

DSP MERRILL LYNCH MUTUAL FUND

TULSIANI CHAMBERS, WEST WING, 11th FLOOR, NARIMAN POINT, MUMBAI – 400 021 HALF YEARLY FINANCIAL RESULTS (UNAUDITED) FOR THE HALF YEAR ENDED MARCH 31, 2006

		Bond Fund (BF), Eq	uity Fund (EF) Securitie), Liquidity Fund (LF), Balanced Fund (es Fund - Plan B - Shorter Duration (G	BaF),Government SFB),Technology.c	Securities Fund - Plar om Fund (TF), Oppor	A - Longer Duration tunities Fund (OF)	(GSFA), Gove	ernment	Short Term Fund (STF), T Savings	Top 100 Eq s Plus Fund	quity Fund (TEF), Sav d - Aggressive (SPF-A	vings Plus Fund - Modera A) & India T.I.G.E.R. Fund	te (SPF-M), Floating F - The Infrastructure G	Rate Fund (FRF),Saving	gs Plus Fund - Conserv Reforms Fund (ITF)	ative (SPF-C),			Fixed Term Plans (F	TP) - (Closed Ended Sc	hemes)		
Sr.					Schemes								Sche	mes										
No. Particulars		BF	EF	LF	BaF	GSFA	GSFB	TF	OF	STF T	TEF	SPF-M	FRF		SPF-C	SPF-A	ITF	FTP- Series 1	FTP- Series 1A	FTP- Series 1B	FTP- Series 2	FTP- Series 3	FTP- Series 1C F	FTP- Series 3A
				Retail Institutiona	ı								Retail	Institutional										
1.1 Unit Capital at the beginning of the half-year period	[Rs. in Crores]	44.96	66.67	1,142.39	^^ 131.3			19.57	261.48	158.53	35.98	209.21	2,420.51	^^	11.80	28.14	210.76	^^	^^	^^	^^	^^	^^	^^
1.2 Unit Capital at the end of the period	[Rs. in Crores]	35.23	141.68	740.10 3,9	38.33 131.4	6 20.57		16.83	346.85	67.02	55.70	148.17	1,015.92	68.74	11.71	40.21	381.99	244.98	481.27	389.09	221.82	153.91	363.98	252.68
2 Reserves and Surplus	[Rs. in Crores]	33.34	409.99	189.28	24.62 201.2	9 15.62	1	13.31	706.37	10.65	101.71	41.68	60.35	0.77	1.13		419.02	0.88	0.60	0.76	0.37	2.90	0.65	0.44
3.1 Total Net Assets at the beginning of the half-year period	[Rs. in Crores]	86.87	231.87	1,520.76	^^ 261.8	8 40.69	1	26.94	671.75	172.28	74.36	261.53	2,532.02	^^	12.47	31.01	372.76	^^	^^	^^	^^	^^	^^	^^
3.2 Total Net Assets at the end of the Period	[Rs. in Crores]	68.57	551.67	929.38 3,9	62.95 332.7	5 36.19	13.60	30.14	1,053.22	77.67	157.41	189.85	1,076.27	69.51	12.84	45.76	801.01	245.86	481.87	389.85	222.19	156.81	364.63	253.12
4.1 NAV at the beginning of the half-year period (* refers to computed NAV) G	[Rs.]	23.5927	-	* 16.6461	- 26.8	7 *21.8742	*15.6051	13.77	35.33	*11.8882	34.91	13.3303	*11.2838	-	10.9168	11.7725	19.45	^^	^^	^^	^^	^^	^^	^^
DD		-	-	* 10.0100	-	-		-	-	-	-	-	*10.0265	-	-	-	-	-	-	-	-	-	-	-
WD		-	-	* 12.4000	-	-		-	-	*10.1930	-	-	*10.0275	-	-	-	-	-	-	-	-	-	-	-
MD		10.3344	-	-	-	*10.0937	·	-	-	*10.2754	-	10.8509	-	-	10.1717	10.4912	-	-	-	-	-	-	-	-
QD/D		10.9890	34.78	-	- 18.8	2 *11.3850	1	13.77	23.78	*10.3969	19.27	10.8901	*10.0666	-	10.1765		17.36	^^	^^	^^	^^	^^	^^	^^
4.2 NAV at the end of the period (* refers to computed NAV) G	[Rs.]	23.7890	-	17.1446 1,022	1	8 22.2448	16.0168	17.91	48.30	12.1679	48.05	14.2004	11.5914	1,025.7663	11.3784	12.6953	27.36	10.1485	10.1587	*1006.3462	*10.0859	*10.1886	*1001.7782	*1001.7277
DD		-	-	10.0100 1,000	.2000	-		-	-	-	-	-	10.0290	1000.6000	-	-	-	-	-	-	-	-	-	-
WD		-	-	12.4024 1,000	.3939	-		-	-	10.1820	-	-	10.0301	1,000.7583	-	-	-	-	-	-	-	-	-	-
MD		10.3401	38.94	-	-	10.0635	10.0157	'l -l	-	10.3213	-	11.0449	-	-	10.2761	10.6526	-	-	-	-	-	-	-	-
QD/D		11.0305	-	-	- 23.8	8 11.3788	10.9055	17.91	26.65	10.4455	26.52	11.0922	10.1396	-	10.2834	10.6754	19.38	10.0035	10.0017	*1001.3440	*10.0059	*10.0085	*1001.7782	*1001.7277
