



DSP Merrill Lynch Mutual Fund



**Abridged Annual Report
Fixed Term/Maturity Plans
2007-2008**

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UNITHOLDER INFORMATION REPORT

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

1. SCHEME PERFORMANCE, FUTURE OUTLOOK AND OPERATIONS OF THE SCHEMES

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 decoupling 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%.

PERFORMANCE OF THE SCHEMES

EQUITY SCHEMES

DSP Merrill Lynch Equity Fund

The scheme outperformed its benchmark (the S&P CNX Nifty Index) over the last financial year and since inception. The last financial year 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 outperformed its benchmark (the BSE Teck Index) over the last financial year and since inception. The last financial year 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 underperformed its benchmark (the S&P CNX Nifty Index) over the last financial year and outperformed since inception. The underweight position in the financial services and energy sectors contributed to the scheme's underperformance for last financial year 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 Top 100 Equity Fund

The scheme outperformed its benchmark (the BSE 100 Index) over the last financial year and since inception. The last financial year 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 scheme outperformed its benchmark (the BSE 100 Index) over the last financial year and since inception. The last financial year 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 Midcap Fund

The scheme underperformed its benchmark (the CNX Midcap Index) over the last financial year and since inception. The last financial year 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 scheme outperformed its benchmark (the S&P CNX 500 Index) over the last financial year and since inception. The last financial year 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

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 underweight 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

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 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 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 scheme has delivered 6.41 % return in last year as compared to 11.12 % return by the benchmark CRISIL MIP Blended Index and since inception it has outperformed its benchmark. Last year under-performance of the scheme 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 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 scheme has delivered 6.87 % return in last year as compared to 11.12 % return by the benchmark CRISIL MIP Blended Index and since inception it has outperformed its benchmark. Last year under-performance of the scheme 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 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 scheme has delivered 4.25 % return in last year as compared to 11.12% return by benchmark CRISIL MIP Blended Index and since inception it has underperformed its benchmark. Last year under-performance of the scheme 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

This category witnessed net outflow as investors continued to shun income schemes amid volatile interest rates and widening of corporate spreads and preferred low duration schemes such as liquidity schemes for better risk-adjusted returns. The scheme has delivered 4.93% return in last year as compared to 8.20% return by benchmark CRISIL Composite Bond Scheme

Index. The under-performance of the scheme is mainly due to higher exposure to floating rate corporate assets in the scheme 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

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

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 Scheme – Plan A has delivered 7.55% return in last one year as compared to 8.86% return by benchmark LIBEX and since inception it has underperformed its benchmark. DSP Merrill Lynch Government Securities Funs – Plan B has delivered 6.12% return in last one year as compared to 8.91% return by benchmark SIBEX and since inception it has underperformed its benchmark. Last year 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 scheme witnessed outflows last year as investors continued to shun short-term income schemes as a category due to rising interest rates and widening corporate spreads and preferred low duration schemes such as liquidity schemes for better risk-adjusted returns. The scheme has delivered 8.76% return in last one year as compared to 7.50% return by the benchmark CRISIL Liquid Scheme Index and since inception it has outperformed its benchmark. The scheme was able to generate better performance for last year mainly due to lower exposure to medium-term corporate assets and higher exposure to money market and floating rate assets in the scheme.

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

DSP Merrill Lynch Floating Rate Fund

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 Scheme Index and since inception it has outperformed its benchmark. The under-performance for last year of the scheme 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

This category became quite popular among investors due to its liquid nature and better tax treatment relating to dividends. DSP Merrill Lynch Liquid Plus Scheme 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 Scheme Index and since inception it has outperformed its benchmark. Last year better performance of the scheme 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 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 Scheme Index. The scheme 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 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 schemes. 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 Scheme Index. The scheme'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.

2. BRIEF BACKGROUND OF SPONSORS, TRUST, TRUSTEE COMPANY AND AMC

a. 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.

b. 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. Krishna Murthy, 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.

c. The AMC

In conformity with the Regulations, DSP Merrill Lynch Fund Managers Ltd., formerly known as DSP Merrill Lynch Investment Managers Limited (a company registered under the Companies Act, 1956) has been set-up to act as the Asset Management Company (AMC) to the Fund. In terms of the Investment Management Agreement (IMA) dated December 16, 1996, entered into between the Trustee and the AMC, the AMC has been appointed as the Investment Manager to the Fund. DSPML holds 40% of the shareholding of the AMC and the balance 60% shares are held by Mr. Hemendra Kothari along with DSP HMK Holdings Pvt. Ltd. and DSP ADIKO Holdings Pvt. Ltd. The Investment Manager was approved by SEBI to act as the AMC for the Mutual Fund vide Letter No. IIMARP/201/97 dated January 30, 1997. The AMC manages the schemes of the Fund in accordance with the provisions of the IMA, the Trust Deed, the Regulations and the objectives of each scheme. The AMC can be removed by the Trustee, subject to the Regulations.

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) and one close ended scheme. In

DSPMLMF has launched various fixed maturity plans, being closed ended income schemes.

3. INVESTMENT OBJECTIVES OF THE SCHEMES

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.
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.

Scheme Name	Date of Launch	NFO period	Date of Reopen	Investment Objective
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 MLIF – 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 realised.
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.

Investment Objective for Fixed Maturity Plan / Fixed Term Plan (FMP)

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.

BF – Bond Fund, EF – Equity Fund, LF – Liquidity Fund, BaF – 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 Midcap 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.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 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.

4.2 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.

4.3 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.

4.4 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.

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.

4.5 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.

4.6 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.

4.7 Expenses

- All expenses are accounted for on accrual basis.
- **New Fund Offer (NFO) Expenses:**

NFO expenses for SBF, CP & FMPs' were borne by the AMC. In case of WGF the entry load collected during the NFO was utilised 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.

4.8 Entry Load / Exit Load

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

5. 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 Kolkatta 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.

6. UNCLAIMED DIVIDENDS AND REDEMPTION AMOUNTS

Based on the feedback 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 Un-claimed Drafts / Warrants	Amount (Rs.)	No. of Un-claimed 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.

7. EXPECTED CHANGE IN SHAREHOLDING OF THE AMC AND TRUSTEE AND SPONSOR FOR DSPMLMF
Change in Shareholding of 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.

Change in Shareholding of 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.

8. 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.
- Full Annual Report is available on the website www.dspmlmutualfund.com and shall be available for inspection at the Head Office of the mutual fund. Present and prospective unit holder can obtain copy of the trust deed, the full Annual Report of the Fund / 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

Place : Mumbai
Date : September 9, 2008

Shitin Desai
Chairman

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 dates mentioned below and the revenue accounts and cash flow statement, where applicable, for the period from April 1, 2007 or date of launch of the respective schemes to date mentioned below ('the period') 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 statement 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 Mutual Fund – Fixed Term Plan – Series 3A	April 16, 2007
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 1H	May 15, 2007
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 1I	May 28, 2007
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 1J	June 27, 2007
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 1K	July 16, 2007
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 1M	August 29, 2007
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 1N	September 17, 2007
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 1O	November 27, 2007
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 1P	December 17, 2007
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – 3 Months Series 1	February 26, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – 3 Months Series 2	March 17, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – 12 1/2 Months Series 1	March 31, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – 13 Months Series 1	March 31, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – 15 Months Series 1	March 31, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – 15 Months Series 2	March 31, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – 18 Months Series 1	March 31, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – 3 Months Series 3	March 31, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – 3 Months Series 6	March 31, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 3C	March 31, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 3D	March 31, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 3E	March 31, 2008

DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 3F	March 31, 2008
DSP Merrill Lynch Mutual Fund – Fixed Term Plan – Series 3H	March 31, 2008

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 statement, 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 closure date or March 31, 2008, as applicable, 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 closure date or March 31, 2008, as applicable;
 - 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 statement, of the cash flows for the year 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
ABRIDGED BALANCE SHEET AS AT MARCH 31, 2008**

Rupees in Lakhs

	FTP- Series 3A		FTP- Series 1H		FTP- Series 1I		FTP- Series 3E	
	As at 16.04.07	As at 31.03.07	As at 15.05.07	As at 31.03.07	As at 28.05.07	As at 31.03.07	As at 31.03.08	As at 31.03.07
LIABILITIES								
1. Unit Capital	25,157.10	25,170.23	17,862.87	17,702.29	50,108.18	49,384.58	58,706.96	58,805.33
2. Reserves & Surplus								
2.1 Unit Premium Reserves	(5.87)	(4.41)	0.08	0.06	(1.25)	(1.20)	(7.64)	-
2.2 Unrealised Appreciation Reserve	-	-	-	5.42	-	10.38	-	0.67
2.3 Other Reserves	2,253.25	2,159.35	89.46	49.31	97.19	60.02	6,311.45	254.32
3. Current Liabilities & Provisions								
3.1 Other Current Liabilities & Provisions	2.99	7.04	38.09	27.12	197.11	71.25	36.88	6.30
TOTAL	27,407.47	27,332.21	17,990.50	17,784.20	50,401.23	49,525.03	65,047.65	59,066.62
ASSETS								
1. Investments								
1.1 Listed Securities								
1.1.1 Debentures & Bonds	-	2,001.68	-	2,493.87	-	2,480.18	-	798.04
1.2 Unlisted Securities								
1.2.1 Debentures & Bonds	-	-	-	-	-	-	12,547.92	-
1.2.2 Securitised Debt Securities	-	-	-	-	-	-	-	-
1.3 Commercial Paper	5,000.00	4,980.15	-	-	-	1,473.87	5,956.77	-
1.4 Certificate of Deposits	-	19,904.60	-	12,697.51	7,500.00	23,323.95	45,966.85	38,112.79
Total Investments	5,000.00	26,886.43	-	15,191.38	7,500.00	27,278.00	64,471.54	38,910.83
2. Deposits	-	-	2,500.00	2,500.00	22,000.00	22,000.00	-	20,000.00
3. Other Current Assets								
3.1 Cash & Bank Balance	4.80	4.93	3.80	3.09	8.34	3.13	5.46	6.26
3.2 CBLO/ Reverse Repo Lending	1,359.71	320.23	15,420.10	-	18,766.47	74.93	179.91	84.57
3.3 Others	21,042.96	120.62	66.60	89.73	2,126.42	168.97	390.74	64.96
TOTAL	27,407.47	27,332.21	17,990.50	17,784.20	50,401.23	49,525.03	65,047.65	59,066.62

The notes to accounts form an integral part of the accounts.

