-
		SPF - C	0.36	-
		SPF - M	8.73	-
		TSF	12.35	5.45
		TEF	42.72	-
Edelweiss Capital Ltd.	LF	BaF	0.32	-
		CP	1,686.24	-
		EF	30.77	-
		ITF	92.39	-
		LF	249.07	-
		LPLUS	647.51	-
		OF	12.69	4.34
		SBF	50	-
Global Trade Finance Pvt. Ltd.	LF	CP	125	-
		LF	85	-
		LPLUS	78.54	-
		SBF	25	-
		SM	75	-
HCL Technologies Ltd.	LF, STF	BaF	28.44	-
		EF	77.98	-
		OF	11.57	2.71
		SPF - A	3.73	-
		SPF - C	0.21	-
		SPF - M	5.13	-
		TEF	74.89	-
		TF	40.58	1.06

Company Name	Scheme invested in by the Company	Investing Scheme	Purchases	Value
HDFC Bank Ltd.	LF	BaF	2.48	-
		BF	4.97	-
		FRF	14.88	-
		ITF	49.19	-
		LF	193.62	-
		LPLUS	582.03	323.58
		OF	7.55	-
		SBF	73.15	-
		SPF - A	4.58	1.9
		SPF - C	0.21	0.04
		SPF - M	5.3	1.03
		TSF	5.85	-
		TEF	26.3	20.99
		Hindalco Industries Ltd.	FRF	BaF
EF	47.62			16.13
ITF	99.16			43.29
OF	20.83			9.01
SPF - A	7.01			0.41
SPF - C	0.32			0.01
SPF - M	6.61			0.22
TSF	4.46			1.24
TEF	42.08			10.42
Hindustan Unilever Ltd.	LF			BaF
		EF	43.58	29.67
		OF	10.7	28.8
		SM	21.46	10.39
		SPF - A	4.15	-
		SPF - C	0.13	-
		SPF - M	2.78	-
		TSF	1.73	0.31
Hindustan Zinc Ltd.	LF, STF, FTP3E	TEF	43.77	24.5
		BaF	4.08	0.56
		EF	11.37	1.81
		SPF - A	0.51	-
		SPF - C	0.03	-
		SPF - M	0.48	-
		TEF	4.44	1.25
ICICI Bank Ltd.	LF	BaF	62.6	-
		CP	703.09	6.38
		EF	183.89	-
		ITF	309.53	70.33
		LF	464.91	175.2
		LPLUS	1,532.60	97.71
		MCF	3.57	-
		OF	61.83	26.9
		SBF	169.45	-
		SM	21.98	-
		SPF - A	18.37	-
		SPF - C	0.84	-
		SPF - M	19.21	-
		STF	9.98	-
TSF	19.87	-		
TEF	138.21	-		

Company Name	Scheme invested in by the Company	Investing Scheme	Purchases	Value
IDFC Ltd.	STF	ITF	4.94	92.34
		SPF - A	-	0.37
		SPF - C	-	0.02
		SPF - M	-	0.2
		TEF	-	7.29
India Infoline Ltd.	LF	BaF	3.09	-
		CP	300	-
		EF	8.59	-
		LF	92	-
		LPLUS	170.96	-
		MCF	1.7	1.62
		OF	19.08	8.41
		SM	27.96	-
		STF	8	-
Info Edge India Ltd.	STF	BaF	3.52	-
		EF	7.73	-
		SM	1.44	-
		TF	6.23	1.78
IRB Infrastructure Developers Ltd.	LF	OF	1.96	1.79
ITC Ltd.	STF, LF	BaF	33	4.11
		EF	99.18	11.67
		OF	23.36	27.94
		SPF - A	9.33	1.48
		SPF - C	0.39	0.06
		SPF - M	7.27	0.84
		TSF	3.82	3.92
		TEF	70.15	14.19
JM Financial Products Pvt. Ltd.	LF	BaF	6	-
		CP	469.64	-
		ITF	150	-
		LF	135	-
		LPLUS	311	-
		SPF - M	1	-
Kotak Mahindra Bank Ltd.	LF	BaF	41.65	-
		BF	13.65	-
		CP	558.98	44.99
		EF	31.88	-
		FRF	13.69	-
		ITF	49.68	-
		LF	99.2	-
		LPLUS	390.28	133.53
		OF	40.38	13.79
		SBF	35.72	1
		SPF - A	2.22	0.37
		SPF - C	0.11	0.02
		SPF - M	8.56	0.2
		STF	34.34	-
		TSF	6.34	-
TEF	26.64	6.72		

Company Name	Scheme invested in by the Company	Investing Scheme	Purchases	Value
Larsen & Toubro Ltd.	TEF	BaF	9.46	16.51
		EF	32.55	51.06
		ITF	20.56	114.41
		OF	4.9	18.04
		SM	-	10.02
		SPF - A	3.28	-
		SPF - C	0.17	-
		SPF - M	4.17	-
		TSF	3.7	-
		TEF	28.21	52.59
Maharashtra Seamless Ltd.	STF	ITF	11.35	-
		SM	24.88	-
Maruti Suzuki India Ltd.	LF	BaF	5.46	-
		EF	21.02	-
		OF	11.05	-
		SPF - A	3.42	-
		SPF - C	0.18	-
		SPF - M	3.16	-
		TEF	18.89	-
Petronet LNG Ltd.	LF	BaF	5.29	-
		EF	19.67	-
		SM	10.14	10.57
Reliance Industries Ltd.	LF	BaF	109.46	13.23
		EF	286.52	39.68
		ITF	258.15	240.87
		OF	136.16	82.55
		SM	32.14	4.01
		SPF - A	49.71	-
		SPF - C	1.72	-
		SPF - M	39.12	-
		TSF	57.98	31.96
		TEF	216.73	36.49
State Bank of India	LF	BaF	92.43	3.86
		CP	346.2	68.56
		EF	180.96	11.89
		ITF	254.39	132.63
		LF	1,260.29	74.1
		LPLUS	1,652.33	-
		OF	88.82	42.47
		SBF	281.83	-
		SM	59.29	-
		SPF - A	66.75	-
		SPF - C	5.66	-
		SPF - M	182.96	-
		STF	82.84	-
		TSF	28.04	8.16
		TEF	158.92	9.54

Company Name	Scheme invested in by the Company	Investing Scheme	Purchases	Value
Television Eighteen India Ltd.	LPLUS	BaF	1.62	-
		EF	4.33	-
		ITF	30.3	55.46
		OF	-	20.89
		SM	3.74	13.64
		TSF	-	0.64
		TF	4.71	-
The Associated Cement Co. Ltd.	LF	BaF	10.87	5.28
		EF	32.42	16.41
		ITF	25.89	-
		OF	3.48	-
		SM	8.64	9.1
		SPF - A	4.74	1.28
		SPF - C	0.15	0.03
		SPF - M	3.39	0.69
		TEF	28.84	12
UCO Bank Ltd.	LF	BaF	36.27	-
		CP	149.9	-
		EF	5.64	-
		LF	334.32	-
		LPLUS	421.24	-
		SBF	34.86	-
		SPF - M	24.52	-

Company Name	Scheme invested in by the Company	Investing Scheme	Purchases	Value
Welspun Gujarat Stahl Rohren Ltd.	STF	ITF	96.63	82.35
		SM	44.51	10.31
		TSF	8.26	-
Wipro Ltd.	LF, STF	BaF	8.11	2.06
		EF	19.04	6.33
		SPF - A	0.44	-
		SPF - C	0.01	-
		SPF - M	0.26	-
		TEF	19.57	4.38
YES Bank Ltd.	LF	TF	18.74	-
		LF	178.37	-
		LPLUS	194.08	-
		SBF	24.93	-
		STF	14.75	-
		TSF	3.33	-

The Investment Manager is of the opinion that the investments are made by the schemes in such companies since they are perceived as fundamentally strong and possess a high potential for growth. Further, investments in fixed income instruments issued by the aforesaid companies would yield attractive returns commensurate with the risks associated with the issuer.

d. Unrealised Gain / Loss as of March 31, 2008:

Scheme Name	Equity Shares		Preference Shares	Bonds & Debentures		Commercial Papers (CP)	Certificate of Deposits (CD)	Government Securities
	Listed or awaiting listing	Private placement / unlisted	Listed or awaiting listing	Listed or awaiting listing	Private placement / unlisted			
EF	(713,106,834)	(33,685,665)	711,106	-	-	-	-	-
TF	(71,686,752)	-	-	-	-	-	-	-
OF	2,304,411,148	-	50,180	-	-	-	-	-
TEF	(272,261,717)	-	646,412	-	-	-	-	-
ITF	(3,110,584,382)	-	2,230,685	157,398	-	-	-	-
SM	(449,288,445)	-	-	-	-	-	-	-
TSF	(419,559,141)	-	-	-	-	-	-	-
MCF	(147,089,987)	-	-	-	-	-	-	-
BF	-	-	-	2,335,387	(1,138,334)	-	-	(4,266,250)
SBF	-	-	-	(22,909,284)	-	-	-	(1,775,301)
GSFA	-	-	-	-	-	-	-	(6,733,333)
GSFB	-	-	-	-	-	-	-	-
LPLUS	-	-	-	(16,677,554)	7,097,003	3	(12,477)	-
LF	-	-	-	(76,060)	662,283	-	(4)	-
FRF	-	-	-	(9,774,307)	465,759	-	345	-
CP	-	-	-	-	99,300	-	(3)	-
STF	-	-	-	702,858	425,442	-	-	-
BaF	(234,991,296)	(13,908,005)	223,694	(1,320,250)	-	-	-	-

Scheme Name	Equity Shares		Preference Shares	Bonds & Debentures		Commercial Papers (CP)	Certificate of Deposits (CD)	Government Securities
	Listed or awaiting listing	Private placement / unlisted	Listed or awaiting listing	Listed or awaiting listing	Private placement / unlisted			
SPF - M	(305,459)	-	-	(4,303,500)	-	-	(2,851,197)	-
SPF - A	(524,618)	-	-	(2,377,150)	-	-	(475,296)	-
SPF - C	(7,213)	-	-	(202,230)	-	-	-	-

Scheme Name	Foreign Securities	Units of Mutual Fund
WGF	2,480,011,679	4,436,584

Unrealised Gain / Loss as of March 31, 2007:

Scheme Name	Equity Shares		Preference Shares	Bonds & Debentures		Commercial Papers (CP)	Certificate of Deposits (CD)	Government Securities
	Listed or awaiting listing	Private placement / unlisted	Listed or awaiting listing	Listed or awaiting listing	Private placement / unlisted			
EF	339,111,504	(32,521,451)	-	-	-	-	-	-
TF	39,520,412	-	-	-	-	-	-	-
OF	2,973,658,599	-	-	(101,400)	-	-	-	-
TEF	158,559,149	-	-	-	-	-	-	-
ITF	1,463,351,533	-	-	-	-	-	-	-
SM	(260,483,567)	-	-	(731,000)	-	-	-	-
TSF	(48,242,147)	-	-	-	-	-	-	-
BF	-	-	-	244,977	-	-	-	-
GSFA	-	-	-	-	-	-	-	(7,772,417)
GSFB	-	-	-	-	-	-	-	(425,500)
LPLUS	-	-	-	287,467	(89,338)	-	-	-
LF	-	-	-	214,150	(39,960)	-	-	-
FRF	-	-	-	7,948,597	(128,697)	-	-	-
STF	-	-	-	(2,100)	(2,897)	-	-	-
BaF	181,732,760	(13,409,056)	-	(4,780,300)	-	-	-	-
SPF - M	1,688,398	-	-	(955,887)	-	-	-	-
SPF - A	984,017	-	-	7,990	(760)	-	-	-
SPF - C	54,452	-	-	(761)	-	-	-	-

7. Investment Management and Trusteeship fees

- a) Investment management fees (excluding service tax and education cess) have been charged by the Schemes pursuant to an agreement with DSP Merrill Lynch Fund Managers Limited (AMC), as under:

Scheme	Rate	Scheme	Rate	Scheme	Rate	Scheme	Rate
BF	1.24%	GSFB	0.37%	FRF *	0.29%	SM	1.02%
EF	1.02%	TF	1.17%	FRF **	0.20%	TSF	1.11%
LF *	0.28%	OF	1.00%	SPF-C	1.06%	MCF	1.04%
LF **	0.17%	STF	0.39%	SPF-A	1.09%	CP	0.15%
BaF	1.05%	TEF	1.04%	ITF	0.97%	WGF	-
GSFA	0.60%	SPF - M	1.19%	LPLUS	0.27%	SBF	0.54%

* Retail Plan, ** Institutional Plan.

Note: Rate represents average rate in percentage per annum charged on daily average net assets.

- b) The Fund has accrued trusteeship fees aggregating Rs. 4,044,960 (previous year Rs. 4,040,640) for the year ended March 31, 2008 in accordance with the original Trust Deed dated December 16, 1996 as amended by supplementary Trust Deed dated December 23, 1999. The trusteeship fees have been allocated between the schemes (excluding FTPs) in proportion to the net assets of the schemes. The Trusteeship fees are subject to a maximum of 0.02% of the average net assets per annum.