4.3 Dividend paid per unit during the half-year (Individuals & Hindu Undivided Family - "IND.", all other investors - "OTH.") \$	[Rs.]	IND. OTH.		IND. OTH. IND.	отн.	IND. OTH	. IND. OTH			IND. OTH.		IND. OTH.	IND. OTH.	IND. OTH.	IND. OTH.	. IND. OTH.	I	IND. OTH.	IND. OTH.	IND. OTH.	IND. OTH.	IND. OTH.	IND. OTH.	IND. OTH.
Daily Dividend Option (DD)		-	-	0.259090 0.241277 18.921241 17.62	21286	-		-	-	-	-	-	0.234341 0.218226 2	1.789689 20.292133	-	-	-	-	-	-	-	-	-	-
Weekly Dividend Option (WD)		-	-	0.318888 0.296972 18.789801 17.49	98423	-	.	-	-	0.217679 0.202716	-	-	0.234392 0.218280 2	1.661680 20.172928	-		-	-	-	-	-	-	-	-
Monthly Dividend Option (MD)		0.070160 0.065338	-	-	-	- 0.17540 0.163345	0.08770 0.081673	: -	-	0.171015 0.159261	- 0.	0.438500 0.408363	-	-	0.280640 0.261353	0.561280 0.522705		-	-	-	-	-	-	-
Dividend Option (D) / Quarterly Dividend Option (QD)		0.043850 0.040836	6.00	-	-	- 0.17540 0.163345	0.21925 0.204182	-	5.00	0.171015 0.159262	- 0.	0.438500 0.408363	0.175400 0.163346	1.754001 1.633453	0.280640 0.261353	0.561280 0.522705	4.50 0.	127165 0.118425	0.137689 0.128226	4.385003 4.083633	0.070160 0.065338	.157860 0.147011	-	-
INCOME																								
5.1 Dividend	[Rs. in Crores]	-	0.79	-	0.7	1		0.06	2.43	-	0.26	0.17	-		-	0.04	1.44	-	-	-	-	-	-	-
5.2 Interest	[Rs. in Crores]	2.58	0.68	108.05	3.0	3 1.27	0.57	0.02	1.18	3.02	0.10	5.53	68.0	8	0.25	0.77	0.80	3.87	8.16	2.54	2.14	3.31	0.65	0.44
5.3 Profit/(Loss) on sale/redemption of investments (other than inter-scheme transfer/sale)	[Rs. in Crores]	0.06	48.41	0.42	40.0	2 (0.12)	(0.20)	4.70	128.20	1.61	12.23	6.93	1.54	1	0.30	1.30	62.04	(0.01)	(0.02)	-	(0.07)	-	-	-
5.4 Profit/(Loss) on inter-scheme transfer/sale of investment	[Rs. in Crores]	(0.41)	-	-	0.1	0	.	-	(0.03)	(0.25)	-	-	0.29	9	-	-	-	-	(0.05)	-	-	-	-	-
5.5 Other Income (indicating nature)																								
a. Provision for Unrealised Loss (net) in the value of investments	[Rs. in Crores]	(0.43)	-	(0.18)	(0.0)	(0.23)		-	(0.03)	(0.38)	-	-	-		-		-	-	-	-	-	(0.26)	-	(0.01)
b. Write back of provision for unrealised loss in the value of investments	[Rs. in Crores]	0.04	-	-		-	0.06	; -	-	-	-	0.21	0.06	5	-			-	-	-	-	-	-	-
5.6 Total Income (5.1 to 5.5)	[Rs. in Crores]	1.84	49.88	108.29	43.8	3 0.92	0.43	4.78	131.75	4.00	12.59	12.84	69.9	7	0.55	2.11	64.28	3.86	8.09	2.54	2.07	3.05	0.65	0.43
6.1 Management Fee (Including Additional Management Fee, if any)	[Rs. in Crores]	0.48	2.11	1.93	2.65 1.5	8 0.11	0.01	0.13	4.15	0.26	0.52	1.12	2.87	0.50	0.05	0.18	2.52	0.15	0.33	0.05	0.07	0.09	-	-
6.2 Trustee Fee	[Rs. in lacs]	0.16	0.61	1.90	2.28 0.5	2 0.08	0.03	0.05	1.35	0.30	0.15	0.47	3.30	1.00	0.02	0.06	0.75	0.25	0.38	-	-	0.12	-	-
6.3 Total Recurring Expenses (including 6.1 and 6.2)	[Rs. in Crores]	0.79	4.52	3.01	4.01 2.9	3 0.23	0.03	0.31	8.44	0.63	1.01	2.33	6.09	1.21	0.09	0.38	5.32	0.19	0.46	0.07	0.08	0.14	<u>-</u>	-
6.4 Percentage of Management Fee (including Additional Management Fee) to daily aver-		1.25%	1.06%	0.30%	0.27%	6 0.55%	1	0.95%	1.03%	0.35%	1.25%	1.00%	0.34%	0.20%	0.75%	1.00%	1.05%	0.25%	0.29%	0.20%	0.29%	0.20%	0.00%	0.00%
age net assets for the half year [%]																	1							
6.5 Total Recurring expenses as a percentage of daily average net assets for the half year [%]		2.03%	2.28%	0.47%	2.029	6 1.19%	0.38%	2.29%	2.10%	0.84%	2.40%	2.07%	0.72%	0.48%	1.41%	2.12%	2.22%	0.31%	0.39%	0.30%	0.35%	0.31%	0.06%	0.05%