For DSP Merrill Lynch Trustee Company Private Limited

For DSP Merrill Lynch Fund Managers Limited

Shitin D. Desai
Chairman

S. S. Thakur
Director

Hemendra Kothari
Chairman

K. R. V. Subrahmanian
Director

Naganath Sundaresan
President & Chief Investment Officer

Mumbai
September 9, 2008

Mumbai
September 8, 2008

Extracted from Audited financial Statements for the year 2007-2008

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

Rupees in Lakhs

	FTP- Series 3C		FTP- Series 1J		FTP- Series 1K	FTP- Series 1M	FTP- Series 1N	FTP- Series 3D	FTP- Series 1O
	As at 31.03.08	As at 31.03.07	As at 27.06.07	As at 31.03.07	As at 16.07.07	As at 29.08.07	As at 17.09.07	As at 31.03.08	As at 27.11.07
LIABILITIES									
1. Unit Capital	8,207.76	8,669.20	19,702.23	19,324.48	5,977.95	11,100.21	20,614.20	12,092.33	40,212.50
2. Reserves & Surplus									
2.1 Unit Premium Reserves	(39.70)	-	0.06	-	(0.02)	0.04	0.08	(13.13)	(3.49)
2.2 Unrealised Appreciation Reserve	-	-	-	-	-	-	-	-	-
2.3 Other Reserves	923.42	18.51	78.70	12.93	15.21	15.56	24.18	757.83	23.13
3. Current Liabilities & Provisions									
3.1 Other Current Liabilities & Provisions	33.90	0.15	89.90	0.08	25.68	41.32	84.32	12.57	122.21
TOTAL	9,125.38	8,687.86	19,870.89	19,337.49	6,018.82	11,157.13	20,722.78	12,849.60	40,354.35
ASSETS									
1. Investments									
1.1 Listed Securities									
1.1.1 Debentures & Bonds	-	-	-	-	-	-	-	3,604.82	-
1.2 Unlisted Securities									
1.2.1 Debentures & Bonds	-	-	2,400.00	3,900.00	-	-	-	-	-
1.2.2 Securitised Debt Securities	-	-	-	-	-	-	-	-	-
1.3 Commercial Paper	-	-	-	2,428.97	-	8,500.00	6,000.00	-	-
1.4 Certificate of Deposits	9,094.21	6,148.13	-	6,808.14	2,500.00	-	-	8,953.29	25,000.00
Total Investments	9,094.21	6,148.13	2,400.00	13,137.11	2,500.00	8,500.00	6,000.00	12,558.11	25,000.00
2. Deposits	-	2,500.00	5,600.00	5,600.00	-	-	-	-	-
3. Other Current Assets									
3.1 Cash & Bank Balance	3.95	5.11	1.90	532.38	8.82	1.86	2.36	0.49	4.10
3.2 CBLO/ Reverse Repo Lending	24.99	24.62	1,089.79	50.31	3,510.00	2,654.83	13,069.38	-	15,346.98
3.3 Others	2.23	10.00	10,779.20	17.69	0.00	0.44	1,651.04	291.00	3.27
TOTAL	9,125.38	8,687.86	19,870.89	19,337.49	6,018.82	11,157.13	20,722.78	12,849.60	40,354.35

The notes to accounts form an integral part of the accounts.

For DSP Merrill Lynch Trustee Company Private Limited

Shitin D. Desai
Chairman

S. S. Thakur
Director

Mumbai
September 9, 2008

For DSP Merrill Lynch Fund Managers Limited

Hemendra Kothari
Chairman

K. R. V. Subrahmanian
Director

Naganath Sundaresan
President & Chief Investment Officer

Mumbai
September 8, 2008

Extracted from Audited financial Statements for the year 2007-2008

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

Rupees in Lakhs

		FTP- Series 3F	FTP- 18 M Series 1	FTP- Series 1P	FTP- Series 3H	FTP- 3M Series 1	FTP- 15M Series 1
		As at 31.03.08	As at 31.03.08	As at 17.12.07	As at 31.03.08	As at 26.02.08	As at 31.03.08
LIABILITIES							
1.	Unit Capital	10,947.50	10,964.39	10,858.53	7,369.46	34,891.59	3,825.50
2.	Reserves & Surplus						
2.1	Unit Premium Reserves	(0.99)	(0.16)	(1.10)	(0.04)	0.14	(0.13)
2.2	Unrealised Appreciation Reserve	-	-	-	-	-	-
2.3	Other Reserves	513.52	465.45	27.97	258.68	34.80	69.97
3.	Current Liabilities & Provisions						
3.1	Other Current Liabilities & Provisions	9.02	2.22	41.52	6.33	140.86	1.42
	TOTAL	11,469.05	11,431.90	10,926.92	7,634.43	35,067.39	3,896.76
ASSETS							
1.	Investments						
1.1	Listed Securities						
1.1.1	Debentures & Bonds	2,996.49	3,256.50	-	997.46	2,500.00	3,079.47
1.2	Unlisted Securities						
1.2.1	Debentures & Bonds	-	7,455.12	-	1,142.52	-	-
1.2.2	Securitised Debt Securities	-	-	-	-	-	527.35
1.3	Commercial Paper	5,786.31	-	-	5,367.93	-	-
1.4	Certificate of Deposits	2,403.70	-	-	-	10,000.00	-
	Total Investments	11,186.50	10,711.62	-	7,507.91	12,500.00	3,606.82
2.	Deposits	-	-	-	-	-	-
3.	Other Current Assets						
3.1	Cash & Bank Balance	3.75	8.49	3.30	1.65	7.92	5.98
3.2	CBLO/ Reverse Repo Lending	69.97	249.88	24.92	69.97	5,090.38	144.93
3.3	Others	208.83	461.91	10,898.70	54.90	17,469.09	139.03
	TOTAL	11,469.05	11,431.90	10,926.92	7,634.43	35,067.39	3,896.76

The notes to accounts form an integral part of the accounts.

For DSP Merrill Lynch Trustee Company Private Limited

For DSP Merrill Lynch Fund Managers Limited

Shitin D. Desai
Chairman

S. S. Thakur
Director

Hemendra Kothari
Chairman

K. R. V. Subrahmanian
Director

Naganath Sundaresan
President & Chief Investment Officer

Mumbai
September 9, 2008

Mumbai
September 8, 2008

Extracted from Audited financial Statements for the year 2007-2008

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

Rupees in Lakhs

		FTP- 3M Series 2	FTP - 15M Series 2	FTP - 3M Series 3	FTP - 13M Series 1	FTP - 3M Series 6	FTP - 12 1/2 M Series 1
		As at 17.03.08	As at 31.03.08	As at 31.03.08	As at 31.03.08	As at 31.03.08	As at 31.03.08
LIABILITIES							
1.	Unit Capital	15,174.78	17,573.18	29,668.81	30,847.88	15,071.32	54,027.67
2.	Reserves & Surplus						
2.1	Unit Premium Reserves	(0.31)	-	0.32	-	-	-
2.2	Unrealised Appreciation Reserve	-	14.74	-	0.03	-	0.30
2.3	Other Reserves	12.99	95.85	115.25	162.11	78.44	82.01
3.	Current Liabilities & Provisions						
3.1	Other Current Liabilities & Provisions	58.05	1.58	36.64	0.99	0.29	10.88
	TOTAL	15,245.51	17,685.35	29,821.02	31,011.01	15,150.05	54,120.86
ASSETS							
1.	Investments						
1.1	Listed Securities						
1.1.1	Debentures & Bonds	-	13,759.23	-	-	200.24	-
1.2	Unlisted Securities						
1.2.1	Debentures & Bonds	1,500.00	487.12	-	-	-	-
1.2.2	Securitised Debt Securities	-	2,636.75	-	-	-	-
1.3	Commercial Paper	-	-	14,280.67	-	-	-
1.4	Certificate of Deposits	-	-	15,268.48	30,919.29	14,822.72	54,093.95
	Total Investments	1,500.00	16,883.10	29,549.15	30,919.29	15,022.96	54,093.95
2.	Deposits	-	-	-	-	-	-
3.	Other Current Assets						
3.1	Cash & Bank Balance	3.36	5.88	1.81	1.73	2.70	16.91
3.2	CBLO/ Reverse Repo Lending	89.98	309.85	269.87	89.96	109.95	10.00
3.3	Others	13,652.17	486.52	0.19	0.03	14.44	0.00
	TOTAL	15,245.51	17,685.35	29,821.02	31,011.01	15,150.05	54,120.86

The notes to accounts form an integral part of the accounts.

For DSP Merrill Lynch Trustee Company Private Limited

For DSP Merrill Lynch Fund Managers Limited

Shitin D. Desai
 Chairman

S. S. Thakur
 Director

Hemendra Kothari
 Chairman

K. R. V. Subrahmanian
 Director

Naganath Sundaresan
 President & Chief Investment Officer
Mumbai
September 9, 2008Mumbai
September 8, 2008

Extracted from Audited financial Statements for the year 2007-2008

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

Rupees in Lakhs

		FTP- Series 3A		FTP- Series 1H	
		Period Ended 16.04.07	Year Ended 31.03.07	Period Ended 15.05.07	Year Ended 31.03.07
1.	INCOME				
1.1	Interest	108.91	2,097.52	234.98	208.83
1.2	Realised Gains / (Losses) on Interscheme sale of investments	(16.11)	0.01	-	-
1.3	Realised Gains / (Losses) on External sale / redemption of investments	(26.70)	112.62	6.32	(21.04)
1.4	Other Income	0.37	-	-	-
	(A)	66.47	2,210.15	241.30	187.79
2.	EXPENSES				
2.1	Management fees	(13.56)	47.00	3.19	1.82
2.2	Service tax on Management fees	-	5.71	0.39	0.22
2.3	Transfer agents fees and expenses	0.34	7.40	0.62	0.62
2.4	Custodian fees	0.29	5.77	0.44	0.42
2.5	Trusteeship fees	0.23	0.91	0.15	-
2.6	Commission to Agents	-	-	0.86	1.22
2.7	Marketing & Distribution expenses	-	7.61	-	-
2.8	Audit fees	0.02	1.10	0.34	0.22
2.9	Other operating expenses	0.17	0.21	0.14	-
	(B)	(12.51)	75.71	6.13	4.52
3.	NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A – B = C)	78.98	2,134.44	235.17	183.27
4.	Change in Unrealised Depreciation in value of investments (D)	19.35	(18.76)	-	-
5.	NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (E = (C – D))	98.33	2,115.68	235.17	183.27
6.	Change in unrealised appreciation in the value of investments (F)	-	-	(5.42)	5.42
7.	NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G)	98.33	2,115.68	229.75	188.69
7.1	Add: Opening balance transfer from Unrealised Appreciation Reserve	-	-	5.42	-
7.2	Less: Balance transfer to Unrealised Appreciation Reserve	-	-	-	(5.42)
8.	Total	98.33	2,115.68	235.17	183.27
9.	Dividend appropriation				
9.1	Income Distributed during the year / period	3.87	-	160.61	110.46
9.2	Tax on income distributed during the year / period	0.55	-	34.41	23.48
10.	Retained Surplus / (Deficit) carried forward to Balance Sheet	93.91	2,115.68	40.15	49.33

The notes to accounts form an integral part of the accounts.