8. Details of Transactions with Associates in terms of Regulation 25(8):

Name of Associate: DSP Merrill Lynch Limited

Scheme Name	Securities transaction in the form of investments / disinvestment in various Public issues / Private placements where the associate was the sole or one of the several lead managers (Rupees)		Payment of Brokerage on Secondary Market Transactions (Rupees)		Payment of Brokerage for Distribution and Sale of Units (Rupees)	
	2007-2008	2006-2007	2007-2008	2006-2007	2007-2008	2006-2007
BF	-	-	-	-	947,767	1,078,630
EF	30,048,140	49,335,200	11,322,796	2,893,560	9,916,490	6,679,431
LF	1,611,462,250	-	-	-	1,350,115	3,671,094
BaF	10,795,100	29,059,680	3,815,797	1,689,529	20,332,574	10,744,886
GSFA	-	-	-	-	55,390	94,781
GSFB	-	-	-	-	23,045	103,269
TF	-	1,552,400	898,278	173,775	5,773,977	1,573,860
OF	518,683,300	405,477,097	1,859,203	1,969,150	7,707,992	10,626,820
STF	-	-	-	-	264,043	715,171
TEF	45,883,500	124,876,955	7,003,808	2,279,025	11,576,651	3,546,464
SPF - M	1,326,160	114,799,850	599,190	467,558	3,595,875	4,381,660
FRF	-	-	-	-	802,352	3,359,197
SPF-C	138,160	3,762,765	29,246	16,984	144,914	156,903
SPF-A	1,052,920	48,837,870	831,805	230,550	1,998,741	1,216,701
ITF	710,955,215	544,721,160	7,709,473	3,235,435	18,324,421	5,913,448
LPLUS	6,658,625,500	-	-	-	10,876,467	8,145,741
CP	10,200,000,000	-	-	-	69,862	-
SM	545,865,910	1,572,811,791	2,746,075	1,996,760	4,737,033	26,939,256
TSF	55,177,955	24,524,696	322,794	73,651	959,607	497,750
SBF	243,622,500	-	-	-	2,342,978	-
MCF	38,871,590	-	318,203	-	11,018,400	-
WGF	-	-	-	-	36,932,035	-

Note: Brokerage on distribution and sale of units paid / payable represents the amount paid / payable for the year and does not necessarily reflect the amount charged to the Scheme's revenue account.

9. The aggregate value of investments purchased and sold (including redeemed) during the year and these amounts as a percentage of average daily net assets are as follows:

Scheme	Purchase (Rupees)		Sale (Rupees)		Purchase as a % to average daily net assets		Sale as % to average daily net assets	
	2007-2008	2006-2007	2007-2008	2006-2007	2007-2008	2006-2007	2007-2008	2006-2007
BF	718,039,419	913,449,585	932,233,863	931,032,921	164.51%	152.02%	213.58%	154.94%
EF	54,143,122,952	15,107,717,947	53,598,054,165	14,083,621,547	524.77%	240.40%	519.49%	224.11%
LF	53,393,127,859	131,405,407,432	66,326,938,444	158,928,180,530	476.94%	309.69%	592.47%	374.55%
BaF	20,724,801,019	9,522,967,367	21,086,350,261	8,961,395,813	433.54%	258.50%	441.11%	243.26%
GSFA	637,760,500	1,807,033,814	669,542,500	1,827,356,210	197.38%	524.77%	207.21%	530.67%
GSFB	60,450,500	518,933,630	101,387,500	479,915,844	107.16%	571.00%	179.73%	528.07%
TF	8,074,509,631	1,233,975,043	7,683,039,196	1,055,151,663	553.91%	353.37%	527.06%	302.16%
OF	19,595,267,276	16,019,797,681	23,528,574,308	14,190,820,793	128.43%	131.65%	154.20%	116.62%
STF	1,434,061,622	3,360,717,852	1,674,573,862	3,397,462,012	208.78%	287.30%	243.79%	290.44%
TEF	40,400,091,842	9,773,799,370	37,426,866,186	8,360,642,907	725.85%	374.40%	672.43%	320.26%
SPF - M	6,451,912,166	6,771,694,576	6,959,729,283	7,052,415,069	473.35%	339.75%	510.61%	353.84%
FRF	681,290,552	228,562,410	2,662,523,115	8,345,681,198	32.02%	3.02%	125.12%	110.44%
SPF-C	295,703,599	162,096,847	333,181,088	171,650,236	241.37%	117.76%	271.96%	124.71%
SPF-A	7,646,465,405	1,789,158,993	7,132,349,951	1,623,708,248	761.72%	299.71%	710.51%	271.99%
ITF	66,354,787,107	22,459,535,171	46,482,091,230	17,369,646,868	226.52%	196.00%	158.68%	151.58%
LPLUS	143,212,643,028	59,553,542,997	137,753,257,536	44,014,213,846	535.91%	218.82%	515.48%	161.72%

Scheme	Purchase (Rupees)		Sale (Rupees)		Purchase as a % to average daily net assets		Sale as % to average daily net assets	
	2007-2008	2006-2007	2007-2008	2006-2007	2007-2008	2006-2007	2007-2008	2006-2007
SM	17,928,274,704	37,381,983,187	26,093,814,881	23,049,622,061	131.72%	251.54%	191.71%	155.10%
TSF	10,293,440,733	1,851,694,620	7,897,944,591	749,106,101	455.85%	173.45%	349.76%	70.17%
CP	98,835,579,333	-	95,664,237,056	-	716.58%	-	693.58%	-
WGF	10,040,657,630	-	329,882,461	-	73.26%	-	2.41%	-
MCF	5,896,381,489	-	3,292,784,568	-	157.60%	-	88.01%	-
SBF	34,785,691,387	-	30,780,499,134	-	331.65%	-	293.47%	-

10. Distributable Surplus:

Rupees

Scheme Name	FINANCIAL YEAR 2007-2008				FINANCIAL YEAR 2006-2007			
	Net Income as per Revenue Account	Add: Balance of undistributed income as at the beginning of the year	Less: Distributed to unitholders & distribution Tax	Balance Distributable income	Net Income as per Revenue Account	Add: Balance of undistributed income as at the beginning of the year	Less: Distributed to unitholders & distribution Tax	Balance Distributable income
BF	16,726,865	5,170,115,506	4,566,392	5,182,275,979	27,826,624	5,151,964,786	9,675,904	5,170,115,506
EF	3,525,114,461	642,712,817	1,374,342,746	2,793,484,532	2,265,581,834	(386,034,373)	1,236,834,644	642,712,817
LF	634,885,318	1,596,098,659	419,139,021	1,811,844,956	2,358,211,885	1,199,365,979	1,961,479,205	1,596,098,659
BaF	1,232,009,035	1,271,827,311	854,003,210	1,649,833,136	1,039,499,918	760,286,650	527,959,257	1,271,827,311
GSFA	29,617,201	447,664,540	7,460,531	469,821,210	11,607,346	438,396,424	2,339,230	447,664,540
GFSB	2,384,368	92,612,116	970,621	94,025,863	2,685,074	90,211,179	284,137	92,612,116
TF	135,725,264	265,145,502	461,007,616	(60,136,850)	346,498,629	(81,353,127)	-	265,145,502
OF	3,672,060,858	2,677,952,542	1,119,296,657	5,230,716,743	2,095,163,661	2,192,674,610	1,609,885,729	2,677,952,542
STF	42,698,081	251,496,095	23,237,085	270,957,091	50,191,881	232,127,760	30,823,546	251,496,095
TEF	2,322,096,219	390,507,491	749,284,552	1,963,319,158	451,188,291	611,476,203	672,157,003	390,507,491
SPF - M	76,188,283	737,642,777	36,421,268	777,409,792	196,369,175	596,173,375	54,899,773	737,642,777
FRF	85,036,247	782,859,178	50,396,613	817,498,812	348,204,143	695,762,459	261,107,424	782,859,178
SPF-C	3,233,297	19,308,566	2,171,472	20,370,391	8,517,994	14,066,471	3,275,899	19,308,566
SPF-A	72,202,464	77,272,102	36,895,306	112,579,260	73,369,075	29,553,751	25,650,724	77,272,102
ITF	8,677,790,991	966,001,154	4,392,619,558	5,251,172,587	2,858,541,514	229,655,263	2,122,195,623	966,001,154
LPLUS	1,725,146,692	111,869,228	1,562,850,758	274,165,162	1,193,983,820	-	1,082,114,592	111,869,228
SM	1,766,455,378	(99,294,758)	-	1,667,160,620	(99,294,758)	-	-	(99,294,758)
TSF	664,649,580	(52,876,298)	406,525,581	205,247,701	(52,876,298)	-	-	(52,876,298)
SBF	619,211,610	-	534,546,068	84,665,542				
WGF	(23,210,846)	-	-	(23,210,846)				
CP	409,306,127	-	372,751,537	36,554,590				
MCF	114,620,999	-	-	114,620,999				

11. Segment Information

The Schemes operate only in one segment viz., to primarily generate returns, based on schemes investment objective.

12. Accounting Standard - 3 (Cash Flow Statement) and Accounting Standard - 18 (Related Party Disclosures) issued by the Institute of Chartered Accountants of India (ICA) are applicable to the DSP Merrill Lynch Small and Mid Cap Fund for the first time from the financial year commencing on April 1, 2007. Accordingly, as permitted by these Accounting Standards, the corresponding previous year figures have not been disclosed.

13. Related Party Disclosure pursuant to Accounting Standard 18 issued by The Institute of Chartered Accountants of India is applicable for following schemes and disclosures are made as under:

- DSP Merrill Lynch Equity Fund (EF)
- DSP Merrill Lynch Liquidity Fund (LF)
- DSP Merrill Lynch Balanced Fund (BaF)
- DSP Merrill Lynch Opportunities Fund (OF)
- DSP Merrill Lynch Floating Rate Fund (FRF)
- DSP Merrill Lynch Liquid Plus Fund (LPLUS)
- DSP Merrill Lynch Top 100 Equity Fund (TEF)
- DSP Merrill Lynch India T.I.G.E.R (The Infrastructure Growth and Economic Reforms Fund) (ITF)
- DSP Merrill Lynch Small and Mid Cap Fund (SM)
- DSP Merrill Lynch Strategic Bond Fund (SBF)
- DSP Merrill Lynch Cash Plus Fund (CP)

The following are the related parties by control:

- a. **DSP Merrill Lynch Fund Managers Limited (AMC)**
- b. **DSP Merrill Lynch Trustee Company Private Limited (Trustee Company)**
- c. **Associates**
 - DSP Merrill Lynch Ltd. (DSPML)
 - DSP HMK Holdings Pvt. Ltd.
 - DSP Merrill Lynch Capital Limited (DSPMLCL)
 - DSP Adiko Holdings Pvt. Ltd.
- d. **Schemes of DSP Merrill Lynch Mutual Fund managed by DSP Merrill Lynch Fund Managers Limited.**

Transactions Type: Management Fee, Trustee Fee, Brokerage on unit distribution, Brokerage on secondary market trades and Marketing & Advertisement expenses:

2007-2008	SCHEMES (amount in Rupees)										
	BaF	EF	FRF	LF	LPLUS	OF	ITF	TEF	SM	SBF	CP
Management Fee	50,289,924	105,621,957	6,011,824	23,539,987	71,498,327	153,108,112	284,432,496	57,944,365	138,661,000	50,797,024	9,080,308
Trustee Fee	122,275	253,494	64,798	341,015	599,753	391,418	664,294	131,177	376,553	180,217	118,655
Brokerage on Unit Distribution	20,332,574	9,916,490	802,352	1,350,115	10,876,467	7,707,992	18,324,421	11,576,651	4,737,033	2,342,978	69,862
Brokerage on Secondary market	3,815,797	11,322,796	-	-	-	1,859,203	7,709,473	7,003,808	2,746,075	-	-
Marketing & Advertisement Expenses	-	-	-	-	-	13,356	-	-	-	-	-
Year-end other payable:											
- AMC	4,322,183	9,551,064	413,576	513,102	5,743,516	11,496,209	32,814,318	6,658,194	8,156,734	2,420,884	831,377
- Trustee Company	46,743	111,706	15,720	79,662	249,380	147,499	356,800	61,178	123,330	109,340	105,215
- Associate: DSPML	1,914,302	803,510	50,221	85,374	1,070,240	826,011	1,600,152	1,902,037	232,413	54,006	1,722

2006-2007	SCHEMES (amount in Rupees)								
	BaF	EF	FRF	LF	LPLUS	OF	ITF	TEF	
Management Fee	39,338,139	65,341,467	23,130,840	123,452,707	39,911,489	124,185,477	116,692,355	28,604,542	
Trustee Fee	124,500	209,100	300,900	1,469,854	484,880	408,500	358,700	80,900	
Brokerage on Unit Distribution	10,744,886	6,679,430	3,359,197	3,671,094	8,145,741	10,626,820	5,913,448	3,546,463	
Brokerage on Secondary Market	1,689,529	2,893,560	-	-	-	1,969,150	3,235,435	2,279,025	
Marketing & Advertisement Expenses	-	42,750	-	-	-	57,750	12,750	12,750	
Year-end other payable:									
- AMC	3,327,714	5,743,212	856,841	3,115,558	3,820,212	10,467,643	11,562,407	2,690,757	
- Trustee Company	28,800	51,060	38,990	186,420	207,140	103,540	94,860	21,620	
- Associate: DSPML	820,217	829,078	125,025	250,256	666,437	974,427	1,224,147	352,373	

Note:

- Management Fees is paid to DSP Merrill Lynch Fund Managers Limited (AMC).
- Brokerage on unit distribution / secondary market equity trades and marketing & advertisement expenses are paid to associate, DSPML.
- Payment of Brokerage on unit distribution is made by the AMC and the year end balance is reflected in the books of the AMC.
- Trustee fee is paid to Trustee Company.