7.1 Absolute Returns during the half-year [(+) (-)] **		0.83%	33.55%	3.01%	N/A 26.83°	1.66%	2.66%	30.07%	36.71%	2.36% 3	37.64%	6.53%	2.75%	N/A	4.23%	7.84%	40.67%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Absolute Returns during the half-year [(+) (-)] - Benchmark		0.58%	30.80%	2.47%	N/A 17.97	6 1.23%	2.61%	27.02%	30.80%	2.47% 25	29.29%	4.72%	2.47%	N/A	4.72%	4.72%	29.29%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
7.2 Compounded Annualised yield in case of schemes in existence for more than 1 Year**																								
(i) Last 1 year [%]		3.53%	84.79%	5.77%	N/A 53.589	4.59%	5.29%	64.61%	83.72%	5.24% 8	30.10%	13.10%	5.58%	N/A	8.39%	16.20%	98.40%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(i) Last 1 year [%] - Benchmark		3.30%	67.15%	4.86%	N/A 38.34°	4.49%	5.12%	56.65%	67.15%	4.86%	59.57%	11.23%	4.86%	N/A	11.23%	11.23%	69.57%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(ii) Last 3 years [%]		4.16%	81.52%	5.21%	N/A 50.13°	6 5.00%	5.03%	62.74%	80.72%	5.33% 7	71.27%	12.40%	N/A	N/A	N/A	i	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(ii) Last 3 years [%] - Benchmark +		4.04%	51.46%	4.45%	N/A 31.579	6 5.51%	5.43%	53.56%	51.46%	4.45% 5	57.80%	10.51%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(iii) Last 5 years [%]		8.26%	41.77%	5.98%	N/A 30.049	6 12.13%	6.57%	35.19%	46.39%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(iv) Last 5 years [%] - Benchmark +	1	N/A	24.24%	N/A	N/A N/	A 14.43%	1	1	24.24%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(v) Since launch of the scheme [%] @	1	10.20%	29.08%	6.92% * 2	.20% 19.609	6 13.08%	I	1	30.73%	5.67% 6	57.02%	12.14%	5.25%	* 2.58%	7.43%	14.15%	74.77%	* # 1.49%	* # 1.59%	* 0.59%	* 0.85%	* 1.85%	***	***
(vi) Since launch of the scheme [%] - Benchmark +	1	N/A	13.99%	N/A * 1	.80% N/	A 15.11%	8.46%	3.86%	17.68%	4.57% 5-	54.92%	10.44%	4.39%	* 2.25%	8.93%	8.93%	58.47%	* # 1.22%	* # 1.28%	* 0.38%	* 0.60%	* 0.38%	***	***
7.3 Launch date @		29-Apr-97	29-Apr-97	11-Mar-98 23-N	ov-05 27-May-9	9 30-Sep-99	30-Sep-99	16-May-00	16-May-00	9-Sep-02 10-N	-Mar-03	10-Mar-03	13-May-03	18-Oct-05	11-Jun-04	11-Jun-04	11-Jun-04	21-Nov-05		8-Mar-06	17-Feb-06	9-Dec-05	29-Mar-06	29-Mar-06
7.4 Benchmark Index		Crisil Composite Bond Fund Index	S&P CNX Nifty	Crisil Liquid Fund Index	Crisil Bal- anced Fund Index	Long ICICI Securi- ties Sovereign Bond (Libex)	Short ICICI Securities Sovereign Bond (Sibex)	BSE-Teck	S&P CNX Nifty	Crisil Liquid Fund BSE	E 100	Crisil MIP Blended Index	Crisil Liquid F	und Index	Crisil MIP B	lended Index	BSE 100		Crisil Liquid	Fund Index		CRISIL Short Term Bond Fund Index	Crisil Liquid CR Fund Index Bc	RISIL Short Term ond Fund Index
8 Provision for Doubtful Income/Debts	[Rs. in Crores]	Nil	Nil	Nil	N	lil Ni	Ni Ni	Nil	Nil	Nil	Nil	Nil	Nil		Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
9 Payments to associate/group companies (if applicable)	[Rs. in Crores]	0.07	0.40	0.28	0.3	2 0.01	0.01	0.02	0.63	0.05	0.11	0.21	0.44		0.01	0.04	0.36	0.01	0.01	<u> </u>	-	-	-	0.03
10 Investments made in associate/group companies (if applicable)	[Rs. in Crores]	9 96	27.90	65.27	5 1	9 Ni	Ni	Nil	40 41	25.00	6.15	2 00	Nil		0.12	1 11	8.57	Nil	Nil	Nil	Nil	20.00	Nil	Nil