For **DSP Merrill Lynch Trustee Company Private Limited**

For **DSP Merrill Lynch Fund Managers Limited**

Shitin D. Desai
Chairman

S. S. Thakur
Director

Hemendra Kothari
Chairman

K. R. V. Subrahmanian
Director

Naganath Sundaresan
President & Chief Investment Officer

Mumbai
September 9, 2008

Mumbai
September 8, 2008

Extracted from Audited financial Statements for the year 2007-2008

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

Rupees in Lakhs

		FTP- Series 1I		FTP- Series 3E	
		Period Ended 28.05.07	Year Ended 31.03.07	Year Ended 31.03.08	Year Ended 31.03.07
1.	INCOME				
1.1	Interest	942.42	398.83	5,731.37	260.53
1.2	Realised Gains / (Losses) on Interscheme sale of investments	-	-	-	-
1.3	Realised Gains / (Losses) on External sale / redemption of investments	30.20	0.01	464.86	-
1.4	Other Income	-	-	-	-
	(A)	972.62	398.84	6,196.23	260.53
2.	EXPENSES				
2.1	Management fees	36.31	7.13	-	3.46
2.2	Service tax on Management fees	4.45	0.87	-	0.42
2.3	Transfer agents fees and expenses	2.23	1.28	10.21	0.54
2.4	Custodian fees	0.92	0.60	11.24	0.36
2.5	Trusteeship fees	0.42	-	1.63	-
2.6	Commission to Agents	2.32	2.45	76.78	1.41
2.7	Marketing & Distribution expenses	-	-	-	-
2.8	Audit fees	0.90	0.22	1.12	-
2.9	Other operating expenses	0.48	0.06	0.49	-
	(B)	48.03	12.61	101.47	6.19
3.	NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A - B = C)	924.59	386.23	6,094.76	254.34
4.	Change in Unrealised Depreciation in value of investments (D)	-	-	(11.75)	-
5.	NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (E = (C - D))	924.59	386.23	6,083.01	254.34
6.	Change in unrealised appreciation in the value of investments (F)	(10.38)	10.38	(0.67)	0.67
7.	NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G)	914.21	396.61	6,082.34	255.01
7.1	Add: Opening balance transfer from Unrealised Appreciation Reserve	10.38	-	0.67	-
7.2	Less: Balance transfer to Unrealised Appreciation Reserve	-	(10.38)	-	(0.67)
8.	Total	924.59	386.23	6,083.01	254.34
9.	Dividend appropriation				
9.1	Income Distributed during the year / period	731.18	269.16	22.48	-
9.2	Tax on income distributed during the year / period	156.23	57.05	3.40	-
10.	Retained Surplus / (Deficit) carried forward to Balance Sheet	37.18	60.02	6,057.13	254.34

The notes to accounts form an integral part of the accounts.

For **DSP Merrill Lynch Trustee Company Private Limited**Shitin D. Desai
ChairmanS. S. Thakur
DirectorMumbai
September 9, 2008

Extracted from Audited financial Statements for the year 2007-2008

For **DSP Merrill Lynch Fund Managers Limited**Hemendra Kothari
ChairmanK. R. V. Subrahmanian
DirectorMumbai
September 8, 2008Naganath Sundaresan
President & Chief Investment Officer

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

Rupees in Lakhs

		FTP- Series 3C		FTP- Series 1J		FTP- Series 1K	FTP- Series 1M
		Year Ended 31.03.08	Year Ended 31.03.07	Period Ended 27.06.07	Year Ended 31.03.07	Period Ended 16.07.07	Period Ended 29.08.07
1. INCOME							
1.1	Interest	935.38	18.67	542.04	13.01	148.22	250.26
1.2	Realised Gains / (Losses) on Interscheme sale of investments	-	-	-	-	-	-
1.3	Realised Gains / (Losses) on External sale / redemption of investments	25.98	-	-	-	-	-
1.4	Other Income	-	-	-	-	-	-
	(A)	961.36	18.67	542.04	13.01	148.22	250.26
2. EXPENSES							
2.1	Management fees	32.83	0.08	12.31	-	5.49	-
2.2	Service tax on Management fees	4.06	0.01	1.52	-	0.68	-
2.3	Transfer agents fees and expenses	1.57	0.01	1.39	-	0.42	0.72
2.4	Custodian fees	1.73	0.03	0.78	0.07	0.33	0.54
2.5	Trusteeship fees	0.24	-	0.16	-	-	0.09
2.6	Commission to Agents	12.22	-	1.90	-	0.49	0.16
2.7	Marketing & Distribution expenses	0.52	-	-	-	-	-
2.8	Audit fees	1.12	-	0.28	-	0.28	0.28
2.9	Other operating expenses	0.09	0.02	0.13	0.01	0.01	0.03
	(B)	54.38	0.15	18.47	0.08	7.70	1.82
3. NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A – B = C)		906.98	18.52	523.57	12.93	140.52	248.44
4.	Change in Unrealised Depreciation in value of investments (D)	-	-	-	-	-	-
5. NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (E = (C – D))		906.98	18.52	523.57	12.93	140.52	248.44
6.	Change in unrealised appreciation in the value of investments (F)	-	-	-	-	-	-
7. NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G)		906.98	18.52	523.57	12.93	140.52	248.44
7.1	Add: Opening balance transfer from Unrealised Appreciation Reserve	-	-	-	-	-	-
7.2	Less: Balance transfer to Unrealised Appreciation Reserve	-	-	-	-	-	-
8. Total		906.98	18.52	523.57	12.93	140.52	248.44
9. Dividend appropriation							
9.1	Income Distributed during the year / period	1.82	-	379.83	-	103.50	192.66
9.2	Tax on income distributed during the year / period	0.26	-	77.97	-	21.81	40.23
10. Retained Surplus / (Deficit) carried forward to Balance Sheet		904.90	18.52	65.77	12.93	15.21	15.55

The notes to accounts form an integral part of the accounts.

For **DSP Merrill Lynch Trustee Company Private Limited**

For **DSP Merrill Lynch Fund Managers Limited**

Shitin D. Desai
Chairman

S. S. Thakur
Director

Hemendra Kothari
Chairman

K. R. V. Subrahmanian
Director

Naganath Sundaresan
President & Chief Investment Officer

Mumbai
September 9, 2008

Mumbai
September 8, 2008

Extracted from Audited financial Statements for the year 2007-2008

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

Rupees in Lakhs

		FTP- Series 1N	FTP- Series 3D	FTP- Series 1O	FTP- Series 3F	FTP- 18 M Series 1
		Period Ended 17.09.07	Period Ended 31.03.08	Period Ended 27.11.07	Period Ended 31.03.08	Period Ended 31.03.08
1.	INCOME					
1.1	Interest	438.09	850.72	841.70	585.44	563.79
1.2	Realised Gains / (Losses) on Interscheme sale of investments	-	-	-	-	-
1.3	Realised Gains / (Losses) on External sale / redemption of investments	13.93	(18.63)	(0.12)	(1.05)	(0.04)
1.4	Other Income	-	-	5.41	-	-
	(A)	452.02	832.09	846.99	584.39	563.75
2.	EXPENSES					
2.1	Management fees	6.16	10.38	15.21	22.20	-
2.2	Service tax on Management fees	0.76	1.28	1.88	2.74	-
2.3	Transfer agents fees and expenses	1.19	1.07	0.97	0.61	0.57
2.4	Custodian fees	1.04	1.80	1.98	1.22	1.15
2.5	Trusteeship fees	0.16	0.21	0.16	0.12	0.12
2.6	Commission to Agents	0.39	12.39	0.28	5.00	4.02
2.7	Marketing & Distribution expenses	-	-	-	-	-
2.8	Audit fees	0.28	0.28	0.28	0.28	0.28
2.9	Other operating expenses	0.04	0.02	0.06	0.03	0.04
	(B)	10.02	27.43	20.82	32.20	6.18
3.	NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A – B = C)	442.00	804.66	826.17	552.19	557.57
4.	Change in Unrealised Depreciation in value of investments (D)	-	(13.22)	-	(17.87)	(87.48)
5.	NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (E = (C – D))	442.00	791.44	826.17	534.32	470.09
6.	Change in unrealised appreciation in the value of investments (F)	-	-	-	-	-
7.	NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G)	442.00	791.44	826.17	534.32	470.09
7.1	Add: Opening balance transfer from Unrealised Appreciation Reserve	-	-	-	-	-
7.2	Less: Balance transfer to Unrealised Appreciation Reserve	-	-	-	-	-
8.	Total	442.00	791.44	826.17	534.32	470.09
9.	Dividend appropriation					
9.1	Income Distributed during the year / period	342.00	28.22	660.00	17.63	4.01
9.2	Tax on income distributed during the year / period	75.81	5.41	143.03	3.18	0.63
10.	Retained Surplus / (Deficit) carried forward to Balance Sheet	24.19	757.81	23.14	513.51	465.45

The notes to accounts form an integral part of the accounts.