Transactions Type: Subscription / Redemption of Units

2007-2008		SCHEMES (Rupees)								
Related Party	Transaction	CP	EF	ITF	LF	LPLUS	OF	SBF	SM	TEF
DSP Adiko Holdings Pvt. Ltd.	Dividend Paid	-	-	-	-	-	-	659,922	-	-
	Dividend Reinvest	-	5,681,818	28,163,783	13,709	35,865,040	4,807,692	17,284,961	-	9,958,715
	Purchase	-	-	75,000,000	-	990,970,191	-	443,700,000	-	125,000,000
	Redemption	-	-	-	9,662,469	865,700,000	-	30,000,000	-	-
	Year-end outstanding	-	39,342,126	197,489,068	47,415	877,330,842	34,489,183	432,411,431	54,810,000	175,982,790

2007-2008		SCHEMES (Rupees)								
Related Party	Transaction	CP	EF	ITF	LF	LPLUS	OF	SBF	SM	TEF
DSP HMK Holdings Pvt. Ltd.	Dividend Paid	-	-	-	-	-	-	659,922	-	-
	Dividend Reinvest	-	6,628,788	24,716,796	3,672	34,090,817	5,608,974	17,229,922	-	9,958,715
	Purchase	-	-	75,000,000	-	976,678,426	-	443,700,000	-	125,000,000
	Redemption	-	-	-	2,588,490	876,000,000	-	92,500,000	-	-
	Year-end outstanding	-	45,899,146	181,378,148	12,696	852,130,788	40,237,380	369,793,382	54,810,000	175,982,791
DSP Merrill Lynch Capital Ltd.	Purchase	13,377,500,000	-	-	6,912,500,000	1,500,000,000	-	-	-	-
	Redemption	13,382,427,243	-	-	6,915,200,497	1,503,463,474	-	-	-	-
DSP Merrill Lynch Fund Managers Ltd.	Dividend Reinvest	4,565,460	-	-	212,438	4,549,155	-	9,770,794	-	-
	Purchase	347,553,733	-	-	-	530,000,000	-	568,587,427	-	-
	Redemption	352,171,610	-	-	25,225,747	421,243,136	-	580,144,171	-	-
	Year-end outstanding	207,522	-	-	-	180,553,867	-	-	-	-
DSP Merrill Lynch Limited	Dividend Reinvest	1,105,071	-	-	-	-	-	-	-	-
	Purchase	1,680,000,000	-	-	100,000,000	-	-	-	-	-
	Redemption	1,681,105,072	-	-	100,013,801	-	-	-	-	-

2006-2007		SCHEMES (amount in Rupees)							
Related Party	Transaction	BaF	EF	FRF	ITF	LF	LPLUS	OF	TEF
DSP Adiko Holdings Private Ltd.	Dividend Paid	-	5,681,818	-	-	-	-	6,009,615	-
	Dividend Reinvest	-	-	839	20,567,367	15,159,796	20,977,186	-	-
	Purchase	-	30,000,000	-	90,000,000	375,000,000	744,600,000	30,000,000	30,000,000
	Redemption	-	-	147,267	-	851,229,226	50,000,000	-	-
	Year-end outstanding	-	30,339,286	-	102,127,146	9,691,817	715,205,931	28,395,433	43,794,446
DSP HMK Holdings Private Limited	Dividend Paid	-	6,628,788	-	-	1,570	-	7,011,218	-
	Dividend Reinvest	-	-	839	17,768,437	14,458,017	20,978,668	-	-
	Purchase	-	35,000,000	-	80,000,000	375,000,000	745,800,000	35,000,000	30,000,000
	Redemption	-	-	147,266	-	847,578,443	50,000,000	-	-
	Year-end outstanding	-	35,395,833	-	88,229,074	2,596,349	716,407,413	33,128,005	43,794,446
DSP Merrill Lynch Capital Ltd.	Purchase	-	-	250,000,000	-	26,876,000,000	-	-	-
	Redemption	-	-	250,044,222	-	27,066,276,160	-	-	-
	Year-end outstanding	-	-	-	-	-	-	-	-
DSP Merrill Lynch Fund Managers Ltd.	Dividend Reinvest	-	-	-	-	2,932,147	7,150,646	-	-
	Purchase	-	-	-	-	289,000,000	590,198,782	-	-
	Redemption	-	-	-	-	266,927,498	530,500,000	-	-
	Year-end outstanding	-	-	-	-	25,004,921	66,985,445	-	-
HMK Investment Private Limited	Year-end outstanding	-	-	-	-	-	-	-	-

- Value of units purchase / redemption are at transacted NAV
- Year-end outstanding units value are at last declared NAV

Transactions Type Inter-scheme Transactions

2007-2008

Rupees

Scheme	Counter party	Purchase	Sell	Scheme	Counter party	Purchase	Sell
BaF	BF	50,019,200	-	LPLUS	FTP - 3M Series 1	489,114,500	1,008,740,200
	CP	-	100,000,000		FTP - 3M Series 2	1,056,222,460	146,507,250
	FRF	600,000,000	-		FTP - 3M Series 3	431,721,250	1,705,859,000
	FTP 3A	-	99,565,400		FTP - 3M Series 6	-	792,065,650
	LF	804,704,250	-		FTP 3A	898,105,500	-
	SBF	-	1,154,385,250		FTP- Series 1I	149,871,515	-
	SPF-A	-	87,661,931		FTP- Series 1J	1,048,964,700	-
	SPF-C	-	9,839,410		FTP- Series 1N	164,871,110	19,294,464
	STF	50,000,000	-		FTP- Series 1O	520,522,750	-
TSF	30,000,000	-	FTP- Series 1P		676,001,200	1,379,321,640	
FRF	BF	136,877,860	49,664,349		FTP- Series 3E	5,130,221,600	5,605,844,183
CP	FRF	110,000,000	-		FTP- Series 3F	-	45,874,600
	FTP - 13M Series 1	63,812,980	109,689,480		FTP- Series 3H	-	100,889,500
	FTP - 3M Series 1	1,257,285,635	-		ITF	1,110,001,421	915,651,000
	FTP - 3M Series 2	1,247,879,140	-		SBF	5,196,999,914	1,228,420,353
	FTP - 3M Series 3	-	580,308,950		SPF-M	68,777,088	-
	FTP- Series 1O	1,011,812,188	-		STF	120,687,240	-
	FTP- Series 3E	-	2,044,650,000		TEF	50,000,000	-
	ITF	1,064,269,800	1,063,290,800	TSF	144,373,547	-	
	LF	6,876,333,630	3,969,662,000	OF	FTP 3A	100,041,900	-
	LPLUS	8,374,023,780	2,867,729,090		ITF	-	101,573,800
	SBF	2,290,035,330	348,460,750		SBF	-	101,075,500
SPF-A	48,782,250	100,000,000	SM		50,000,000	-	
EF	FRF	101,676,000	-		TEF	-	51,241,050
	SBF	-	101,421,600		TSF	-	153,723,150
	SM	50,000,000	-		FRF	694,703,650	96,129,500
	SPF-A	-	48,283,182		FTP - 15M Series 1	-	158,845,020
FTP- Series 3E	LF	1,151,856,879	197,921,950		FTP - 15M Series 2	-	1,174,652,760
	LPLUS	5,605,844,183	5,130,221,600		FTP - 3M Series 1	-	240,323,750
	SBF	57,256,960	388,750,830		FTP - 3M Series 6	-	20,027,760
ITF	SPF-A	-	50,000,000	FTP - 18 M Series 1	-	911,976,660	
	SPF-M	-	50,000,000	FTP- Series 1O	-	88,332,654	
LF	FRF	100,000,000	82,709,600	FTP- Series 3D	-	302,132,720	
	FTP - 3M Series 2	-	872,667,000	FTP- Series 3E	388,750,830	57,256,960	
	FTP - 3M Series 3	-	97,627,300	FTP- Series 3F	-	201,435,400	
	FTP- Series 1M	249,820,250	-	ITF	101,421,600	-	
	FTP- Series 1N	299,890,500	1,565,461,857	SM	253,976,000	-	
	FTP- Series 1O	54,366,490	-	SPF-A	258,323,620	525,865,450	
	FTP- Series 1P	312,546,300	-	SPF-M	646,361,550	424,666,800	
	FTP- Series 3D	-	485,092,040	STF	130,580,470	210,190,430	
	FTP- Series 3E	197,921,950	1,151,856,879	TEF	100,248,700	-	
	FTP- Series 3F	-	229,373,000	TSF	102,388,800	-	
	FTP- Series 3H	-	516,365,360	SM	EF	-	50,000,000
	LPLUS	5,146,921,250	7,051,848,351		ITF	-	250,000,000
	SBF	763,983,526	2,628,160,425		OF	-	50,000,000
	SPF-A	-	564,052,300		SBF	-	253,976,000
	SPF-C	-	10,940,850		SPF-A	-	40,000,000
SPF-M	-	593,231,000	SPF-M		-	246,625,900	
STF	120,368,520	-	TEF		-	110,000,000	
LPLUS	BF	49,741,806	-	TSF	-	50,000,000	
	FRF	149,483,611	-	SPF-A	-	290,000,000	
	FTP - 12.5M Series 1	-	909,793,000	SPF-M	-	148,210,150	
	FTP - 13M Series 1	-	72,667,040	STF	-	50,000,000	
	FTP - 15M Series 1	-	202,788,795	TEF	TSF	51,238,100	
	FTP - 15M Series 2	-	262,005,275				

2006 – 2007

Rupees

Purchaser	Seller	Amount	Purchaser	Seller	Amount	Seller	Purchaser	Amount	
BaF	FRF	754,542,650	LF	BaF	585,564,350	BaF	SM	400,000,000	
	FTP Series 1E	689,450,692		BF	34,098,435		SPF-M	200,045,600	
	LF	1,081,520,772		FRF	2,415,656,992		STF	50,022,000	
	LPLUS	96,722,500		FTP Series 1C	49,917,400	FRF	BF	100,264,000	
	SM	103,137,500		FTP Series 3	48,622,150		FTP Series 1G	18,283,014	
	TSF	47,574,534		FTP Series 3A	14,613,615		FTP Series 1I	29,227,230	
EF	FTP Series 1G	240,890,000		LPLUS	16,486,961,325		FTP Series 3E	79,737,280	
	FTP Series 3A	699,733,405		OF	50,000,000		SM	1,100,251,050	
	LF	496,898,045		SM	1,285,243,440		SPF-A	242,846,670	
	LPLUS	454,269,376		SPF-A	97,424,100		SPF-M	850,225,450	
FRF	BaF	102,998,200		SPF-C	38,969,640		LF	FTP Series 1D	19,466,760
	FTP Series 1E	29,407,410		SPF-M	1,285,129,700			FTP Series 1F	1,480,938,875
ITF	FTP Series 1F	500,047,500	STF	372,870,480	FTP Series 1G	699,382,120			
	FTP Series 1G	240,890,000	BaF	343,653,100	FTP Series 1I	1,383,861,000			
	FTP Series 3A	998,780,928	EF	211,927,000	FTP Series 3	29,200,140			
	LF	249,686,000	FRF	1,027,974,950	FTP Series 3A	2,382,638,418			
	LPLUS	684,110,915	FTP Series 1D	1,218,849,476	FTP Series 3C	72,510,848			
	SM	500,000,000	LF	11,900,529,903	SM	2,342,165,402			
	SPF-M	99,918,720	OF	429,898,400	SPF-A	98,498,466			
	TEF	49,959,360	SM	499,229,620	SPF-M	2,325,424,083			
OF	FRF	1,012,338,100	SPF-M	583,204,925	LPLUS	STF	491,016,364		
	FTP Series 1G	240,890,000	STF	193,815,843		BF	234,310,775		
	FTP Series 3A	299,885,745	FTP Series 1G	144,534,000		FTP Series 1E	534,716,063		
	LPLUS	578,637,509	FTP Series 3A	399,512,371		FTP Series 1G	943,316,000		
	SM	249,299,250	LPLUS	195,580,891		FTP Series 1J	242,708,168		
	SPF-M	150,000,000				SM	3,657,594,028		
				SPF-A		198,068,807			
				SPF-M		343,810,709			
				STF		792,389,045			
				TSF		188,900,760			
				OF	STF	49,451,500			