Notes: ^^ This Plan / scheme was launched during the current half yearly period and hence there are no unit balances, Net Assets and NAV per unit at the beginning of the period. * Since the scheme / Plan has not completed one year, returns are calculated for Growth options, except in EF where returns are calculated for Growth options, except in EF where returns are calculated for Growth options, except in EF where returns are calculated for Growth options, except in EF where returns are calculated for Dividend date. The "returns are calculated for Dividend date." The "returns are calculated for Growth options, except in EF where returns are calculated for Growth options, except in EF where returns are calculated for Growth options, except in EF where returns are calculated for Dividend date. The "returns are calculated for Dividend date." The "returns are calculated for Growth options, except in EF where returns are calculated for Dividend date. The "returns are calculated for Growth options, except in EF where returns are calculated for Dividend date. The "returns are calculated for Dividend date." The "returns are calculated for Growth options, except in EF where returns are calculated for Dividend date. The "returns are calculated for Dividend date." The Post date of allotment (March 29, 2006) no NAV is declared and hence returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at inception as per the procedure prescribed by SEBI, the "since launch" returns are calculated on Rs 10.00 invested at investigation as per the procedure prescribed by SEBI, the "since launch" returns are calculated by SEB 01, 2006: LF-Retail(DD): IND-0.001565, LF-Inst.(DD): IND-0.001565, LF-Inst.(DD): IND-0.001577, OTH-0.001575, LF-Inst.(DD): IND-0.001308, OTH-0.001273, FRF-Inst.(DD): IND-0.001273, FRF-Inst.(DD): IND-0.001308, OTH-0.001273, FRF-Inst.(DD): IND-0.001308, OTH-0.001273, FRF-Inst.(DD): IND-0.001308, OTH-0.001273, FRF-Inst.(DD): IND-0.001273, FRF-Inst.(DD): IND-0.001273,