For **DSP Merrill Lynch Trustee Company Private Limited**Shitin D. Desai
ChairmanS. S. Thakur
DirectorMumbai
September 9, 2008For **DSP Merrill Lynch Fund Managers Limited**Hemendra Kothari
ChairmanK. R. V. Subrahmanian
DirectorNaganath Sundaresan
President & Chief Investment OfficerMumbai
September 8, 2008

Extracted from Audited financial Statements for the year 2007-2008

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

Rupees in Lakhs

		FTP- Se- ries 1P	FTP- Se- ries 3H	FTP- 3M Series 1	FTP- 15M Series 1	FTP- 3M Series 2	FTP - 15M Series 2	FTP - 3M Series 3
		Period Ended 17.12.07	Period Ended 31.03.08	Period Ended 26.02.08	Period Ended 31.03.08	Period Ended 17.03.08	Period Ended 31.03.08	Period Ended 31.03.08
1.	INCOME							
1.1	Interest	220.81	302.75	783.33	96.25	333.74	96.29	279.67
1.2	Realised Gains / (Losses) on Interscheme sale of investments	-	-	-	-	-	-	-
1.3	Realised Gains / (Losses) on External sale / redemption of investments	12.15	-	-	-	-	37.76	-
1.4	Other Income	-	-	-	-	-	-	-
	(A)	232.96	302.75	783.33	96.25	333.74	134.05	279.67
2.	EXPENSES							
2.1	Management fees	12.91	8.79	17.11	-	-	-	8.90
2.2	Service tax on Management fees	1.60	1.09	2.11	-	-	-	1.10
2.3	Transfer agents fees and expenses	0.26	0.36	0.88	0.10	-	0.15	0.25
2.4	Custodian fees	0.54	0.67	1.74	0.22	-	0.30	0.53
2.5	Trusteeship fees	0.04	0.06	0.11	0.02	-	0.03	0.05
2.6	Commission to Agents	0.63	1.55	0.47	2.26	0.20	0.90	0.44
2.7	Marketing & Distribution expenses	-	-	-	-	-	-	-
2.8	Audit fees	0.28	0.28	0.28	0.28	-	0.11	0.11
2.9	Other operating expenses	0.01	0.05	0.06	0.02	-	0.04	0.05
	(B)	16.27	12.85	22.76	2.90	0.20	1.53	11.43
3.	NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A – B = C)	216.69	289.90	760.57	93.35	333.54	132.52	268.24
4.	Change in Unrealised Depreciation in value of investments (D)	-	(12.41)	-	(21.74)	-	(35.98)	(0.01)
5.	NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (E = (C – D))	216.69	277.49	760.57	71.61	333.54	96.54	268.23
6.	Change in unrealised appreciation in the value of investments (F)	-	-	-	-	-	14.74	-
7.	NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G)	216.69	277.49	760.57	71.61	333.54	111.28	268.23
7.1	Add: Opening balance transfer from Unrealised Appreciation Reserve	-	-	-	-	-	-	-
7.2	Less: Balance transfer to Unrealised Appreciation Reserve	-	-	-	-	-	(14.74)	-
8.	Total	216.69	277.49	760.57	71.61	333.54	96.54	268.23
9.	Dividend appropriation							
9.1	Income Distributed during the year / period	155.30	15.42	594.95	1.45	263.61	0.60	127.73
9.2	Tax on income distributed during the year / period	33.42	3.40	130.83	0.20	56.94	0.09	25.25
10.	Retained Surplus / (Deficit) carried forward to Balance Sheet	27.97	258.67	34.79	69.96	12.99	95.85	115.25

The notes to accounts form an integral part of the accounts.

For **DSP Merrill Lynch Trustee Company Private Limited**

For **DSP Merrill Lynch Fund Managers Limited**

Shitin D. Desai
Chairman

S. S. Thakur
Director

Hemendra Kothari
Chairman

K. R. V. Subrahmanian
Director

Naganath Sundaresan
President & Chief Investment Officer

Mumbai
September 9, 2008

Mumbai
September 8, 2008

Extracted from Audited financial Statements for the year 2007-2008

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

Rupees in Lakhs

		FTP - 13M Series 1	FTP - 3M Series 6	FTP - 12 1/2 M Series 1
		Period Ended 31.03.08	Period Ended 31.03.08	Period Ended 31.03.08
1.	INCOME			
1.1	Interest	162.84	78.80	82.34
1.2	Realised Gains / (Losses) on Interscheme sale of investments	-	-	-
1.3	Realised Gains / (Losses) on External sale / redemption of investments	-	-	-
1.4	Other Income	-	-	-
	(A)	162.84	78.80	82.34
2.	EXPENSES			
2.1	Management fees	-	-	-
2.2	Service tax on Management fees	-	-	-
2.3	Transfer agents fees and expenses	0.10	0.05	0.04
2.4	Custodian fees	0.32	0.18	0.16
2.5	Trusteeship fees	-	-	-
2.6	Commission to Agents	0.29	0.06	0.08
2.7	Marketing & Distribution expenses	-	-	-
2.8	Audit fees	-	-	-
2.9	Other operating expenses	0.01	-	0.05
	(B)	0.72	0.29	0.33
3.	NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A – B = C)	162.12	78.51	82.01
4.	Change in Unrealised Depreciation in value of investments (D)	-	(0.07)	-
5.	NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (E = (C – D))	162.12	78.44	82.01
6.	Change in unrealised appreciation in the value of investments (F)	0.03	-	0.30
7.	NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G)	162.15	78.44	82.31
7.1	Add: Opening balance transfer from Unrealised Appreciation Reserve	-	-	-
7.2	Less: Balance transfer to Unrealised Appreciation Reserve	(0.03)	-	(0.30)
8.	Total	162.12	78.44	82.01
9.	Dividend appropriation			
9.1	Income Distributed during the year / period	-	-	-
9.2	Tax on income distributed during the year / period	-	-	-
10.	Retained Surplus / (Deficit) carried forward to Balance Sheet	162.12	78.44	82.01

The notes to accounts form an integral part of the accounts.

For **DSP Merrill Lynch Trustee Company Private Limited**For **DSP Merrill Lynch Fund Managers Limited**
Shitin D. Desai
Chairman

S. S. Thakur
Director

Hemendra Kothari
Chairman

K. R. V. Subrahmanian
Director

Naganath Sundaresan
President & Chief Investment Officer
Mumbai
September 9, 2008Mumbai
September 8, 2008

Extracted from Audited financial Statements for the year 2007-2008

**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**

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.

2. INVESTMENTS

2.1 Investments of the Schemes are registered in the name of the Trustees for the benefits of the Schemes Unit holders.

2.2 **Open Position of derivatives as of March 31, 2008 : NIL**

Open Position of derivatives as of March 31, 2007 : NIL

2.3 **Investments in Associates and Group Companies for the year 2007-2008 : NIL**

Investments in Associates and Group Companies for the year 2006-2007 : NIL

2.4 **Aggregate Unrealised Gain / Loss and percentage to net assets as of March 31, 2008 /maturity date.**

Rupees in Lakhs

Scheme	Unrealised Gain/(loss)		% to Net Assets	
	As of March 31, 2008	As of March 31, 2007	As of March 31, 2008	As of March 31, 2007
FTP - Series 3A	-	(19.35)	-	0.00%
FTP - Series 1H	-	5.42	-	0.00%
FTP - Series 1I	-	10.38	-	0.00%
FTP - Series 3E	(11.75)	0.67	0.02%	0.00%
FTP - Series 3C	-	-	-	-
FTP - Series 1J	-	-	-	-
FTP - Series 1K	-	NA	-	NA
FTP - Series 1M	-	NA	-	NA
FTP - Series 1N	-	NA	-	NA
FTP - Series 3D	(13.22)	NA	0.10%	NA
FTP - Series 1O	-	NA	-	NA
FTP - Series 3F	(17.87)	NA	0.16%	NA
FTP - 18M - Series 1	(87.48)	NA	0.77%	NA
FTP - Series 1P	-	NA	-	NA
FTP - Series 3H	(12.41)	NA	0.16%	NA
FTP - 3M - Series 1	-	NA	-	NA
FTP - 15M - Series 1	(21.74)	NA	0.56%	NA
FTP - 3M - Series 2	-	NA	-	NA
FTP - 15M - Series 2	(21.24)	NA	0.12%	NA
FTP - 3M - Series 3	(0.01)	NA	0.00%	NA
FTP - 13M - Series 1	0.03	NA	0.00%	NA
FTP - 3M - Series 6	(0.07)	NA	0.00%	NA
FTP - 12 1/2 M - Series 1	0.30	NA	0.00%	NA

2.5. 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 in Lakhs)		Sale (Rupees in Lakhs)		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
	FTP - Series 3A	995.65	24,995.94	27,958.32	24,225.26	3.64%	94.85%	102.20%
FTP - Series 1H	2,528.80	17,544.72	20,404.51	-	14.16%	99.22%	114.22%	-
FTP - Series 1I	-	50,811.59	49,688.68	1,795.35	-	102.69%	99.79%	3.63%
FTP - Series 3E	110,909.10	58,697.15	110,656.51	-	178.76%	99.54%	178.35%	-
FTP - Series 1J	2,424.70	21,529.60	21,414.65	2,800.00	12.40%	111.36%	109.56%	14.48%
FTP - Series 3C	8,688.16	8,640.22	9,168.78	-	96.06%	99.49%	101.38%	-
FTP - 12 1/2M - Series 1	57,481.34	-	3,465.57	-	106.30%	-	6.41%	-
FTP - 13M Series 1	35,316.20	-	4,558.07	-	114.12%	-	14.73%	-
FTP - 15M Series 1	3,616.34	-	-	-	94.45%	-	-	-
FTP - 15M Series 2	16,866.58	-	-	-	106.03%	-	-	-
FTP - 3M Series 2	25,712.48	-	26,041.02	-	170.30%	-	172.48%	-

DSP MERRILL LYNCH MUTUAL FUND
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Scheme	Purchase (Rupees in Lakhs)		Sale (Rupees in Lakhs)		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
FTP - 3M Series 3	33,590.63	-	4,317.21	-	125.25%	-	16.10%	-
FTP - 3M Series 6	14,945.64	-	-	-	98.86%	-	-	-
FTP - 18 M Series 1	10,944.19	-	225.00	-	97.23%	-	2.00%	-
FTP - 3M Series 1	39,189.02	-	39,964.00	-	113.00%	-	115.24%	-
FTP - Series 1K	5,779.27	-	5,925.00	-	97.13%	-	99.58%	-
FTP - Series 1M	10,750.91	-	10,998.20	-	97.49%	-	99.73%	-
FTP - Series 1N	20,198.51	-	20,647.62	-	98.54%	-	100.73%	-
FTP - Series 1O	40,258.72	-	41,090.82	-	99.87%	-	101.94%	-
FTP - Series 1P	13,793.22	-	14,024.16	-	126.86%	-	128.98%	-
FTP - Series 3D	12,251.56	-	238.31	-	96.73%	-	1.88%	-
FTP - Series 3F	10,890.88	-	96.47	-	96.91%	-	0.86%	-
FTP - Series 3H	7,270.68	-	-	-	99.25%	-	-	-