14. Summary of NAV per unit, Income and Expense ratio

Scheme	Option	Net Asset Value (NAV) per unit										Expense Ratio		Income Ratio	
		31-Mar-08					31-Mar-07					2007-2008	2006-2007	2007-2008	2006-2007
		G	DD	WD	MD	QD/D	G	DD	WD	MD	QD/D				
BF		26.2481	-	-	10.4001	10.5973	*25.0123	-	-	*10.4011	*10.6280	2.13%	2.06%	7.00%	6.29%
EF		11.09	-	-	-	42.42	-	-	-	-	*37.378	2.04%	2.16%	24.83%	38.88%
LF	Regular	19.5614	10.01	12.4112	-	-	*18.3118	*10.0100	*12.4028	-	-	0.55%	0.54%		
	Institutional	1,171.54	1,000.20	1,001.13	-	-	*1093.8447	*1000.2000	*1000.4343	-	-	0.28%	0.38%	6.95%	7.00%
BaF		46.598	-	-	-	21.128	*37.154	-	-	-	*21.555	2.01%	1.99%	25.43%	33.92%
GSFA		24.7961	-	-	10.0077	11.3481	*23.0507	-	-	*10.1141	*11.4384	1.24%	1.20%	5.69%	4.14%
GSFB		17.9451	-	-	10.0067	11.0046	*16.9107	-	-	*10.1046	*10.9560	0.70%	0.50%	5.89%	6.20%
TF		25.952	-	-	-	18.947	*25.138	-	-	-	*25.138	2.39%	2.30%	4.21%	75.12%

Scheme	Option	Net Asset Value (NAV) per unit										Expense Ratio		Income Ratio	
		31-Mar-08					31-Mar-07					2007-2008	2006-2007	2007-2008	2006-2007
		G	DD	WD	MD	QD/D	G	DD	WD	MD	QD/D				
OF	Regular	63.359	-	-	-	24.695	*52.167	-	-	-	*23.624	1.94%	1.97%	40.44%	42.00%
	Institutional	7.618	-	-	-	7.618						1.36%			
STF		13.937	-	10.1916	10.5289	10.6061	*12.8124	-	*10.0911	*10.3257	*10.4115	0.95%	0.68%	9.11%	5.89%
TEF	Regular	70.825	-	-	-	22.512	*55.211	-	-	-	*21.988	2.22%	2.28%	16.16%	31.43%
	Institutional	9.560	-	-	-	9.560						1.43%			
SPF - M		16.1291	-	-	10.7738	11.1825	*15.1540	-	-	*10.8198	*11.1836	2.17%	2.01%	9.34%	13.78%
FRF	Regular	12.9586	10.0312	10.0437	-	10.3304	*12.3107	*10.0312	*10.0368	-	*10.2526	0.76%	0.76%	5.64%	7.06%
	Institutional	1155.0725	-	-	-	-	*1093.6560	*1001.0600	-	-	-	0.38%	0.38%		
SPF - A		14.7709	-	-	10.2133	10.7373	*13.8184	-	-	*10.4105	*10.8495	2.18%	2.14%	4.78%	13.94%
SPF - C		12.607	-	-	10.2772	10.4484	*12.0930	-	-	*10.2407	*10.3884	2.02%	1.44%	6.37%	8.77%
ITF	Regular	41.308	-	-	-	19.068	*31.540	-	-	-	*17.848	1.85%	2.01%	9.00%	34.27%
	Institutional	11.646	-	-	-	8.317						1.10%			
LPLUS	Regular	1124.3693	1000.6000	1001.5567	-	-	*1047.6256	*1000.4113	*1000.4117	-	-	0.78%	0.74%	7.80%	5.13%
	Institutional	1131.2422	1000.6000	1001.5989	-	-	*1049.8615	*1000.4223	*1000.4223	-	-	0.37%	0.41%		
SM	Regular	10.9620	-	-	-	10.9620	*9.935	-	-	-	*9.935	1.87%	1.81%	16.78%	0.17%
	Institutional	-	-	-	-	-	*9.963	-	-	-	*9.963	1.25%	1.17%		
TSF		12.626	-	-	-	9.401	*9.596	-	-	-	*9.596	2.34%	2.08%	-0.54%	-3.61%
SBF	Regular	1063.2958	-	1003.763	1008.1251	1011.6844						1.13%		7.14%	
	Institutional	1067.2526	-	1003.8129	1008.8226	-						0.72%			
WGF		14.1601	-	-	-	14.1601						0.73%		18.53%	
CP	Regular	1037.4924	-	1001.1833	-	-						0.33%		3.88%	
	Institutional	1037.7266	1000.1000	1001.1885	-	-						0.29%			
MCF		*10.340	-	-	-	-						2.08%		5.84%	

* refers to computed NAV

15. Large Holding in the schemes (i.e. in excess of 25% of the net assets)

Scheme	No. of Investors	Percentage of holding
DSPML Liquidity Fund	1 (One)	37.97%
DSPML Government Securities Fund – Plan B	1 (One)	25.23%

16. Industry wise Classification of Investments

Total value of investments falling under each major industry group and within each major classification the percentage thereof in relation to the total investment within the classification as on March 31, 2008.

DSP Merrill Lynch Bond Fund (BF)		
Industry	Market Value in Rupees	Percentage
GOVERNMENT SECURITIES (52.07%)	200,600,000	100.00%
Total	200,600,000	100.00%
BONDS AND DEBENTURES (35.33%)		

DSP Merrill Lynch Bond Fund (BF)		
Industry	Market Value in Rupees	Percentage
Listed and Awaiting Listing**		
Banks	20,006,460	16.02%
Finance	104,892,100	83.98%
Total	124,898,560	100.00%
Private placement / Unlisted **		
Finance	11,223,023	100.00%
Total	11,223,023	100.00%
TOTAL VALUE OF INVESTMENT	336,721,583	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Rs. 136,121,583/-

DSP Merrill Lynch Equity Fund (EF)

Industry	Market Value in Rupees	Percentage
EQUITY SHARES (82.66 %)		
Listed and Awaiting Listing		
Auto	291,750,176	3.19%
Banks	571,380,879	6.25%
Cement	313,392,295	3.43%
Chemicals	306,011,192	3.35%
Construction	205,209,300	2.24%
Consumer Non Durables	841,167,786	9.20%
Ferrous Metals	231,065,355	2.53%
Fertilisers	379,689,137	4.15%
Finance	380,850,659	4.16%
Gas	160,658,854	1.76%
Hotels	295,514,713	3.23%
Industrial Capital Goods	968,460,944	10.59%
Industrial Products	101,429,375	1.11%
Media & Entertainment	446,956,870	4.89%
Minerals / Mining	26,633,775	0.29%
Non - Ferrous Metals	179,400,389	1.96%
Oil	522,403,356	5.71%
Paper	107,966,137	1.18%
Pesticides	104,624,932	1.14%
Petroleum Products	748,885,337	8.19%
Pharmaceuticals	482,844,345	5.28%
Power	369,996,202	4.04%
Software	785,276,556	8.58%
Telecom - Services	240,150,346	2.63%
Textile Products	85,886,029	0.94%
Total	9,147,604,939	100.00%
Unlisted **		
Software	1,433,823	100.00%
Media & Entertainment	3	0.00%
Total	1,433,826	100.00%
PREFERENCE SHARES (0.11 %)		
Listed and Awaiting Listing		
Ferrous Metals	11,998,506	100.00%
Total	11,998,506	100.00%
TOTAL VALUE OF INVESTMENT	9,161,037,271	

** Non-traded / thinly traded investments
Aggregate fair value of non-traded investments as at March 31, 2008 is
Rs. 1,433,826/-

DSP Merrill Lynch Liquidity Fund (LF)

Industry	Market Value in Rupees	Percentage
BONDS AND DEBENTURES (15.62%)		
Listed and Awaiting Listing**		
Banks	400,475,200	76.93%
Finance	120,118,960	23.07%
Total	520,594,160	100.00%

DSP Merrill Lynch Liquidity Fund (LF)

Industry	Market Value in Rupees	Percentage
Privately Placement / Unlisted**		
Cement	29,508,000	3.60%
Construction	183,311,135	22.37%
Finance	606,596,114	74.03%
Total	819,415,249	100.00%
COMMERCIAL PAPER (12.30%)**		
Construction	489,687,250	46.41%
Finance	565,549,255	53.59%
Total	1,055,236,505	100.00%
CERTIFICATE OF DEPOSITS (55.03%)**		
Banks	4,721,008,810	100.00%
Total	4,721,008,810	100.00%
TOTAL VALUE OF INVESTMENT	7,116,254,724	

** Non-traded / thinly traded investments
Aggregate fair value of non-traded investments as at March 31, 2008 is
Rs. 7,116,254,724/-

DSP Merrill Lynch Balanced Fund (BaF)

Industry	Market Value in Rupees	Percentage
EQUITY SHARES (63.30 %)		
Listed and Awaiting Listing		
Auto	93,073,830	3.04%
Banks	181,422,934	5.92%
Cement	104,433,659	3.41%
Chemicals	104,143,069	3.40%
Construction	65,828,305	2.15%
Consumer Non Durables	294,169,618	9.60%
Ferrous Metals	81,087,241	2.65%
Fertilisers	122,592,997	4.00%
Finance	139,220,908	4.54%
Gas	48,122,224	1.57%
Hotels	94,923,250	3.10%
Industrial Capital Goods	332,537,682	10.85%
Industrial Products	32,278,933	1.05%
Media & Entertainment	148,785,848	4.85%
Minerals / Mining	8,697,990	0.28%
Non - Ferrous Metals	79,027,032	2.58%
Oil	166,591,003	5.43%
Paper	34,420,348	1.12%
Pesticides	33,972,191	1.11%
Petroleum Products	246,164,585	8.03%
Pharmaceuticals	161,402,003	5.27%
Power	128,416,164	4.19%
Software	256,296,224	8.36%
Telecom - Services	79,812,197	2.60%

DSP Merrill Lynch Balanced Fund (BaF)		
Industry	Market Value in Rupees	Percentage
Textile Products	27,884,692	0.91%
Total	3,065,304,927	100.00%
Unlisted**		
Software	614,496	100.00%
Total	614,496	100.00%
PREFERENCE SHARES (0.08 %)		
Listed and Awaiting Listing		
Ferrous Metals	3,774,394	100.00%
Total	3,774,394	100.00%
BONDS AND DEBENTURES (28.56 %)		
Listed and Awaiting Listing**		
Banks	600,000,000	43.37%
Finance	783,384,000	56.63%
Total	1,383,384,000	100.00%
TOTAL VALUE OF INVESTMENT	4,453,077,817	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Rs. 1,383,998,496/-

DSP Merrill Lynch Government Securities Fund- Longer Duration Plan A (GSFA)		
Industry	Market Value in Rupees	Percentage
GOVERNMENT SECURITIES (61.81%)	250,750,000	100.00%
Total	250,750,000	100.00%
TOTAL VALUE OF INVESTMENT	250,750,000	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Nil

DSP Merrill Lynch Technology.com Fund (TF)		
Industry	Market Value in Rupees	Percentage
EQUITY SHARES (86.38 %)		
Listed and Awaiting Listing		
Hardware	44,775,514	4.55%
ISP **	952,000	0.10%
Media & Entertainment	274,543,120	27.89%
Software	559,012,767	56.80%
Telecom - Equipment & Accessories	22,199,325	2.26%
Telecom - Services	82,776,309	8.41%
Total	984,259,035	100.00%
TOTAL VALUE OF INVESTMENT	984,259,035	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Rs. 9,52,000/-

DSP Merrill Lynch Opportunities Fund (OF)		
Industry	Market Value in Rupees	Percentage
EQUITY SHARES (93.07 %)		
Listed and Awaiting Listing		
Auto	224,043,994	1.92%
Auto Ancillaries	32,537,173	0.28%
Banks	1,319,910,533	11.33%
Cement	391,852,354	3.36%
Construction	693,418,312	5.95%
Consumer Durables	186,655,991	1.60%
Consumer Non Durables	813,114,744	6.98%
Ferrous Metals	636,669,384	5.47%
Fertilisers	36,165,481	0.31%
Finance	439,846,364	3.78%
Gas	138,696,700	1.19%
Hotels	66,833,099	0.57%
Industrial Capital Goods	1,306,665,924	11.22%
Industrial Products	73,095,885	0.63%
Media & Entertainment	832,469,195	7.15%
Non - Ferrous Metals	255,886,074	2.20%
Oil	405,156,531	3.48%
Pesticides	104,573,208	0.90%
Petroleum Products	1,053,883,030	9.05%
Pharmaceuticals	223,987,793	1.92%
Power	337,696,345	2.90%
Retailing	96,017,067	0.82%
Software	720,360,442	6.19%
Telecom - Equipment & Accessories	77,901,892	0.67%
Telecom - Services	549,675,159	4.72%
Textile Products	275,058,304	2.36%
Trading	138,911,000	1.19%
Transportation	177,183,522	1.52%
Travel And Transportation	36,858,273	0.32%
Total	11,645,123,773	100.00%
PREFERENCE SHARES (0.01%)		
Listed and Awaiting Listing		
Ferrous Metals	846,680	100.00%
Total	846,680	100.00%
TOTAL VALUE OF INVESTMENT	11,645,970,453	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Nil