NOTES TO ACCOUNTS

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 Securities and Exchange Board of India ('SEBI') (Mutual Funds) Regulations, 1996 as amended from time to time

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

Scheme Name	Securities transaction in the form of investments in various Public issues / Private placements where the associate was the sole or one of the several lead managers. – Rs. Crores	Payment of Brokerage on Secondary Market transactions – Rs. Lakhs	Payment of Brokerage for Distribution and Sale of Units – Rs. Lakhs
BF	5.00	-	7.32
EF	8.47	7.24	33.19
LF	170.00	-	27.85
BaF	7.56	2.97	28.87
GSFA	-	-	0.52
GSFB	-	-	0.93
TF	-	0.14	2.16
OF	1.92	5.11	57.82
STF	20.00	-	4.71
TEF	1.02	1.10	10.11
SPF-M	2.25	0.67	20.66
FRF	60.00	-	44.35
SPF-C	0.06	0.02	0.74
SPF-A	0.43	0.10	3.52
ITF	6.11	8.74	27.37
FTP- Series 1	-	-	1.23
FTP- Series 1A	-	-	1.08
FTP- Series 3	-	-	0.21
FTP- Series 2	96.28	-	0.28
FTP- Series 1B	-	-	0.19
FTP- Series 1C	-	-	0.03
FTP- Series 3A	-	-	2.56

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

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.

						SCHE	MES					
INVESTMENT IN COMPANIES	SPF-A	BaF	BF	SPF-C	EF	FTP- Series 3	LF	OF	SPF-M	STF	ITF	TEF
Infosys Technologies Ltd.	0.74	1.00	-	0.10	16.42	-	-	11.45	1.27	-	-	2.92
Crompton Greaves Ltd.	-	-	-	-	4.05	-	-	-	-	-	5.02	1.24
IDFC LTD.	-	-	-	-	3.35	-	-	-	-	-	0.94	-
Matrix Labaratories Ltd.	-	-	-	-	-	-	-	5.53	-	-	-	-
Mahindra And Mahindra Financial Services Ltd.	-	0.93	9.96	-	1.49	20.00	65.27	2.74	-	25.00	1.70	-
Dr Reddys Laboratories Ltd.	0.37	3.26	-	0.02	-	-	-	20.69	0.73	-	-	1.23
Sesa Goa Ltd.	-	-	-	-	2.59	-	-	-	-	-	0.91	0.76

4. Large holdings in any of the Schemes (over 25% of the NAV of the Scheme):

Percentage of holding 36.76 %*

Note: Investments includes Derivatives Transactions

* Holding as of March 31, 2006. However, based on quarterly average net assets the investor's holding is less than 25%.

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

 Investment in Companies includes investment in subsidiaries. • Purchases represents purchases (including derivatives transactions and inter scheme transactions) made during the period prescribed under regulation 25(11).

• Value represents closing market value of investments as of March 31, 2006.