2.6 Non-Traded securities in the portfolio as of March 31, 2008:

Rupees in Lakhs

Scheme	Debt	% to net assets	Money Market Instruments	% to net assets
FTP - Series 3A	-	-	5,000.00	18.25%
FTP - Series 1H	-	-	-	-
FTP - Series 1I	-	-	7,500.00	14.94%
FTP - Series 3E	12,547.92	19.30%	51,923.62	79.87%
FTP - Series 3C	-	-	9,094.21	100.03%
FTP - Series 1J	2,400.00	12.13%	-	-
FTP - Series 1K	-	-	2,500.00	41.71%
FTP - Series 1M	-	-	8,500.00	76.47%
FTP - Series 1N	-	-	6,000.00	29.07%
FTP - Series 3D	3,604.82	28.08%	8,953.29	69.75%
FTP - Series 1O	-	-	25,000.00	62.14%
FTP - Series 3F	2,996.49	26.15%	8,190.01	71.47%
FTP - 18M - Series 1	10,711.62	93.72%	-	-
FTP - Series 1P	-	-	-	-
FTP - Series 3H	2,139.98	28.05%	5,367.93	70.37%
FTP - 3M - Series 1	2,500.00	7.16%	10,000.00	28.63%
FTP - 15M - Series 1	3,606.82	92.59%	-	-
FTP - 3M - Series 2	1,500.00	9.88%	-	-
FTP - 15M - Series 2	16,883.10	95.47%	-	-
FTP - 3M - Series 3	-	-	29,549.15	99.21%
FTP - 13M - Series 1	-	-	30,919.29	99.71%
FTP - 3M - Series 6	200.24	1.32%	14,822.72	97.84%
FTP - 12 1/2 M - Series 1	-	-	54,093.95	99.97%

Non-Traded securities in the portfolio as of March 31, 2007

Rupees in Lakhs

Scheme	Debt	% to net assets	Money Market Instruments	% to net assets
FTP - Series 3A	2,001.68	7.33%	24,751.64	90.58%
FTP - Series 1H	2,493.87	14.04%	12,535.22	70.59%
FTP - Series 1I	2,480.18	5.02%	24,547.92	49.64%
FTP - Series 3E	798.04	1.35%	37,899.78	64.17%
FTP - Series 3C	-	-	6,140.22	70.68%
FTP - Series 1J	3,900.00	20.17%	9,229.60	47.73%

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3. Details of Transactions with Associates in terms of Regulation 25(8):
Name of Associate: DSP Merrill Lynch Limited

Rupees in Lakhs

Scheme Name	Securities transaction in the form of investments in various Public issues / Private placements where the associate was the sole or one of the several lead managers		Payment of Brokerage on Secondary Market transactions		Payment of Brokerage for Distribution and Sale of Units	
	2007-2008	2006-2007	2007-2008	2006-2007	2007-2008	2006-2007
FTP - Series 3A	-	-	-	-	-	-
FTP - Series 1H	-	-	-	-	0.14	0.15
FTP - Series 1I	-	-	-	-	0.18	0.28
FTP - Series 3E	-	-	-	-	(10.00)	20.83
FTP - Series 3C	-	-	-	-	0.30	0.38
FTP - Series 1J	-	-	-	-	0.22	-
FTP - Series 3D	-	-	-	-	1.51	-
FTP - Series 1N	-	-	-	-	0.26	-
FTP - Series 1O	-	-	-	-	0.02	-
FTP - Series 1P	-	-	-	-	0.74	-
FTP - Series 3F	-	-	-	-	0.98	-
FTP - Series 3H	-	-	-	-	0.10	-
FTP - 3M - Series 1	-	-	-	-	0.27	-
FTP - 3M - Series 2	-	-	-	-	0.04	-
FTP - 3M - Series 3	-	-	-	-	0.05	-
FTP - 3M - Series 6	-	-	-	-	0.01	-
FTP - 12 1/2 M - Series 1	-	-	-	-	3.80	-
FTP - 13M - Series 1	-	-	-	-	1.25	-
FTP - 18M - Series 1	-	-	-	-	0.32	-
FTP - 15M - Series 1	-	-	-	-	0.19	-
FTP - 15M - Series 2	-	-	-	-	0.94	-

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.

4. Large Holdings in the Scheme (i.e. in excess of 25% of the net assets):

As of March 31, 2008: NIL

As of March 31, 2007: NIL

5. Unit Capital movement during the year ended / period ended.
2007-2008

Scheme	Plan	Face Value	Opening Units	Units Sold / Switch In	Redemption / Switch out	Closing Units
FTP - Series 3A	Regular	1,000	2,517,022.830	387.163	1,700.000	2,515,709.993
FTP - Series1H	Regular	1,000	155,468.923	1,785.345	25.000	157,229.268
FTP - Series 1H	Institutional	1,000	1,614,759.773	14,298.046	-	1,629,057.819
FTP - Series 1I	Regular	1,000	837,340.829	13,117.666	754.073	849,704.422
FTP - Series 1I	Institutional	1,000	4,101,117.000	82,535.457	22,538.636	4,161,113.821
FTP - Series 3E	Regular	1,000	1,339,520.940	2,239.991	262,076.616	1,079,684.315
FTP - Series 3E	Institutional	1,000	4,541,011.804	250,000.000	-	4,791,011.803
FTP - Series 3C	Regular	1,000	866,919.592	225.108	46,369.102	820,775.598
FTP - Series 1J	Regular	1,000	421,467.207	10,663.283	200.000	428,730.490
FTP - Series 1J	Institutional	1,000	1,510,980.500	27,312.129	-	1,541,492.629
FTP - Series 1K	Regular	1,000	-	118,183.551	220.000	117,963.551
FTP - Series 1K	Institutional	1,000	-	479,830.954	-	479,830.954
FTP - Series 1M	Regular	1,000	-	65,032.731	-	65,032.731
FTP - Series 1M	Institutional	1,000	-	1,044,988.111	-	1,044,988.111
FTP - Series 1N	Regular	1,000	-	161,304.691	2,000.000	159,304.691
FTP - Series 1N	Institutional	1,000	-	1,927,172.136	25,056.616	1,902,115.520
FTP - Series 3D	Regular	1,000	-	325,960.989	3,250.817	322,710.172
FTP - Series 3D	Institutional	1,000	-	921,522.969	35,000.000	886,522.969
FTP - Series 1O	Regular	1,000	-	122,887.608	9,087.090	113,800.518
FTP - Series 1O	Institutional	1,000	-	3,971,493.921	64,044.399	3,907,449.522

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

Scheme	Plan	Face Value	Opening Units	Units Sold / Switch In	Redemption / Switch out	Closing Units
FTP - Series 3F	Regular	1,000	-	218,976.918	4,153.537	214,823.381
FTP - Series 3F	Institutional	1,000	-	879,926.771	-	879,926.771
FTP - 18M Series 1	Regular	1,000	-	17,415,842.108	50,000.000	17,360,342.108
FTP - 18M Series 1	Institutional	1,000	-	92,283,544.386	-	92,283,544.386
FTP - Series 1P	Regular	1,000	-	297,368.851	8,858.869	288,509.982
FTP - Series 1P	Institutional	1,000	-	797,342.778	-	797,342.778
FTP - Series 3H	Regular	1,000	-	77,415.642	400.000	77,015.642
FTP - Series 3H	Institutional	1,000	-	659,930.215	-	659,930.215
FTP - 3M Series 1	Regular	10	-	22,602,518.015	502,500.000	22,100,018.015
FTP - 3M Series 1	Institutional	10	-	326,815,880.768	-	326,815,880.768
FTP - 15M Series 1	Regular	10	-	19,155,436.770	100,000.000	19,055,436.770
FTP - 15M Series 1	Institutional	10	-	19,199,543.530	-	19,199,543.530
FTP - 3M Series 2	Regular	10	-	4,274,874.329	200,000.000	4,074,874.329
FTP - 3M Series 2	Institutional	10	-	147,672,967.715	-	147,672,967.715
FTP - 15M Series 2	Regular	10	-	30,045,289.212	-	30,045,289.212
FTP - 15M Series 2	Institutional	10	-	145,686,469.292	-	145,686,469.292
FTP - 3M Series 3	Regular	10	-	51,960,198.032	-	51,960,198.032
FTP - 3M Series 3	Institutional	10	-	244,727,891.032	-	244,727,891.032
FTP - 13M Series 1	Regular	10	-	22,086,188.012	-	22,086,188.012
FTP - 13M Series 1	Institutional	10	-	286,392,651.413	-	286,392,651.413
FTP - 3M Series 6	Regular	10	-	19,002,609.817	-	19,002,609.817
FTP - 3M Series 6	Institutional	10	-	131,710,619.795	-	131,710,619.795
FTP - 12 1/2 M Series	Regular	10	-	22,022,463.325	-	22,022,463.325
FTP - 12 1/2 M Series	Institutional	10	-	518,254,190.278	-	518,254,190.278

2006-2007

Scheme	Plan	Face Value	Opening Units	Units Sold / Switch In	Redemption / Switch out	Closing Units
FTP - Series 3A	Regular	1,000	2,526,830.726	-	9,807.896	2,517,022.830
FTP - Series 1H	Institutional	1,000	-	1,614,759.774	-	1,614,759.774
	Regular	1,000	-	155,493.918	25.000	155,468.918
FTP - Series 1I	Institutional	1,000	-	4,123,655.638	22,538.636	4,101,117.002
	Regular	1,000	-	837,340.828	-	837,340.828
FTP - Series 3E	Institutional	1,000	-	4,541,011.804	-	4,541,011.804
	Regular	1,000	-	1,339,520.940	-	1,339,520.940
FTP - Series 3C	Regular	1,000	-	866,919.592	-	866,919.592
FTP - Series 1J	Institutional	1,000	-	1,510,980.503	-	1,510,980.503
	Regular	1,000	-	421,467.211	-	421,467.211

6. Prior Period Comparatives

Prior Period figures have been reclassified, wherever necessary, to conform to current years/periods presentation. For FTP-Series 1K, 1M, 1N, 1O, 1P, 3D, 3F, 3H, 3M - Series 1, 3M - Series 2, 3M - Series 3, 3M - Series 6, 12 1/2 M - Series 1, 13M - Series 1, 15M - Series 1, 15M - Series 2 & 18M - Series 1 as these are the first Financial Statements since the date of its launch, there are no comparatives for the prior period.