DSP Merrill Lynch Short Term Fund (STF)		
Industry	Market Value in Rupees	Percentage
BONDS AND DEBENTURES (89.93%)		
Listed and Awaiting Listing**		
Finance	140,833,755	100.00%
Total	140,833,755	100.00%
Privately Placement / Unlisted **		
Banks	141,785,856	66.18%
Construction	72,455,452	33.82%
Total	214,241,308	100.00%
TOTAL VALUE OF INVESTMENT	355,075,063	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Rs. 355,075,063/-

DSP Merrill Lynch Top100 Equity Fund (TEF)

Industry	Market Value in Rupees	Percentage
EQUITY SHARES (69.74 %)		
Listed and Awaiting Listing		
Auto	246,607,618	4.41%
Banks	668,648,550	11.96%
Cement	206,023,320	3.68%
Consumer Non-Durables	646,391,257	11.56%
Ferrous Metals	102,542,997	1.83%
Finance	208,162,264	3.72%
Gas	117,220,835	2.10%
Industrial Capital Goods	835,420,484	14.94%
Media & Entertainment	243,118,720	4.35%
Non - Ferrous Metals	157,881,717	2.82%
Oil	401,381,325	7.18%
Petroleum Products	587,114,392	10.50%
Pharmaceuticals	242,357,281	4.33%
Power	163,793,779	2.93%
Software	498,336,933	8.91%
Telecom - Services	267,926,358	4.79%
Total	5,592,927,830	100.00%
Preference Shares (0.14 %)		
Listed or awaiting listing		
Ferrous Metals	10,906,912	100.00%
Total	10,906,912	100.00%
BONDS AND DEBENTURES (0.12 %)		
Listed and Awaiting Listing**		
Finance	10,000,000	100.00%
Total	10,000,000	100.00%
TOTAL VALUE OF INVESTMENT	5,613,834,742	

** Non-traded / thinly traded investments
Aggregate fair value of non-traded investments as at March 31, 2008 is
Rs. 10,000,000/-

DSP Merrill Lynch Savings Plus Fund - Moderate (SPF - M)

Industry	Market Value in Rupees	Percentage
EQUITY SHARES (10.25%)		
Listed and Awaiting Listing		
Auto	15,050,897	13.63%
Banks	12,239,189	11.09%
Cement	6,900,831	6.25%
Consumer Non-Durables	27,002,066	24.46%
Finance	1,986,556	1.80%
Gas	3,699,713	3.35%
Industrial Capital Goods	24,111,383	21.84%
Non - Ferrous Metals	2,203,590	2.00%
Pharmaceuticals	6,659,840	6.03%
Telecom - Services	10,557,942	9.56%
Total	110,412,007	100.00%
BONDS AND DEBENTURES (40.51%)		
Listed and Awaiting Listing**		
Finance	436,552,300	100.00%
Total	436,552,300	100.00%

DSP Merrill Lynch Savings Plus Fund - Moderate (SPF - M)

Industry	Market Value in Rupees	Percentage
CERTIFICATE OF DEPOSITS (42.75%)**		
Banks	460,731,720	100.00%
Total	460,731,720	100.00%
TOTAL VALUE OF INVESTMENT	1,007,696,027	

** Non-traded / thinly traded investments
Aggregate fair value of non-traded investments as at March 31, 2008 is
Rs. 897,284,020/-

DSP Merrill Lynch Floating Rate Fund (FRF)

Industry	Market Value in Rupees	Percentage
BONDS AND DEBENTURES (77.36%)		
Listed and Awaiting Listing**		
Banks	198,036,200	22.20%
Finance	693,946,000	77.80%
Total	891,982,200	100.00%
Privately Placement / Unlisted**		
Construction	72,455,451	100.00%
Total	72,455,451	100.00%
CERTIFICATE OF DEPOSITS (19.42%)**		
Banks	242,123,581	100.00%
Total	242,123,581	100.00%
TOTAL VALUE OF INVESTMENT	1,206,561,232	

** Non-traded / thinly traded investments
Aggregate fair value of non-traded investments as at March 31, 2008 is
Rs. 1,206,561,232/-

DSP Merrill Lynch Savings Plus Fund - Aggressive (SPF - A)

Industry	Market Value in Rupees	Percentage
EQUITY SHARES (15.31%)		
Listed and Awaiting Listing		
Auto	27,227,748	13.43%
Banks	22,691,407	11.20%
Cement	12,768,148	6.30%
Consumer Non-Durables	49,210,356	24.28%
Finance	3,676,246	1.81%
Gas	6,644,678	3.28%
Industrial Capital Goods	44,763,146	22.09%
Non - Ferrous Metals	4,077,970	2.01%
Pharmaceuticals	12,325,198	6.08%
Telecom - Services	19,283,843	9.51%
Total	202,668,740	100.00%
BONDS AND DEBENTURES (47.28%)		
Listed and Awaiting Listing**		
Banks	240,016,150	45.62%
Finance	286,091,200	54.38%
Total	526,107,350	100.00%
Privately Placement / Unlisted**		
Finance	100,000,000	100.00%
Total	100,000,000	100.00%
CERTIFICATE OF DEPOSITS (19.95%)**		

DSP Merrill Lynch Savings Plus Fund - Aggressive (SPF - A)

Industry	Market Value in Rupees	Percentage
Banks	264,179,330	100.00%
Total	264,179,330	100.00%
TOTAL VALUE OF INVESTMENT	1,092,955,420	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Rs. 890,286,680/-

DSP Merrill Lynch Saving Plus Fund - Conservative (SPF - C)

Industry	Market Value in Rupees	Percentage
EQUITY SHARES (6.14%)		
Listed and Awaiting Listing		
Auto	702,190	13.38%
Banks	591,467	11.27%
Cement	294,109	5.60%
Consumer Non-Durables	1,392,391	26.53%
Finance	222,725	4.24%
Gas	254,419	4.85%
Industrial Capital Goods	1,018,123	19.40%
Non - Ferrous Metals	88,494	1.69%
Pharmaceuticals	267,836	5.10%
Telecom - Services	416,976	7.94%
Total	5,248,730	100.00%
BONDS AND DEBENTURES (35.78%)		
Listed and Awaiting Listing**		
Banks	19,905,040	65.09%
Finance	10,676,800	34.91%
Total	30,581,840	100.00%
TOTAL VALUE OF INVESTMENT	35,830,570	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Rs. 30,581,840/-

DSP Merrill Lynch India T.I.G.E.R. Fund (THE INFRASTRUCTURE GROWTH AND ECONOMIC REFORMS FUND) (ITF)

Industry	Market Value in Rupees	Percentage
EQUITY SHARES (86.67 %)		
Listed and Awaiting Listing		
Banks	2,811,699,424	8.47%
Cement	812,753,339	2.45%
Construction	3,975,652,300	11.97%
Consumer Durables	127,517,506	0.38%
Ferrous Metals	2,629,905,004	7.92%
Finance	2,922,149,764	8.80%
Gas	633,707,775	1.91%
Industrial Capital Goods	6,021,194,268	18.13%
Industrial Products	48,807,510	0.15%

DSP Merrill Lynch India T.I.G.E.R. Fund (THE INFRASTRUCTURE GROWTH AND ECONOMIC REFORMS FUND) (ITF)

Industry	Market Value in Rupees	Percentage
Media & Entertainment	554,644,436	1.67%
Non - Ferrous Metals	727,880,155	2.19%
Oil	1,878,704,693	5.66%
Petroleum Products	3,808,807,780	11.47%
Pharmaceuticals	438,087,880	1.32%
Power	2,780,673,629	8.37%
Retailing	192,589,958	0.58%
Telecom - Services	1,234,467,432	3.72%
Transportation	1,035,118,664	3.12%
Travel And Transportation	568,127,044	1.71%
Total	33,202,488,561	100.00%
PREFERENCE SHARES (0.10 %)		
Listed and Awaiting Listing		
Ferrous Metals	37,638,385	100.00%
Total	37,638,385	100.00%
BONDS AND DEBENTURES (0.01 %)		
Listed and Awaiting Listing		
Pharmaceuticals	4,529,573	100.00%
Total	4,529,573	100.00%
TOTAL VALUE OF INVESTMENT	33,244,656,519	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Nil

DSP Merrill Lynch Liquid Plus Fund (LPLUS)

Industry	Market Value in Rupees	Percentage
BONDS AND DEBENTURES (47.99%)		
Listed and Awaiting Listing**		
Banks	2,476,873,190	43.80%
Finance	3,178,244,910	56.20%
Total	5,655,118,100	100.00%
Privately Placement / Unlisted **		
Banks	59,198,700	0.93%
Cement	361,799,406	5.68%
Construction	1,675,567,098	26.30%
Finance	4,275,120,411	67.10%
Total	6,371,685,615	100.00%
BILLS REDISCOUNTING ** (12.91%)		
Total	3,235,824,670	100.00%
COMMERCIAL PAPER ** (6.92%)		
Construction	235,604,125	13.59%
Diversified	432,847,908	24.97%
Finance	1,065,137,969	61.44%
Total	1,733,590,002	100.00%
CERTIFICATE OF DEPOSIT ** (26.35%)		
Banks	6,603,859,263	100.00%
Total	6,603,859,263	100.00%
TOTAL VALUE OF INVESTMENT	23,600,077,650	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Rs. 23,600,077,650/-

DSP Merrill Lynch Small & Midcap Fund (SM)		
Industry	Market Value in Rupees	Percentage
EQUITY SHARES (87.54 %)		
Listed and Awaiting Listing		
Auto Ancillaries	588,228,202	7.10%
Banks	428,460,691	5.17%
Cement	389,270,007	4.70%
Chemicals	44,814,216	0.54%
Construction	361,525,780	4.36%
Consumer Durables	64,551,753	0.78%
Consumer Non-Durables	1,154,234,278	13.94%
Ferrous Metals	226,417,303	2.73%
Fertilisers	219,306,385	2.65%
Finance	612,278,825	7.39%
Gas	278,918,591	3.37%
Hotels	210,892,510	2.55%
Industrial Capital Goods	721,360,091	8.71%
Industrial Products	458,281,230	5.53%
Media & Entertainment	663,765,863	8.01%
Oil	280,953,157	3.39%
Petroleum Products	255,940,942	3.09%
Pharmaceuticals	507,753,119	6.13%
Power	130,490,381	1.58%
Software	491,638,817	5.94%
Telecom - Equipment & Accessories	3,176,530	0.04%
Telecom - Services	99,668,359	1.20%
Trading	90,935,000	1.10%
Total	8,282,862,030	100.00%
BONDS AND DEBENTURES (1.59 %)		
Listed and Awaiting Listing**		
Finance	150,000,000	100.00%
Total	150,000,000	100.00%
TOTAL VALUE OF INVESTMENT	8,432,862,030	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Rs. 150,000,000/-

DSP Merrill Lynch Tax Saver Fund (TSF)		
Industry	Market Value in Rupees	Percentage
EQUITY SHARES (78.17 %)		
Listed and Awaiting Listing		
Auto Ancillaries	32,347,943	0.94%
Banks	146,523,854	4.25%
Chemicals	42,684,938	1.24%
Construction	139,181,765	4.03%
Consumer Durables	95,033,378	2.75%
Consumer Non-Durables	166,044,479	4.81%
Engineering	9,630,500	0.28%
Ferrous Metals	171,389,647	4.97%
Fertilisers	50,372,753	1.46%
Finance	353,481,081	10.24%
Gas	79,436,144	2.30%
Hardware	114,768,484	3.33%
Hotels	28,343,987	0.82%

DSP Merrill Lynch Tax Saver Fund (TSF)		
Industry	Market Value in Rupees	Percentage
Industrial Capital Goods	145,508,122	4.22%
Industrial Products	25,061,093	0.73%
Media & Entertainment	237,570,747	6.88%
Minerals / Mining	43,057,700	1.25%
Non - Ferrous Metals	51,989,490	1.51%
Oil	291,444,523	8.45%
Pesticides	18,612,650	0.54%
Petroleum Products	366,984,300	10.64%
Pharmaceuticals	223,698,710	6.48%
Power	97,844,963	2.84%
Retailing	40,813,775	1.18%
Software	229,670,531	6.66%
Telecom - Equipment & Accessories	41,010,800	1.19%
Telecom - Services	81,285,398	2.36%
Textile Products	34,170,305	0.99%
Trading	19,730,130	0.57%
Transportation	61,783,009	1.79%
Travel And Transportation	11,164,088	0.32%
Total	3,450,639,287	100.00%
TOTAL VALUE OF INVESTMENT	3,450,639,287	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Nil

DSP Merrill Lynch Strategic Bond Fund (SBF)		
Industry	Market Value in Rupees	Percentage
GOVERNMENT SECURITIES (0.87 %)		
	39,184,200	100.00%
Total	39,184,200	100.00%
BONDS AND DEBENTURES (94.48 %)		
Listed and Awaiting Listing**		
Banks	1,070,580,610	25.23%
Finance	3,172,845,410	74.77%
Total	4,243,426,020	100.00%
TOTAL VALUE OF INVESTMENT	4,282,610,220	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Rs. 4,243,426,020/-

DSP Merrill Lynch World Gold Fund (WGF)		
Industry	Market Value in Rupees	Percentage
Foreign Securities (97.42 %)** #		
	15,623,416,199	100.00%
Total	15,623,416,199	100.00%
Units of Mutual Fund (1.70 %)**		
	272,619,692	100.00%
Total	272,619,692	100.00%
TOTAL VALUE OF INVESTMENT	15,896,035,891	

Fund domiciled in Luxembourg

Aggregate fair value of non-traded investments as at March 31, 2008 is Rs. 15,896,035,891/-

DSP Merrill Lynch Cash Plus Fund (CP)		
Industry	Market Value in Rupees	Percentage
BONDS AND DEBENTURES (45.93%)		
Listed and Awaiting Listing**		
Banks	210,000,000	11.29%
Finance	1,650,000,000	88.71%
Total	1,860,000,000	100.00%
Privately Placement / Unlisted**		
Diversified	300,000,000	50.01%
Finance	299,907,900	49.99%
Total	599,907,900	100.00%
CERTIFICATE OF DEPOSITS (39.20%)**		
Banks	2,099,423,598	100.00%
Total	2,099,423,598	100.00%
TOTAL VALUE OF INVESTMENT	4,559,331,498	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is

Rs. 4,559,331,498/-

DSP Merrill Lynch Micro Cap Fund (MCF)		
Industry	Market Value in Rupees	Percentage
EQUITY SHARES (86.67 %)		
Listed and Awaiting Listing		
Auto Ancillaries	218,583,282	7.92%
Banks	85,254,527	3.09%
Cement	154,561,249	5.60%
Chemicals	146,668,102	5.31%

For S. R. Batliboi & Co.
Chartered Accountants

per Hemal Shah
Partner
Membership No. 42650

For DSP Merrill Lynch Trustee Company Private Limited

Tarjani Wakil
Director

S. S. Thakur
Director

For DSP Merrill Lynch Fund Managers Limited

Hemendra Kothari
Chairman

K. R. V. Subrahmanian
Director

Naganath Sundaresan
President & Chief Investment Officer

Anup Maheshwari
Fund Manager

Dhawal Dalal
Fund Manager

Apoorva Shah
Fund Manager

Aniruddha Naha
Fund Manager

Aditya Merchant
Fund Manager

Aseem Gupta
Fund Manager

Mumbai, July 22, 2008

Mumbai, July 22, 2008

Mumbai, July 21, 2008

DSP Merrill Lynch Micro Cap Fund (MCF)		
Industry	Market Value in Rupees	Percentage
Construction	93,483,781	3.39%
Consumer Durables	120,229,968	4.35%
Consumer Non-Durables	357,992,517	12.97%
Ferrous Metals	147,381,520	5.34%
Finance	117,449,842	4.25%
Gas	31,485,681	1.14%
Hotels	21,475,093	0.78%
Industrial Capital Goods	505,363,185	18.30%
Industrial Products	125,242,173	4.54%
Media & Entertainment	51,790,620	1.88%
Pharmaceuticals	104,614,136	3.79%
Power	123,620,333	4.48%
Software	260,841,772	9.45%
Telecom - Equipment & Accessories	46,332,773	1.68%
Transportation	48,555,879	1.76%
Total	2,760,926,433	100.00%
TOTAL VALUE OF INVESTMENT	2,760,926,433	

** Non-traded / thinly traded investments

Aggregate fair value of non-traded investments as at March 31, 2008 is Nil

17. Prior Year Comparatives

Prior Year/period figures have been reclassified, wherever necessary, to confirm to current years presentation. For SBF, MCF, WGF & CP as these are the first Financial Statements since the date of its launch, there are no comparatives for the prior period.

18. Full Annual Report shall be available for inspection at the Head Office of the mutual fund and on written request, present and prospective unit holder/investor can obtain copy of the trust deed, the annual report of the Fund / AMC at a price.

PERSPECTIVE HISTORICAL PER UNIT STATISTICS

		BF			EF		
		As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06	As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06
a. Net assets value, at the end of the period	G	26.2481	*25.0123	23.7890	11.094	-	-
	DD	-	-	-	-	-	-
	WD	-	-	-	-	-	-
	MD	10.4001	*10.4011	10.3401	-	-	-
	QD/D	10.5973	*10.6280	11.0305	42.416	*37.378	38.94
* Refers to computed NAV							
b. Gross Income							
(i) Income other than profit on sale of investments		1.5603	1.4133	1.6590	0.311	0.547	0.27
(ii) Income from profit / (loss) on inter scheme sales/transfer of investment		(0.1073)	(0.0164)	(0.0766)	(0.001)	-	-
(iii) Income from profit / (loss) on sale of investment to third party		0.2450	(0.0959)	(0.1722)	8.190	10.757	4.73
(iv) Transfer to revenue account from past years' reserve		-	0.1633	0.1045	-	0.001	-
c. Aggregate of expenses, write-off, amortisation and charges (excluding change in unrealised depreciation in investments)		0.4702	0.4290	0.5149	0.539	0.717	0.47
d. Net Income (excluding change in unrealised depreciation in investments)		1.2278	1.0353	0.9998	7.961	10.588	4.53
e. Unrealised appreciation / (depreciation) in value of investments		(0.1549)	0.0085	(0.1339)	(1.927)	1.618	11.26
f. Redemption Price:							
Highest Price							
G		26.4667	24.8867	23.6894	15.668	-	-
DD		-	-	-	-	-	-
WD		-	-	-	-	-	-
MD		10.6503	10.4457	10.3280	-	-	-
QD / D		10.8569	11.1719	11.0360	68.436	48.055	38.94
Lowest Price							
G		24.8974	23.6687	22.8177	9.750	-	-
DD		-	-	-	-	-	-
WD		-	-	-	-	-	-
MD		10.3445	10.2814	10.1817	-	-	-
QD / D		10.5443	10.5311	10.8226	35.942	28.780	26.19
Purchase Price							
Highest Price							
G		26.5997	25.0369	23.8324	16.182	-	-
DD		-	-	-	-	-	-
WD		-	-	-	-	-	-
MD		10.7038	10.5088	10.3903	-	-	-
QD / D		10.9115	11.2393	11.1026	70.682	49.136	39.82
Lowest Price							
G		25.0225	23.8116	22.9554	10.019	-	-
DD		-	-	-	-	-	-
WD		-	-	-	-	-	-
MD		10.3965	10.3435	10.2432	-	-	-
QD / D		10.5973	10.5947	10.8879	36.935	29.430	26.78
g. Ratio of expenses to average daily net assets by percentage		2.13%	2.06%	2.06%	2.04%	2.16%	2.31%
h. Ratio of gross income to average daily net assets by percentage (excluding transfer to revenue account from past years' reserve but including unrealised appreciation / depreciation on investments).		7.00%	6.29%	5.10%	24.83%	38.88%	80.15%

PERSPECTIVE HISTORICAL PER UNIT STATISTICS

LF						BaF			GSFA		
As at 31-Mar-08		As at 31-Mar-07		As at 31-Mar-06		As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06	As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06
Regular	Institutional	Regular	Institutional	Regular	Institutional						
19.5614	1,171.5425	*18.3118	*1093.8447	17.1446	1,022.0172	46.598	*37.154	34.08	24.7961	*23.0507	22.2448
10.0100	1,000.2000	*10.0100	*1000.2000	10.0100	1,000.2000	-	-	-	-	-	-
12.4112	1,001.1290	*12.4028	*1000.4343	12.4024	1,000.3939	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	10.0077	*10.1141	10.0635
-	-	-	-	-	-	21.128	*21.555	23.88	11.3481	*11.4384	11.3788
0.9585		1.6443		0.3197		0.6011	0.694	0.63	1.0854	1.5100	1.3112
(0.0107)		(0.0020)		0.0001		(0.1101)	0.004	-	(0.0058)	-	-
0.0342		0.0253		0.0029		7.2406	5.907	4.55	(0.0037)	(0.1299)	0.0524
0.0001		0.0010		-		0.0182	0.001	-	0.0445	-	-
0.0549		0.1009		0.0220		0.5067	0.446	0.41	0.1710	0.2578	0.2555
0.9272		1.5677		0.3007		7.2431	6.160	4.77	0.9494	1.1223	1.1081
0.0007		0.0001		0.0004		(1.3215)	0.994	6.50	(0.2883)	(0.4867)	(0.1472)
19.5614	1,171.5425	18.3077	1,093.5885	17.1446	1,022.0172	59.005	39.590	33.65	25.2590	23.1864	22.2337
10.0100	1,000.2000	10.0100	1,000.2000	10.0100	1,000.2000	-	-	-	-	-	-
12.4165	1,001.5742	12.4165	1,001.5889	12.4148	1,001.3914	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	10.5352	10.2176	10.1732
-	-	-	-	-	-	26.848	25.140	23.58	11.8755	11.6340	11.5897
18.3159	1,094.1011	17.1479	1,022.2168	16.2116	1,000.1628	35.826	27.600	21.30	22.7171	22.0076	21.0441
10.0100	1,000.2000	10.0100	1,000.2000	10.0100	1,000.0750	-	-	-	-	-	-
12.4000	1,000.2000	12.4000	1,000.2000	12.4000	1,000.1628	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	9.9577	9.9364	9.9082
-	-	-	-	-	-	20.215	19.060	14.92	11.2729	11.2576	11.1934
19.5614	1,171.5425	18.3077	1,093.5885	17.1446	1,022.0172	60.350	40.092	34.08	25.3859	23.3264	22.3679
10.0100	1,000.2000	10.0100	1,000.2000	10.0100	1,000.2000	-	-	-	-	-	-
12.4165	1,001.5742	12.4165	1,001.5889	12.4148	1,001.3914	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	10.5881	10.2793	10.2346
-	-	-	-	-	-	27.460	25.460	23.88	11.9352	11.7042	11.6597
18.3159	1,094.1011	17.1479	1,022.2168	16.2116	1,000.1628	36.642	27.950	21.57	22.8313	22.1404	21.1711
10.0100	1,000.2000	10.0100	1,000.2000	10.0100	1,000.0750	-	-	-	-	-	-
12.4000	1,000.2000	12.4000	1,000.2000	12.4000	1,000.1628	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	10.0077	9.9964	9.9680
-	-	-	-	-	-	20.676	19.490	15.11	11.3295	11.3256	11.2610
0.55%	0.28%	0.54%	0.38%	0.46%	0.40%	2.01%	1.99%	2.03%	1.24%	1.20%	1.21%
6.95%		7.00%		6.37%		25.43%	33.92%	57.37%	5.69%	4.14%	5.77%

PERSPECTIVE HISTORICAL PER UNIT STATISTICS

		GSFB			TF		
		As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06	As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06
a. Net assets value, at the end of the period	G	17.9451	*16.9107	16.0168	25.952	*25.138	17.91
	DD	-	-	-	-	-	-
	WD	-	-	-	-	-	-
	MD	10.0067	*10.1046	10.0157	-	-	-
	QD/D	11.0046	*10.9560	10.9055	18.947	*25.138	17.91
* Refers to computed NAV							
b. Gross Income							
(i) Income other than profit on sale of investments		0.8193	1.8215	1.1984	0.265	0.173	0.15
(ii) Income from profit / (loss) on inter scheme sales/transfer of investment		-	0.1304	-	-	-	-
(iii) Income from profit / (loss) on sale of investment to third party		(0.0990)	(0.0297)	(0.3025)	2.265	7.803	5.67
(iv) Transfer to revenue account from past years' reserve		0.0922	-	0.0816	-	-	-
c. Aggregate of expenses, write-off, amortisation and charges (excluding change in unrealised depreciation in investments)		0.0856	0.1436	0.0675	0.663	0.288	0.38
d. Net Income (excluding change in unrealised depreciation in investments)		0.7269	1.7786	0.9100	1.867	7.688	5.44
e. Unrealised appreciation / (depreciation) in value of investments		-	(0.1349)	-	(1.363)	1.402	8.44
f. Redemption Price:							
Highest Price							
G		17.9584	16.9050	16.0168	37.072	26.743	18.00
DD		-	-	-	-	-	-
WD		-	-	-	-	-	-
MD		10.2237	10.1659	10.1123	-	-	-
QD/D		11.2744	11.2773	11.1521	37.072	-	18.00
Lowest Price							
G		16.8647	16.0201	15.2212	24.014	12.550	9.93
DD		-	-	-	-	-	-
WD		-	-	-	-	-	-
MD		10.0067	10.0177	10.0016	-	-	-
QD/D		10.9262	10.9078	10.8439	17.540	-	9.93
Purchase Price							
Highest Price							
G		17.9584	16.9050	16.0168	38.289	27.345	18.41
DD		-	-	-	-	-	-
WD		-	-	-	-	-	-
MD		10.2237	10.1659	10.1123	-	-	-
QD/D		11.2744	11.2773	11.1521	38.289	-	18.41
Lowest Price							
G		16.8647	16.0201	15.2212	24.803	12.830	10.15
DD		-	-	-	-	-	-
WD		-	-	-	-	-	-
MD		10.0067	10.0177	10.0016	-	-	-
QD/D		10.9262	10.9078	10.8439	18.116	-	10.15
g. Ratio of expenses to average daily net assets by percentage		0.70%	0.50%	0.38%	2.39%	2.30%	2.37%
h. Ratio of gross income to average daily net assets by percentage (excluding transfer to revenue account from past years' reserve but including unrealised appreciation / depreciation on investments).		5.89%	6.20%	5.05%	4.21%	75.12%	90.05%