7. Contingent Liability:-

As of March 31, 2008: NIL

As of March 31, 2007: NIL

8. Unit-holders can obtain from the mutual fund a copy of the Annual Report of the scheme in which he /she /it has invested.**For DSP Merrill Lynch Trustee Company Private Limited**

Shitin Desai **S. S. Thakur**
 Chairman Director

For DSP Merrill Lynch Fund Managers Limited

Hemendra Kothari **K. R. V. Subrahmanian**
 Chairman Director

Naganath Sundaresan
 President & Chief Investment Officer

Mumbai, September 9, 2008

Mumbai, September 8, 2008

Extracted from Audited financial Statements for the year 2007-2008

**DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008**

	FTP- Series 3A		FTP- Series 1H			
	Year Ended		Year Ended			
	16.04.07	31.03.07	15.05.07		Regular	Institutional
1. NAV per Unit (Rs.):						
Open						
G	1,086.2149	1,003.2963	1,011.7122		1,011.8424	
D	1,086.2149	1,003.2963	1,003.1986		1,002.0765	
High						
G	1,089.5233	1,084.8911	1,023.6156		1,023.8203	
D	1,088.0934	1,084.8911	1,013.2248		1,012.1886	
Low						
G	1,086.2149	1,003.2963	1,011.7122		1,011.8424	
D	1,000.4133	1,003.2963	1,000.2018		1,000.1389	
End						
G	1,089.5233	*1085.6146	1,023.6156		1,023.8203	
D	1,000.4133	*1085.6146	1,000.2018		1,000.1389	
* Refers to computed NAV						
2. Closing Assets Under Management (Rs. in Lakhs)						
End	27,404.48	27,325.17	17,952.42			
Average (AAuM)	27,356.02	26,353.97	17,864.31			
3. Gross income as % of AAuM	0.24%	8.39%	1.35%			
4. Expense Ratio:						
a. Total Expense as % of AAuM (plan wise)	(8.37)%	0.29%	0.34%		0.27%	
b. Management Fee as % of AAuM (plan wise)	(9.07)%	0.19%	0.16%		0.16%	
5. Net Income as a percentage of AAuM	0.29%	8.10%	1.32%			
6. Portfolio turnover ratio	0.04	0.92	0.14			
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.	IND.	OTH.
D	78.055403	72.647970	-		12.963977	12.065873
					12.088032	11.250611
8. Returns:						
a. Last One Year						
Scheme	NA	NA	NA		NA	NA
Benchmark	NA	NA	NA		NA	NA
b. Since Inception						
Scheme	# 8.95%	*8.49%	* # 2.36%		* # 2.38%	
Benchmark	# 6.92%	*5.69%	* # 2.40%		* # 2.40%	
Benchmark Index	CRISIL Short Term Bond Fund Inex		CRISIL Liquid Fund Index			

G – Growth, D – Dividend

* Since the scheme / Plan has not completed one year, returns are computed in absolute terms from the date of launch.

Returns are calculated upto the date of Maturity.

*** Post date of allotment no NAV is declared and hence returns are not computed for the Schemes.

DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP- Series 1H				FTP- Series 1I			
	Year Ended 31.03.07				Year Ended 28.05.07			
	Regular		Institutional		Regular		Institutional	
1. NAV per Unit (Rs.):								
Open								
G	1,001.9557	1,001.9696	1,008.8637	1,008.9493				
D	1,001.9557	1,001.9696	1,002.6556	1,001.5896				
High								
G	1,010.0874	1,010.2008	1,026.5146	1,026.7198				
D	1,009.8232	1,009.9338	1,016.0659	1,015.1024				
Low								
G	1,001.9557	1,001.9696	1,008.8637	1,008.9493				
D	1,001.5874	1,000.4508	1,000.1479	1,000.0304				
End								
G	*1010.6166	*1010.7355	1,026.5146	1,026.7198				
D	*1002.1121	*1000.9804	1,000.1479	1,000.0304				
* Refers to computed NAV								
2. Closing Assets Under Management (Rs. in Lakhs)								
End	17,757.07				50,204.13			
Average (AAuM)	17,683.04				49,793.80			
3. Gross income as % of AAuM	1.06%				1.95%			
4. Expense Ratio:								
a. Total Expense as % of AAuM (plan wise)	0.31%	0.21%	0.67%	0.60%				
b. Management Fee as % of AAuM (plan wise)	0.09%	0.09%	0.52%	0.52%				
5. Net Income as a percentage of AAuM	1.04%				1.86%			
6. Portfolio turnover ratio	-				-			
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.	IND.	OTH.	IND.	OTH.
D	7.454506	6.942176	8.550756	7.963084	17.562685	16.345997	16.818132	15.653025
8. Returns:								
a. Last One Year								
Scheme	NA		NA		NA		NA	
Benchmark	NA		NA		NA		NA	
b. Since Inception								
Scheme	*0.98%		*0.99%		* # 2.65%		* # 2.67%	
Benchmark	*0.85%		*0.85%		* # 2.58%		* # 2.58%	
Benchmark Index	CRISIL Liquid Fund Index				CRISIL Liquid Fund Index			

G – Growth, D – Dividend

* Since the scheme / Plan has not completed one year, returns are computed in absolute terms from the date of launch.

Returns are calculated upto the date of Maturity.

*** Post date of allotment no NAV is declared and hence returns are not computed for the Schemes.

DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP- Series 1I				FTP- Series 3E			
	Year Ended 31.03.07				Year Ended 31.03.08			
	Regular		Institutional		Regular		Institutional	
1. NAV per Unit (Rs.):								
Open								
G	1,001.1135	1,001.1135	1,005.2053	1,005.2490	1,002.0439	1,002.0494		
D	1,001.1135	1,001.1135	1,005.2053	NA	1,002.0439	NA		
High								
G	1,007.5464	1,007.6154	1,102.3190	1,106.6104	1,003.6394	1,003.6638		
D	1,007.3279	1,007.3941	1,054.1928	NA	1,003.6394	NA		
Low								
G	1,001.1135	1,001.1135	1,005.2053	1,005.2490	1,002.0439	1,002.0494		
D	1,001.1135	1,000.2654	1,002.5630	NA	1,002.0439	NA		
End								
G	*1007.9868	*1008.0613	*1104.2777	*1108.6525	*1004.3110	*1004.3437		
D	*1001.7841	*1000.7081	*1006.2911	NA	*1004.3110	NA		
* Refers to computed NAV								
2. Closing Assets Under Management (Rs. in Lakhs)								
End	49,453.78		65,010.78		59,060.32			
Average (AAuM)	49,478.92		62,043.41		58,969.50			
3. Gross income as % of AAuM	0.81%		9.99%		0.44%			
4. Expense Ratio:								
a. Total Expense as % of AAuM (plan wise)	0.36%	0.28%	0.48%	0.09%	0.40%	0.30%		
b. Management Fee as % of AAuM (plan wise)	0.16%	0.16%	-	-	0.16%	0.16%		
5. Net Income as a percentage of AAuM	0.78%		9.82%		0.43%			
6. Portfolio turnover ratio	0.04		1.78		-			
7. Total Dividend per unit distributed during the year/ period	IND.	OTH.	IND.	OTH.	IND.	OTH.	IND.	OTH.
D	5.437404	5.063705	6.445955	6.002940	83.619051	77.826187	-	-
8. Returns:								
a. Last One Year								
Scheme		NA		NA	9.83%	10.26%	NA	NA
Benchmark		NA		NA	8.59%	8.59%	NA	NA
b. Since Inception								
Scheme		*0.73%		*0.74%	9.92%	10.33%	*0.36%	*0.37%
Benchmark		*0.61%		*0.61%	8.58%	8.58%	*0.24%	*0.24%
Benchmark Index	CRISIL Liquid Fund Index				CRISIL Short Term Bond Fund Index			

G – Growth, D – Dividend

* Since the scheme / Plan has not completed one year, returns are computed in absolute terms from the date of launch.

Returns are calculated upto the date of Maturity.

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DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP- Series 3C				FTP- Series 1J			
	Year Ended 31.03.08		Year Ended 31.03.07		Period Ended 27.06.07			
					Regular		Institutional	
1. NAV per Unit (Rs.):								
Open								
G	1,003.1300		NA		1,001.6381		1,001.6381	
D	1,003.1300		NA		1,001.6381		1,001.6381	
High								
G	1,108.6008		NA		1,027.6411		1,027.7987	
D	1,055.5651		NA		1,020.8575		1,021.0166	
Low								
G	1,003.1300		NA		1,000.7809		1,000.7809	
D	1,002.6379		NA		1,000.2713		1,000.1823	
End								
G	*1107.9242		*1002.1367		1,027.6411		1,027.7987	
D	*1004.2371		*1002.1367		1,000.2713		1,000.1823	
* Refers to computed NAV								
2. Closing Assets Under Management (Rs. in Lakhs)								
End	9,091.47		8,687.72		19,780.99			
Average (AAuM)	9,044.40		8,684.57		19,546.90			
3. Gross income as % of AAuM	10.63%		0.21%		2.77%			
4. Expense Ratio:								
a. Total Expense as % of AAuM (plan wise)	0.60%		0.31%		0.43%		0.38%	
b. Management Fee as % of AAuM (plan wise)	0.36%		0.16%		0.29%		0.29%	
5. Net Income as a percentage of AAuM	10.03%		0.21%		2.68%			
6. Portfolio turnover ratio	0.96		-		0.12			
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.	IND.	OTH.	IND.	OTH.
D	88.555524	82.420680	-		23.974510	22.313631	24.190430	22.514593
8. Returns:								
a. Last One Year								
Scheme	10.86%		NA		NA		NA	
Benchmark	8.59%		NA		NA		NA	
b. Since Inception								
Scheme	10.86%		***		* # 2.76%		* # 2.78%	
Benchmark	8.59%		***		* # 2.46%		* # 2.46%	
Benchmark Index	CRISIL Short Term Bond Fund Inex				CRISIL Liquid Fund Index			

G – Growth, D – Dividend

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Returns are calculated upto the date of Maturity.

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DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP- Series 1J				FTP- Series 1K			
	Year Ended 31.03.07				Period Ended 16.07.07			
	Regular		Institutional		Regular		Institutional	
1. NAV per Unit (Rs.):								
Open								
G	NA	NA	NA	1,002.5036	1,002.5062	1,002.5036	1,002.5062	
D	NA	NA	NA	1,002.5036	1,002.5062	1,002.5036	1,002.5062	
High								
G	NA	NA	NA	1,023.8199	1,023.9342	1,023.8199	1,023.9342	
D	NA	NA	NA	1,022.9237	1,023.1421	1,022.9237	1,023.1421	
Low								
G	NA	NA	NA	1,002.5036	1,002.5062	1,002.5036	1,002.5062	
D	NA	NA	NA	1,000.3952	1,000.2630	1,000.3952	1,000.2630	
End								
G	*1000.6693	*1000.6692	*1000.6692	1,023.8199	1,023.9342	1,023.8199	1,023.9342	
D	*1000.6693	*1000.6692	*1000.6692	1,000.3952	1,000.2630	1,000.3952	1,000.2630	
* Refers to computed NAV								
2. Closing Assets Under Management (Rs. in Lakhs)								
End	19,337.41				5,993.13			
Average (AAuM)	19,332.77				5,949.92			
3. Gross income as % of AAuM	0.07%				2.49%			
4. Expense Ratio:								
a. Total Expense as % of AAuM (plan wise)	0.07%	0.07%	0.07%	0.58%	0.52%	0.58%	0.52%	
b. Management Fee as % of AAuM (plan wise)	0.00%	0.00%	0.00%	0.43%	0.43%	0.43%	0.43%	
5. Net Income as a percentage of AAuM	0.07%				2.36%			
6. Portfolio turnover ratio	0.14				0.97			
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.	IND.	OTH.	IND.	OTH.
D	-	-	-	-	20.518734	19.097261	20.734655	19.298223
8. Returns:								
a. Last One Year								
Scheme	NA	NA	NA	NA	NA	NA	NA	
Benchmark	NA	NA	NA	NA	NA	NA	NA	
b. Since Inception								
Scheme	***	***	***	***	* # 2.38%	* # 2.39%	* # 2.39%	
Benchmark	***	***	***	***	* # 2.17%	* # 2.17%	* # 2.17%	
Benchmark Index	CRISIL Liquid Fund Index				CRISIL Liquid Fund Index			

G – Growth, D – Dividend

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Returns are calculated upto the date of Maturity.

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DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP- Series 1M		FTP- Series 1N	
	Period Ended 29.08.07		Period Ended 17.09.07	
	Regular	Institutional	Regular	Institutional
1. NAV per Unit (Rs.):				
Open				
G	1,001.7773	1,001.7773	1,001.7960	1,001.7960
D	1,001.7773	1,001.7774	1,001.7960	1,001.7960
High				
G	1,022.5421	1,022.7915	1,021.5749	1,021.8219
D	1,021.0603	1,021.0603	1,021.0383	1,021.0383
Low				
G	1,001.7773	1,001.7773	1,001.7960	1,001.7960
D	1,000.2360	1,000.2331	1,000.2394	1,000.2424
End				
G	1,022.5421	1,022.7915	1,021.5749	1,021.8219
D	1,000.2360	1,000.2331	1,000.2394	1,000.2424
* Refers to computed NAV				
2. Closing Assets Under Management (Rs. in Lakhs)				
End	11,115.81		20,638.47	
Average (AAuM)	11,027.82		20,497.50	
3. Gross income as % of AAuM	2.27%		2.21%	
4. Expense Ratio:				
a. Total Expense as % of AAuM (plan wise)	0.16%	0.06%	0.30%	0.20%
b. Management Fee as % of AAuM (plan wise)	0.00%	0.00%	0.14%	0.14%
5. Net Income as a percentage of AAuM	2.25%		2.16%	
6. Portfolio turnover ratio	0.97		0.99	
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.
D	19.538990	18.185391	19.759904	18.391000
	18.688711	17.394016	18.902442	17.592940
8. Returns:				
a. Last One Year				
Scheme	NA	NA	NA	NA
Benchmark	NA	NA	NA	NA
b. Since Inception				
Scheme	* # 2.25%	* # 2.28%	* # 2.16%	* # 2.18%
Benchmark	* # 1.33%	* # 1.33%	* # 1.28%	* # 1.28%
Benchmark Index	CRISIL Liquid Fund Index		CRISIL Liquid Fund Index	

G – Growth, D – Dividend

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Returns are calculated upto the date of Maturity.

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DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP- Series 3D				FTP- Series 10			
	Period Ended 31.03.08				Period Ended 27.11.07			
	Regular		Institutional		Regular		Institutional	
1. NAV per Unit (Rs.):								
Open								
G	1,000.7809	1,000.7809	1,000.7809	1,000.7809	1,001.5629	1,001.5629	1,001.5657	1,001.5657
D	1,000.7809	1,000.7809	1,000.7809	1,000.7809	1,001.5629	1,001.5629	1,001.5657	1,001.5657
High								
G	1,060.5550	1,063.4239	1,063.4239	1,063.4239	1,020.4763	1,020.4763	1,020.7113	1,020.7113
D	1,039.2449	1,041.3254	1,041.3254	1,041.3254	1,014.0115	1,014.0115	1,014.1841	1,014.1841
Low								
G	1,000.7809	1,000.7809	1,000.7809	1,000.7809	1,001.5629	1,001.5629	1,001.5657	1,001.5657
D	1,000.7809	1,000.7809	1,000.7809	1,000.7809	1,000.2430	1,000.2430	1,000.2458	1,000.2458
End								
G	*1062.3599	*1065.2921	*1065.2921	*1065.2921	1,020.4763	1,020.4763	1,020.7113	1,020.7113
D	*1006.3212	*1006.5908	*1006.5908	*1006.5908	1,000.2430	1,000.2430	1,000.2458	1,000.2458
* Refers to computed NAV								
2. Closing Assets Under Management (Rs. in Lakhs)								
End	12,837.03				40,232.14			
Average (AAuM)	12,666.08				40,309.65			
3. Gross income as % of AAuM	6.57%				2.10%			
4. Expense Ratio:								
a. Total Expense as % of AAuM (plan wise)	0.58%	0.20%	0.20%	0.20%	0.11%	0.08%	0.08%	0.08%
b. Management Fee as % of AAuM (plan wise)	0.11%	0.11%	0.11%	0.11%	0.06%	0.06%	0.06%	0.06%
5. Net Income as a percentage of AAuM	6.35%				2.05%			
6. Portfolio turnover ratio	0.02				1.00			
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.	IND.	OTH.	IND.	OTH.
D	48.371926	45.020871	50.640885	47.132643	17.664732	16.440975	17.866900	16.629137
8. Returns:								
a. Last One Year								
Scheme	NA		NA		NA		NA	
Benchmark	NA		NA		NA		NA	
b. Since Inception								
Scheme	*6.06%		*6.34%		*#2.05%		*#2.07%	
Benchmark	*5.07%		*5.07%		*#2.05%		*#2.05%	
Benchmark Index	CRISIL Short Term Bond Fund Inex				CRISIL Liquid Fund Index			

G – Growth, D – Dividend

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Returns are calculated upto the date of Maturity.

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DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP- Series 3F				FTP- 18 M Series 1			
	Period Ended 31.03.08				Period Ended 31.03.08			
	Regular		Institutional		Regular		Institutional	
1. NAV per Unit (Rs.):								
Open								
G	1,002.7132	1,002.7132	1,002.7132	1,002.7132	10.0541	10.0545	10.0541	10.0545
D	1,002.7132	1,002.7132	1,002.7132	1,002.7132	10.0541	-	10.0541	-
High								
G	1,045.4442	1,047.7402	1,047.7402	1,047.7402	10.3818	10.4046	10.3818	10.4046
D	1,041.1095	1,043.3060	1,043.3060	1,043.3060	10.3759	-	10.3759	-
Low								
G	1,002.7132	1,002.7132	1,002.7132	1,002.7132	10.0541	10.0545	10.0541	10.0545
D	1,002.7132	1,002.7132	1,002.7132	1,002.7132	10.0318	-	10.0318	-
End								
G	*1046.8806	*1049.2443	*1049.2443	*1049.2443	*10.4090	*10.4325	*10.4090	*10.4325
D	*1007.2704	*1007.6233	*1007.6233	*1007.6233	*10.0580	-	*10.0580	-
* Refers to computed NAV								
2. Closing Assets Under Management (Rs. in Lakhs)								
End	11,460.03				11,429.68			
Average (AAuM)	11,237.75				11,255.58			
3. Gross income as % of AAuM	5.20%				5.01%			
4. Expense Ratio:								
a. Total Expense as % of AAuM (plan wise)	0.86%	0.44%	0.44%	0.44%	0.48%	0.04%	0.04%	0.04%
b. Management Fee as % of AAuM (plan wise)	0.36%	0.36%	0.36%	0.36%	0.00%	0.00%	0.00%	0.00%
5. Net Income as a percentage of AAuM	4.91%				4.95%			
6. Portfolio turnover ratio	0.01				0.02			
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.	IND.	OTH.	IND.	OTH.
D	34.563101	32.168678	36.314990	33.799201	0.306581	0.285342	-	-
8. Returns:								
a. Last One Year								
Scheme	NA	NA	NA	NA	NA	NA	NA	NA
Benchmark	NA	NA	NA	NA	NA	NA	NA	NA
b. Since Inception								
Scheme	*4.54%	*4.77%	*4.77%	*4.77%	*3.82%	*4.05%	*3.82%	*4.05%
Benchmark	*3.86%	*3.86%	*3.86%	*3.86%	*3.52%	*3.52%	*3.52%	*3.52%
Benchmark Index	CRISIL Short Term Bond Fund Inex				CRISIL Short Term Bond Fund Inex			