PERSPECTIVE HISTORICAL PER UNIT STATISTICS

OF			STF			TEF			SPF - M				
As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06	As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06	As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06	As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06		
Regular						Regular	Institutional						
63.359	7.618	*52.167	48.30	13.9370	*12.8124	12.1679	70.825	9.560	*55.211	48.05	16.1291	*15.1540	14.2004
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	10.1916	*10.0911	10.1820	-	-	-	-	-	-	-
-	-	-	-	10.5289	*10.3257	10.3213	-	-	-	-	10.7738	*10.8198	11.0449
24.695	7.618	*23.624	26.65	10.6061	*10.4115	10.4455	22.512	9.560	*21.988	26.52	11.1825	*11.1836	11.0922
0.352	0.458	0.33		1.5285	1.2928	0.9783	0.287		0.360	0.25	1.0036	0.9497	0.8530
(0.002)		-	-	0.0489	(0.0072)	(0.1529)	(0.009)		-	-	(0.1364)	0.0343	0.0018
9.223		4.400	6.79	0.2939	0.0799	0.6065	4.252		4.700	5.72	0.8242	1.3156	1.2560
0.000		0.001	-	0.0002	0.0994	0.0819	-		-	-	-	-	0.0105
0.724		0.544	0.45	0.1988	0.1588	0.2063	0.466		0.454	0.36	0.3714	0.3371	0.3556
8.849		4.315	6.67	1.6727	1.3061	1.3075	4.064		4.606	5.61	1.3200	1.9625	1.7657
5.710		6.757	11.60	0.0344	(0.0001)	(0.0749)	(1.118)		1.212	6.14	(0.0929)	0.0061	0.7321
92.437	11.209	58.784	48.30	13.9370	12.9246	12.1679	95.427	14.337	60.449	48.05	16.6098	15.2661	14.1256
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	10.2190	10.2135	10.2000	-	-	-	-	-	-	-
-	-	-	-	10.5795	10.4395	10.3733	-	-	-	-	11.1181	11.1413	11.0934
41.863	11.209	32.428	27.60	10.7766	10.6633	10.5392	30.329	11.017	27.610	26.52	11.6651	11.3727	11.2893
49.784	7.253	36.470	25.08	12.8226	12.1824	11.5672	52.999	9.227	36.760	25.28	14.9864	13.7294	12.4278
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	10.0991	10.0712	10.1550	-	-	-	-	-	-	-
-	-	-	-	10.3339	10.3057	10.1942	-	-	-	-	10.6246	10.5645	10.5022
22.545	7.253	20.120	16.88	10.4198	10.4062	10.3119	19.444	9.227	14.640	13.95	11.0276	10.7245	10.5587
95.472	11.209	60.107	49.39	13.9370	12.9246	12.1679	98.560	14.337	61.809	49.13	16.7776	15.3582	14.2109
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	10.2190	10.2135	10.2000	-	-	-	-	-	-	-
-	-	-	-	10.5795	10.4395	10.3733	-	-	-	-	11.2304	11.2086	11.1604
43.237	11.209	33.158	28.22	10.7766	10.6633	10.5392	31.324	11.017	28.230	27.12	11.7829	11.4413	11.3574
51.160	7.253	37.290	25.64	12.8226	12.1824	11.5672	54.463	9.227	37.590	25.85	15.1378	13.8123	12.5028
-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	10.0991	10.0712	10.1550	-	-	-	-	-	-	-
-	-	-	-	10.3339	10.3057	10.1942	-	-	-	-	10.7319	10.6283	10.5656
23.168	7.253	20.570	17.26	10.4198	10.4062	10.3119	19.982	9.227	14.970	14.26	11.1390	10.7892	10.6224
1.94%	1.36%	1.97%	2.14%	0.95%	0.68%	0.83%	2.22%	1.43%	2.28%	2.44%	2.17%	2.01%	2.06%
40.44%		42.00%	89.71%	9.11%	5.89%	5.45%	16.16%		31.43%	83.27%	9.34%	13.78%	16.43%

PERSPECTIVE HISTORICAL PER UNIT STATISTICS

		FRF					
		As at 31-Mar-08		As at 31-Mar-07		As at 31-Mar-06	
		Regular	Institutional	Regular	Institutional	Regular	Institutional
a. Net assets value, at the end of the period	G	12.9586	1,155.0725	*12.3107	*1093.6560	11.5914	1,025.7663
	DD	10.0312	-	*10.0312	*1001.0600	10.0290	1,000.6000
	WD	10.0437	-	*10.0368	-	10.0301	1,000.7583
	MD	-	-	-	-	-	-
	QD/D	10.3304	-	*10.2526	-	10.1396	-
* Refers to computed NAV							
b. Gross Income							
(i) Income other than profit on sale of investments		1.2938		1.7083		1.4066	
(ii) Income from profit / (loss) on inter scheme sales/ transfer of investment		(0.1117)		0.0188		0.0027	
(iii) Income from profit / (loss) on sale of investment to third party		(0.0160)		(0.0027)		0.0593	
(iv) Transfer to revenue account from past years' reserve		0.0012		0.0015		0.0023	
c. Aggregate of expenses, write-off, amortisation and charges (excluding change in unrealised depreciation in investments)		0.1425		0.1827		0.1604	
d. Net Income (excluding change in unrealised depreciation in investments)		1.0248		1.5432		1.3105	
e. Unrealised appreciation / (depreciation) in value of investments		(0.0839)		0.0257		0.0264	
f. Redemption Price:							
Highest Price							
G		12.9586	1,155.0725	12.3085	1,093.4457	11.5914	1,025.7663
DD		10.0331	1,001.2608	10.0312	1,001.0600	10.0290	1,000.6000
WD		10.0488	-	10.0473	1,002.2509	10.0395	1,001.3512
MD		-	-	-	-	-	-
QD/D		10.4675	-	10.3822	-	10.2349	1,011.2749
Lowest Price							
G		12.2396	1,087.8354	11.5932	1,025.9337	10.9805	1,000.1542
DD		9.9130	989.2728	10.0290	1,000.6000	10.0220	999.9558
WD		9.9248	-	10.0287	1,000.9000	10.0275	1,000.1500
MD		-	-	-	-	-	-
QD/D		10.1933	-	10.1412	-	10.0410	1,000.1515
Purchase Price							
Highest Price							
G		12.9586	1,155.0725	12.3085	1,093.4457	11.5914	1,025.7663
DD		10.0331	1,001.2608	10.0312	1,001.0600	10.2900	1,000.6000
WD		10.0488	-	10.0473	1,002.2509	10.0395	1,001.3512
MD		-	-	-	-	-	-
QD/D		10.4675	-	10.3822	-	10.2349	1,011.2749
Lowest Price							
G		12.2396	1,087.8354	11.5932	1,025.9337	10.9805	1,000.1542
DD		9.9130	989.2728	10.0290	1,000.6000	10.0220	999.9558
WD		9.9248	-	10.0287	1,000.9000	10.0275	1,000.1500
MD		-	-	-	-	-	-
QD/D		10.1933	-	10.1412	-	10.0410	1,000.1515
g. Ratio of expenses to average daily net assets by percentage		0.76%	0.38%	0.76%	0.38%	0.70%	0.48%
h. Ratio of gross income to average daily net assets by percentage (excluding transfer to revenue account from past years' reserve but including unrealised appreciation / depreciation on investments).		5.64%		7.06%		6.31%	

PERSPECTIVE HISTORICAL PER UNIT STATISTICS

SPF - A			SPF - C			ITF			
As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06	As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-06	As at 31-Mar-08		As at 31-Mar-07	As at 31-Mar-06
						Regular	Institutional		
14.7709	*13.8184	12.6953	12.6070	*12.0930	11.3784	41.308	11.646	*31.540	27.36
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
10.2133	*10.4105	10.6526	10.2772	*10.2407	10.2761	-	-	-	-
10.7373	*10.8495	10.6754	10.4484	*10.3884	10.2834	19.068	8.317	*17.848	19.38
0.4944	0.5579	0.3692	0.6596	0.6264	0.5046	0.196		0.274	0.16
(0.0487)	(0.0138)	-	0.0105	-	-	(0.000)		-	-
0.0491	0.9648	0.7270	0.3756	0.6511	0.5758	3.691		3.400	3.01
-	-	0.0064	0.0001	-	0.0220	-		-	-
0.2111	0.2347	0.1873	0.3225	0.2110	0.1827	0.364		0.343	0.24
0.2837	1.2742	0.9153	0.7233	1.0665	0.9197	3.522		3.331	2.93
(0.0314)	0.0182	0.5744	(0.0264)	0.0057	0.1825	(2.106)		2.182	5.92
15.5965	13.9297	12.6414	12.7684	12.0789	11.3183	61.726	17.562	35.497	27.36
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
10.8239	10.8543	10.7485	10.4153	10.3141	10.2598	-	-	-	-
11.5191	11.0883	10.9596	10.6535	10.5142	10.3763	34.928	12.543	25.147	21.99
13.6591	12.0733	10.7742	12.0284	11.2366	10.4223	30.146	9.879	20.200	13.64
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
10.0667	9.9914	10.0499	10.1754	10.0504	10.0160	-	-	-	-
10.5831	10.1526	10.0918	10.3329	10.1553	10.0332	17.059	7.866	14.310	12.17
15.7540	14.0138	12.7177	12.8326	12.1518	11.3866	63.752	17.562	36.296	27.98
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
10.9332	10.9198	10.8134	10.4676	10.3764	10.3217	-	-	-	-
11.6355	11.1552	11.0258	10.7070	10.5777	10.4389	36.075	12.543	25.713	22.48
13.7971	12.1462	10.8392	12.0888	11.3044	10.4852	30.979	9.879	20.650	13.95
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
10.1684	10.0517	10.1106	10.2265	10.1111	10.0765	-	-	-	-
10.6900	10.2139	10.1527	10.3848	10.2166	10.0938	17.531	7.866	14.630	12.44
2.18%	2.14%	2.15%	2.02%	1.44%	1.46%	1.85%	1.10%	2.01%	2.26%
4.78%	13.94%	19.21%	6.37%	8.77%	10.06%	9.00%		34.27%	84.95%

PERSPECTIVE HISTORICAL PER UNIT STATISTICS

		LPLUS				SM			
		As at 31-Mar-08		As at 31-Mar-07		As at 31-Mar-08		As at 31-Mar-07	
		Regular	Institutional	Regular	Institutional	Regular	Institutional	Regular	Institutional
a. Net assets value, at the end of the period	G	1,124.3693	1,131.2422	*1047.6256	*1049.8615	10.962	-	*9.935	*9.963
	DD	1,000.6000	1,000.6000	*1000.4113	*1000.4223	-	-	-	-
	WD	1,001.5567	1,001.5989	*1000.4117	*1000.4223	-	-	-	-
	MD	-	-	-	-	-	-	-	-
	QD/D	-	-	-	-	10.962	-	*9.935	*9.963
* Refers to computed NAV									
b. Gross Income									
(i) Income other than profit on sale of investments		80.9784		80.7595		0.144		0.151	
(ii) Income from profit / (loss) on inter scheme sales/transfer of investment		0.3547		2.7689		(0.001)		0.001	
(iii) Income from profit / (loss) on sale of investment to third party		3.1149		(2.7142)		3.020		0.043	
(iv) Transfer to revenue account from past years' reserve		0.0036		-		0.009		-	
c. Aggregate of expenses, write-off, amortisation and charges (excluding change in unrealised depreciation in investments)		5.2613		5.0438		0.295		0.081	
d. Net Income (excluding change in unrealised depreciation in investments)		79.1903		75.7704		2.878		0.114	
e. Unrealised appreciation / (depreciation) in value of investments		(0.3870)		0.0115		(0.517)		(0.183)	
f. Redemption Price:									
Highest Price									
G		1,124.3693	1,131.2422	1,047.4039	1,049.6283	16.649	11.954	10.952	10.970
DD		1,000.6000	1,000.6000	1,000.4398	1,000.4488	-	-	-	-
WD		1,001.9671	1,002.0535	1,002.5376	1,002.5046	-	-	-	-
MD		-	-	-	-	-	-	-	-
QD/D		-	-	-	-	16.649	12.293	10.952	10.971
Lowest Price									
G		1,048.2384	1,050.5101	1,000.5322	1,000.5405	9.571	9.646	9.363	9.385
DD		1,000.2000	1,000.2000	1,000.2000	1,000.2000	-	-	-	-
WD		1,000.2000	1,000.2000	1,000.1996	1,000.2000	-	-	-	-
MD		-	-	-	-	-	-	-	-
QD/D		-	-	-	-	9.571	9.646	9.363	9.385
Purchase Price									
Highest Price									
G		1,124.3693	1,131.2422	1,047.4039	1,049.6283	17.195	11.954	11.198	10.970
DD		1,000.6000	1,000.6000	1,000.4398	1,000.4488	-	-	-	-
WD		1,001.9671	1,002.0535	1,002.5376	1,002.5046	-	-	-	-
MD		-	-	-	-	-	-	-	-
QD/D		-	-	-	-	17.195	12.293	11.198	10.971
Lowest Price									
G		1,048.2384	1,050.5101	1,000.5322	1,000.5405	9.835	9.646	9.574	9.385
DD		1,000.2000	1,000.2000	1,000.2000	1,000.2000	-	-	-	-
WD		1,000.2000	1,000.2000	1,000.1996	1,000.2000	-	-	-	-
MD		-	-	-	-	-	-	-	-
QD/D		-	-	-	-	9.835	9.646	9.574	9.385
g. Ratio of expenses to average daily net assets by percentage		0.78%	0.37%	0.74%	0.41%	1.87%	1.25%	1.81%	1.17%
h. Ratio of gross income to average daily net assets by percentage (excluding transfer to revenue account from past years' reserve but including unrealised appreciation / depreciation on investments).		7.80%		5.13%		16.78%		0.17%	