G – Growth, D – Dividend

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DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP- Series 1P				FTP- Series 3H			
	Period Ended 17.12.07				Period Ended 31.03.08			
	Regular		Institutional		Regular		Institutional	
1. NAV per Unit (Rs.):								
Open								
G	1,001.9653	1,001.9653	1,001.4649	1,001.4649	1,001.4649	1,001.4649	1,001.4649	1,001.4649
D	1,001.9653	1,001.9653	1,001.4649	1,001.4649	1,001.4649	1,001.4649	1,001.4649	1,001.4649
High								
G	1,019.9746	1,020.1926	1,034.7948	1,036.7733	1,034.7948	1,036.7733	1,034.7948	1,036.7733
D	1,018.3251	1,018.5288	1,033.2567	1,035.1430	1,033.2567	1,035.1430	1,033.2567	1,035.1430
Low								
G	1,001.9653	1,001.9653	1,001.4649	1,001.4649	1,001.4649	1,001.4649	1,001.4649	1,001.4649
D	1,000.2076	1,000.2103	1,001.4649	1,001.4649	1,001.4649	1,001.4649	1,001.4649	1,001.4649
End								
G	1,019.9746	1,020.1926	*1035.8951	*1037.9396	*1035.8951	*1037.9396	*1035.8951	*1037.9396
D	1,000.2076	1,000.2103	*1002.8302	*1002.9904	*1002.8302	*1002.9904	*1002.8302	*1002.9904
* Refers to computed NAV								
2. Closing Assets Under Management (Rs. in Lakhs)								
End	10,885.40				7,628.10			
Average (AAuM)	10,873.04				7,325.26			
3. Gross income as % of AAuM	2.14%				4.13%			
4. Expense Ratio:								
a. Total Expense as % of AAuM (plan wise)	0.23%	0.20%	0.76%	0.33%	0.23%	0.20%	0.76%	0.33%
b. Management Fee as % of AAuM (plan wise)	0.17%	0.17%	0.26%	0.26%	0.17%	0.17%	0.26%	0.26%
5. Net Income as a percentage of AAuM	1.99%				3.96%			
6. Portfolio turnover ratio	1.27				-			
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.	IND.	OTH.	IND.	OTH.
D	17.305771		17.494186	16.282244	28.932443	26.928094	30.579218	28.460786
	16.106881							
8. Returns:								
a. Last One Year								
Scheme	NA		NA		NA		NA	
Benchmark	NA		NA		NA		NA	
b. Since Inception								
Scheme	*#2.00%		*#2.02%		*#3.48%		*#3.68%	
Benchmark	*#1.73%		*#1.73%		*#2.99%		*#2.99%	
Benchmark Index	CRISIL Liquid Fund Index				CRISIL Short Term Bond Fund Index			

G – Growth, D – Dividend

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Returns are calculated upto the date of Maturity.

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DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP- 3M Series 1				FTP- 15M Series 1			
	Period Ended 26.02.08				Period Ended 31.03.08			
	Regular		Institutional		Regular		Institutional	
1. NAV per Unit (Rs.):								
Open								
G	10.0198	10.0198	10.0198	10.0299	10.0307			
D	10.0198	10.0198	10.0198	10.0299	-			
High								
G	10.2197	10.2219	10.2219	10.1577	10.1689			
D	10.2066	10.2086	10.2086	10.1372	-			
Low								
G	10.0198	10.0198	10.0198	10.0299	10.0307			
D	10.0027	10.0024	10.0024	10.0277	-			
End								
G	10.2197	10.2219	10.2219	*10.1810	*10.1929			
D	10.0027	10.0024	10.0024	*10.0507	-			
* Refers to computed NAV								
2. Closing Assets Under Management (Rs. in Lakhs)								
End	34,926.53				3,895.35			
Average (AAuM)	34,680.28				3,828.76			
3. Gross income as % of AAuM	2.26%				2.51%			
4. Expense Ratio:								
a. Total Expense as % of AAuM (plan wise)	0.35%	0.26%	0.26%	0.51%	0.06%			
b. Management Fee as % of AAuM (plan wise)	0.20%	0.20%	0.20%	0.00%	0.00%			
5. Net Income as a percentage of AAuM	2.19%				2.44%			
6. Portfolio turnover ratio	1.13				-			
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.	IND.	OTH.	IND.	OTH.
D	0.190080	0.176912	0.192270	0.178950	0.113873	0.105984	-	-
8. Returns:								
a. Last One Year								
Scheme	NA		NA		NA		NA	
Benchmark	NA		NA		NA		NA	
b. Since Inception								
Scheme	*#2.20%		*#2.22%		*1.58%		*1.69%	
Benchmark	*#1.53%		*#1.53%		*1.60%		*1.60%	
Benchmark Index	CRISIL Liquid Fund Index				CRISIL Short Term Bond Fund Index			

G – Growth, D – Dividend

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Returns are calculated upto the date of Maturity.

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DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP- 3M Series 2				FTP- 15M Series 2			
	Period Ended 17.03.08				Period Ended 31.03.08			
	Regular		Institutional		Regular		Institutional	
1. NAV per Unit (Rs.):								
Open								
G	10.0218	10.0220	10.0189	10.0193				
D	10.0218	10.0220	10.0189	10.0193				
High								
G	10.2211	10.2235	10.0360	10.0384				
D	10.2084	10.2107	10.0189	10.0193				
Low								
G	10.0218	10.0220	10.0003	10.0005				
D	10.0023	10.0023	9.9995	10.0006				
End								
G	10.2211	10.2235	*10.0609	*10.0638				
D	10.0023	10.0023	*10.0429	*10.0438				
* Refers to computed NAV								
2. Closing Assets Under Management (Rs. in Lakhs)								
End	15,187.46				17,683.77			
Average (AAuM)	15,098.42				15,907.29			
3. Gross income as % of AAuM	2.21%				0.84%			
4. Expense Ratio:								
a. Total Expense as % of AAuM (plan wise)	0.10%	0.00%	0.42%	0.05%				
b. Management Fee as % of AAuM (plan wise)	0.00%	0.00%	0.00%	0.00%				
5. Net Income as a percentage of AAuM	2.21%				0.83%			
6. Portfolio turnover ratio	1.70				-			
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.	IND.	OTH.	IND.	OTH.
D	0.191657	0.178379	0.193759	0.180336	0.015767	0.014675	0.017519	0.016305
8. Returns:								
a. Last One Year								
Scheme	NA		NA		NA		NA	
Benchmark	NA		NA		NA		NA	
b. Since Inception								
Scheme	*#2.21%		*#2.23%		*0.36%		*0.38%	
Benchmark	*#1.57%		*#1.57%		*0.42%		*0.42%	
Benchmark Index	CRISIL Liquid Fund Index				CRISIL Short Term Bond Fund Index			

G – Growth, D – Dividend

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Returns are calculated upto the date of Maturity.

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DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP - 3M Series 3		FTP - 13M Series 1	
	Period Ended 31.03.08		Period Ended 31.03.08	
	Regular	Institutional	Regular	Institutional
1. NAV per Unit (Rs.):				
Open				
G	10.0218	10.0219	10.0379	10.0387
D	10.0218	10.0219	10.0379	10.0387
High				
G	10.0797	10.0804	10.0379	10.0387
D	10.0604	10.0609	10.0379	10.0387
Low				
G	10.0218	10.0219	10.0379	10.0387
D	10.0218	10.0219	10.0379	10.0387
End				
G	*10.0935	*10.0943	*10.0514	*10.0527
D	*10.0384	*10.0393	*10.0513	*10.0527
* Refers to computed NAV				
2. Closing Assets Under Management (Rs. in Lakhs)				
End	29,784.38		31,010.03	
Average (AAuM)	26,819.05		30,947.47	
3. Gross income as % of AAuM	1.04%		0.53%	
4. Expense Ratio:				
a. Total Expense as % of AAuM (plan wise)	0.58%	0.47%	0.41%	0.04%
b. Management Fee as % of AAuM (plan wise)	0.39%	0.39%	0.00%	0.00%
5. Net Income as a percentage of AAuM	1.00%		0.52%	
6. Portfolio turnover ratio	0.16		0.15	
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.
D	0.048177	0.044839	0.048177	0.044839
			-	-
8. Returns:				
a. Last One Year				
Scheme	NA	NA	NA	NA
Benchmark	NA	NA	NA	NA
b. Since Inception				
Scheme	*0.80%	*0.80%	*0.38%	*0.39%
Benchmark	*0.54%	*0.54%	*0.18%	*0.18%
Benchmark Index	CRISIL Liquid Fund Index		CRISIL Short Term Bond Fund Index	

G – Growth, D – Dividend

* Since the scheme / Plan has not completed one year, returns are computed in absolute terms from the date of launch.

Returns are calculated upto the date of Maturity.

*** Post date of allotment no NAV is declared and hence returns are not computed for the Schemes.

DSP MERRILL LYNCH MUTUAL FUND
Key Statistics for the year/period ended March 31, 2008

	FTP - 3M Series 6		FTP - 12 1/2 M Series 1	
	Period Ended 31.03.08		Period Ended 31.03.08	
	Regular	Institutional	Regular	Institutional
1. NAV per Unit (Rs.):				
Open				
G	10.0379	10.0381	NA	NA
D	10.0379	10.0381	NA	NA
High				
G	10.0379	10.0381	NA	NA
D	10.0379	10.0381	NA	NA
Low				
G	10.0379	10.0381	NA	NA
D	10.0379	10.0381	NA	NA
End				
G	*10.0518	*10.0521	*10.0149	*10.0153
D	*10.0518	*10.0521	*10.0149	*10.0153
* Refers to computed NAV				
2. Closing Assets Under Management (Rs. in Lakhs)				
End	15,149.76		54,109.98	
Average (AAuM)	15,117.84		54,076.00	
3. Gross income as % of AAuM	0.52%		0.15%	
4. Expense Ratio:				
a. Total Expense as % of AAuM (plan wise)	0.14%	0.04%	0.38%	0.04%
b. Management Fee as % of AAuM (plan wise)	0.00%	0.00%	0.00%	0.00%
5. Net Income as a percentage of AAuM	0.52%		0.15%	
6. Portfolio turnover ratio	-		0.06	
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.
D	-	-	-	-
8. Returns:				
a. Last One Year				
Scheme	NA	NA	NA	NA
Benchmark	NA	NA	NA	NA
b. Since Inception				
Scheme	*0.38%	*0.38%	***	***
Benchmark	*0.17%	*0.17%	***	***
Benchmark Index	CRISIL Liquid Fund Index		CRISIL Short Term Bond Fund Index	

G – Growth, D – Dividend

* Since the scheme / Plan has not completed one year, returns are computed in absolute terms from the date of launch.

Returns are calculated upto the date of Maturity.

*** Post date of allotment no NAV is declared and hence returns are not computed for the Schemes.

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.	DSPMLLOF	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.	DSPMLBaIF	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, DSPMLBaIF, DSPMLEF, DSPMLTEF, DSPMLLOF, 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.

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