PERSPECTIVE HISTORICAL PER UNIT STATISTICS

TSF		SBF		WGF	CP		MCF
As at 31-Mar-08	As at 31-Mar-07	As at 31-Mar-08		As at 31-Mar-08	As at 31-Mar-08		As at 31-Mar-08
		Regular	Institutional		Regular	Institutional	
12.626	*9.596	1,063.2958	1,067.2526	14.1601	1,037.4924	1,037.7266	*10.340
-	-	-	-	-	-	1,000.1000	-
-	-	1,003.7630	1,003.8129	-	1,001.1833	1,001.1885	-
-	-	1,008.1251	1,008.8226	-	-	-	-
9.401	*9.596	1,011.6844	-	14.1601	-	-	-
0.047	0.069	177.7688		0.0069	100.5463		0.1157
-	-	(1.9491)		-	(0.0001)		-
0.990	0.008	(0.3831)		0.0424	0.2533		1.0753
-	-	-		-	-		-
0.135	0.046	16.7178		0.0493	3.2374		0.3370
0.902	0.031	158.7188		-	97.5621		0.8540
(1.067)	(0.382)	(5.5969)		2.1937	0.0187		(0.4820)
NA	-	1,057.9793	1,066.1853	16.1375	1,037.4924	1,037.7266	16.1470
NA	-	-	-	-	-	1,000.1000	-
NA	-	999.5927	1,003.6866	-	1,001.8291	1,001.8379	-
NA	-	1,006.2460	1,010.9620	-	-	-	-
NA	10.473	1,019.5950	1,003.3060	16.1375	-	-	-
NA	-	1,001.4115	1,001.4115	11.3821	1,000.8741	1,000.8741	9.1100
NA	-	-	-	-	-	1,000.0000	-
NA	-	995.2316	999.2434	-	1,000.2000	1,000.2000	-
NA	-	995.2343	999.2442	-	-	-	-
NA	9.080	1,001.4115	999.8611	11.3821	-	-	-
20.191	-	1,063.2958	1,067.2526	16.6673	1,037.4924	1,037.7266	NA
-	-	-	-	-	-	1,000.1000	NA
-	-	1,004.6158	1,004.6913	-	1,001.8291	1,001.8379	NA
-	-	1,011.3025	1,011.9740	-	-	-	NA
20.191	10.709	1,024.7186	1,003.3060	16.6673	-	-	NA
9.535	-	1,001.4115	1,001.4115	11.7558	1,000.8741	1,000.8741	NA
-	-	-	-	-	-	1,000.0000	NA
-	-	1,000.2328	1,000.2436	-	1,000.2000	1,000.2000	NA
-	-	1,000.2355	1,000.2444	-	-	-	NA
8.948	9.280	1,001.4115	1,000.8620	11.7558	-	-	NA
2.34%	2.08%	1.13%	0.72%	0.73%	0.33%	0.29%	2.08%
(0.54%)	-3.61%	7.14%		18.53%	3.88%		5.84%

PERSPECTIVE HISTORICAL PER UNIT STATISTICS

- (1) G- Growth, D- Dividend, DD- Daily Dividend, WD- Weekly Dividend, MD- Monthly Dividend, QD- Quarterly Dividend.
- (2) The above per unit calculations are based on the half-year revenue/expenses divided by the number of units outstanding at the end of the period / last outstanding units in case of matured schemes. In case of LF & FRF Institution Plans units are converted in denomination of Rs. 10 for better presentation.
- (3) The highest and lowest resale price of the units of the Scheme has been determined after adding to the highest and lowest declared NAV, the maximum sales load applicable (excluding load charged to Investors under Super Systematic Investment Plan (SIP)) . Repurchase price for SIP investors may differ to the extent of applicable Load /CDSC depending on duration for which units are held prior to redemption.
- (4) In case of EF, BaF, TF, OF, TEF & ITF NAV computation effective November 15, 2006 is in three decimals, instead of two decimals.
- (5) P/E ratio is not applicable since the units are not listed on any stock exchange.

Investment Objectives

1.	DSPMLEF	An Open Ended growth Scheme, seeking to generate long term capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of issuers domiciled in India.
2.	DSPMLTF	An Open Ended growth Scheme, seeking to generate long term capital appreciation, and whose secondary objective is income generation and the distribution of dividend from a portfolio constituted of equity and equity related securities concentrating on the Investment Focus of the Scheme.
3.	DSPMLQF	An Open Ended growth Scheme, seeking to generate long term capital appreciation and whose secondary objective is income generation and the distribution of dividend from a portfolio constituted of equity and equity related securities concentrating on the Investment Focus of the Scheme.
4.	DSPMLTEF	An Open Ended growth Scheme, seeking to generate capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of the 100 largest corporates, by market capitalisation, listed in India.
5.	DSPMLITF	An open ended diversified equity Scheme, seeking to generate capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of corporates, which could benefit from structural changes brought about by continuing liberalization in economic policies by the Government and/or from continuing investments in infrastructure, both by the public and private sector.
6.	DSPMLLF	An Open Ended income Scheme, seeking to generate a reasonable return commensurate with low risk and a high degree of liquidity, from a portfolio constituted of money market securities and high quality debt securities.
7.	DSPMLFRF	An Open Ended income Scheme, seeking to generate income commensurate with prudent risk from a portfolio comprised substantially of floating rate debt securities and fixed rate debt securities swapped for floating rate returns. The Scheme may also invest in fixed rate debt securities.
8.	DSPMLGF	An Open Ended income Scheme, seeking to generate income through investment in Central Government Securities of various maturities.
9.	DSPMLBaF	An Open Ended balanced Scheme, seeking to generate long term capital appreciation and current income from a portfolio constituted of equity and equity related securities as well as fixed income securities (debt and money market securities).
10.	DSPMLBF	An Open Ended income Scheme, seeking to generate an attractive return, consistent with prudent risk, from a portfolio which is substantially constituted of high quality debt securities, predominantly of issuers domiciled in India. As a secondary objective, the Scheme will seek capital appreciation.
11.	DSPMLSPF – Conservative, DSPMLSPF – Aggressive and DSPMLSPF – Moderate	An Open ended income Scheme, seeking to generate an attractive return, consistent with prudent risk, from a portfolio which is substantially constituted of quality debt securities. The Scheme will also seek to generate capital appreciation by investing a smaller portion of its corpus in equity and equity related securities of the 100 largest corporates, by market capitalization, listed in India.
12.	DSPMLSTF	An Open Ended income Scheme, seeking to generate income commensurate with prudent risk, from a portfolio constituted of money market securities, floating rate debt securities and debt securities.
13.	DSPMLLPF (Regular Plan and Institutional Plan)	An Open Ended income Scheme, seeking to generate reasonable returns commensurate with low risk and a high degree of liquidity, from a portfolio constituted of money market securities and high quality debt securities.
14.	DSPMLFTPs	Close ended Schemes, seeking capital appreciation by investing in a portfolio of debt and money market securities. For each of these schemes, it is envisaged that the portfolio will display the maturity profile that is generally in line with the Term of the scheme.
15.	DSPMLSMF	An open ended equity growth Scheme, seeking to generate long term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities which are not part of the top 100 stocks by market capitalization.
16.	DSPMLTSF	An open ended ELSS scheme, seeking to generate medium to long-term capital appreciation from a diversified portfolio that is substantially constituted of equity and equity related securities of corporates, and to enable investors avail of a deduction from total income, as permitted under the Income Tax Act, 1961 from time to time.
17.	DSPMLMCF	A close ended equity growth scheme, seeking to generate long-term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities, which are not part of the top 300 companies by market capitalisation.
18.	DSPMLWGF	An open ended Fund of funds scheme seeking to generate capital appreciation by investing predominantly in units of BlackRock Global Funds – World Gold Fund (BGF-WGF)*. The Scheme may, at the discretion of the Investment Manager, also invest in the units of similar overseas mutual fund schemes, which may constitute a significant part of its corpus.
19.	DSPMLSBF	An open ended income scheme, seeking to generate optimal returns with high liquidity through active management of the portfolio by investing in high quality debt and money market instruments.
20.	DSPMLCPF	An open ended income scheme, seeking to generate reasonable returns commensurate with low risk from a portfolio constituted of money market and debt securities.

*With effect from April 28, 2008, International Investment Funds – World Gold Fund (MLIF – WGF) is called BlackRock Global Funds – World Gold Fund (BGF-WGF)

STATUTORY DETAILS: DSP Merrill Lynch Mutual Fund was set up as a Trust by the settlors, DSP Merrill Lynch Ltd. (DSPML) and Merrill Lynch Investment Managers LP, USA. Sponsors: DSPML, DSP HMK Holdings Pvt. Ltd. and DSP ADIKO Holdings Pvt. Ltd. (collectively) (Liability restricted to Rs. 1 lakh). Trustee: DSP Merrill Lynch Trustee Company Pvt. Ltd. Investment Manager: DSP Merrill Lynch Fund Managers Ltd.

RISK FACTORS: Mutual funds, like securities investments, are subject to market and other risks and there can be no assurance that the Schemes' objectives will be achieved. As with any investment in securities, the NAV of Units issued under the Schemes can go up or down depending on the factors and forces affecting capital markets. Past performance of the sponsor/AMC/mutual fund does not indicate the future performance of the Schemes. Investors in the Schemes are not being offered a guaranteed or assured rate of return. Each Scheme/Plan is required to have (i) minimum 20 investors and (ii) no single investor holding >25% of corpus. If the aforesaid point (i) is not fulfilled within the prescribed time, the Scheme/Plan concerned will be wound up and in case of breach of the aforesaid point (ii) at the end of the prescribed period, the investor's holding in excess of 25% of the corpus will be redeemed as per SEBI guidelines. DSPMLLF, DSPMLLPF, DSPMLBF, DSPMLFRF, DSPMLSTF, DSPMLCPF, DSPMLGF, DSPMLSPF – Moderate, DSPMLSPF – Aggressive, DSPMLSPF – Conservative, DSPMLBaF, DSPMLEF, DSPMLTEF, DSPMLQF, DSPMLITF (The Infrastructure Growth and Economic Reforms Fund), DSPMLSBF, DSPMLTSF, DSPMLWGF, DSPMLMCF, DSPMLTF, DSP Merrill Lynch FTP – Series 3A, DSP Merrill Lynch FTP – Series 1H, DSP Merrill Lynch FTP – Series 1I, DSP Merrill Lynch FTP – Series 3E, DSP Merrill Lynch FTP – Series 3C, DSP Merrill Lynch FTP – Series 1J, DSP Merrill Lynch FTP – Series 1K, DSP Merrill Lynch FTP – Series 1M, DSP Merrill Lynch FTP – Series 1N, DSP Merrill Lynch FTP – Series 3D, DSP Merrill Lynch FTP – Series 1O, DSP Merrill Lynch FTP – Series 3F, DSP Merrill Lynch FTP – Series 1P, DSP Merrill Lynch FTP – Series 3H, DSP Merrill Lynch FMP – 18M – Series 1, DSP Merrill Lynch FMP – 3M – Series 1, DSP Merrill Lynch FMP – 15M – Series 1, DSP Merrill Lynch FMP – 3M – Series 2, DSP Merrill Lynch FMP – 15M – Series 2, DSP Merrill Lynch FMP – 3M – Series 3, DSP Merrill Lynch FMP – 13M – Series 1, DSP Merrill Lynch FMP – 3M – Series 6 and DSP Merrill Lynch FMP – 12 ½ M – Series 1 are the names of the Schemes and do not in any manner indicate the quality of the Schemes, their future prospects or returns. For risk factors related to trading in derivatives and overseas investments, and other scheme specific risk factors, please refer the relevant Offer Document. For more details, please refer the Key Information Memorandum cum Application Forms, which are available at the ISC/Distributor. Please read the Offer Documents (available at www.dspmlmutualfund.com/ISCs/distributors) carefully before investing.