Open Ended Scheme

Companies	by Schemes		BaF	BF	EF	FRF	ITF	LF	OF	SPF - A	SPF - C	SPF - M	STF	TEF	TF
Bank of Baroda	LF	Value	-	-	-	-	-	-	-	-	-	-	-	-	-
Darik Of Daroua	L	Purchases	1.46	-	2.29	-	-	-	-	-	-	-	-	-	-
Bharti Televentures Ltd.	STF	Value Purchases	5.34 2.15	-	14.87 10.65	-	25.39 16.71	-	30.00 11.49	0.74 0.77	0.04	2.89 2.87	-	2.93 2.07	1.13
Financial Technologies		Value	-	-	-	-	-	-	-	-	-	-	-	-	0.73
India Limited	SPF - C	Purchases	-	-	-	-	-	-	-	-	-	-	-	-	0.24
HCL Technologies Ltd.	BF, STF	Value Purchases	1.56 1.51	-	7.97 13.57	-	-	-	14.48 10.79	-	-	-	-	9.43 7.00	1.18 0.05
HDFC Bank Ltd.	FRF	Value Purchases	-	-	7.84 7.40	47.07 47.07	-	317.45 246.48	-	-	-	-	-	-	-
HDFC Ltd.	LF	Value Purchases	45.02 40.00	5.00 5.00	-	331.02	14.89 8.51	102.51	-	5.00 5.00	-	25.11	-	-	-
Hero Honda Ltd.	SPF-M, FRF,	Value	-	-	-	-	-	-	-	-	-	-	-	-	
Helo Horida Etd.	LF, STF	Purchases	-	-	-	-	-	-	-	-	-	-	-	2.33	-
Hindalco Industries Ltd.	FRF	Value Purchases	3.42 3.06	-	5.81 9.28	-	4.88 4.68	-	13.00 4.75	-	-	-	-	4.06 1.66	-
Hindustan Lever Limited	LF	Value Purchases	6.90 5.99	-	17.72 15.03	-	-	-	35.65 36.80	-	-	-	-	6.57 6.90	-
ICICI Bank Limited	LF	Value Purchases	4.33 12.71	4.91 5.00	9.46	- 59.32	9.88 74.62	627.74 1,772.63	16.83 43.53	- 2.46	- 0.14	- 11.65	- 32.01	4.13 15.62	-
IDFC Ltd.	EF, STF	Value Purchases	-	-	3.35	-	0.94	-	-	-	-	-	-	-	-
Infosys Technologies Ltd.	LF	Value Purchases	9.75	-	20.85 16.42	-	-	-	38.16 11.45	0.95 0.74	0.14	1.59	-	6.40	4.88
IPCL Ltd.	LF	Value	-	-	-	-	-	-	4.98	-	-	-	-	0.65	-
ITC Ltd.	FRF, LF, STF	Purchases Value	2.47 5.26	-	4.38	-	-	-	13.57 25.02	0.93	0.12	3.56	-	3.44 7.55	-
	<u> </u>	Purchases Value	2.67	-	3.40	-	- 6.19	-	11.52	0.33	0.07	0.95	-	4.50 -	-
Jet Airways Ltd.	LF	Purchases Value	- 5.96	-	- 15.32	- 25.00	9.25 27.86	-	- 24.96	- 0.34	- 0.06	- 0.39	-	- 6.38	-
Larsen & Toubro Limited	TEF	Purchases	4.98	-	9.76	25.00	18.68	44.79	15.32	0.89	0.19	4.84	-	4.17	-
Maruti Udyog Ltd.	LF	Value Purchases	-	-	-	-	-	-	8.80	0.34	0.08	-	-	1.23 3.33	-
Punjab National Bank	STF	Value Purchases	5.17 -	-	-	-	6.85 2.03	450.00 469.28	17.64 -	-	-	-	-	-	-
Reliance Industries Ltd.	LF	Value Purchases	4.89 2.13	-	16.15 14.05	10.11	47.01 32.18	-	51.49 15.86	1.93 1.51	0.22 0.16	4.47 2.29	-	5.66 1.64	-
State Bank of India	EF, ITF	Value	7.01	-	15.05	-	16.35	207.54	35.13	-	-	-	4.79	4.76	-
Tata Consultancy		Purchases Value	0.75 5.60	-	6.68	-	6.90	305.44	6.00 23.89	- 0.95	0.14	2.23	4.79 -	0.36 1.76	3.07
Services Ltd.	STF	Purchases Value	2.75	-	9.22	-	-	-	3.01	0.24	0.02	1.16	-	-	-
Tata Iron And Steel Company Ltd.	LF	Purchases	-	-	-	-	-	-	3.02	-	-	-	-	-	-
The Bombay Dyeing & Mfg Co Ltd.	GSFA	Value Purchases	-	-	-	-	-	10.00	-	-	-	-	-	-	-
UCO Bank	STF	Value Purchases	-	-	-	18.89 24.26	-	183.38 304.32	-	-	-	-	- 19.39	-	-
VSNL	LF	Value Purchases	-	-	-	-	-	-	-	-	-	-	-	2.68	-
Wipro	LF	Value	4.23	-	-	-	-	-	3.64	-	-	-	-	1.02	2.40

Closed Ended Scho

losed Ended Schemes									Rupees in crores
Companies	Investment by Schemes		FTP- Series 1	FTP- Series 1A	FTP- Series 1B	FTP- Series 2	FTP- Series 3	FTP- Series 1C	FTP- Series 3A
HDFC Bank Limited	Limited FRF	Value	-	-	97.95		-	-	-
HDFC Bank Limited	FKF	Purchases	-	-	-	-	-	-	-
ICICID LITTE	15	Value	•	-	-	-	96.23	-	138.84
ICICI Bank Limited	LF	Purchases	35.03	_	-	_	96.23	_	138.85

Companies	Investment by Schemes		FTP- Series 1	FTP- Series 1A	FTP- Series 1B	FTP- Series 2	FTP- Series 3	FTP- Series 1C	FTP- Series 3A
Duniala National Book	l. CTF	Value	-	-	-	25.00	-	-	-
Punjab National Bank	STF	Purchases	-	40.00	-	25.00	-	-	-
State Bank of India	EE ITE	Value	-	-	202.10	-	-	37.40	-
State Bank of India	EF, ITF	Purchases	-	-	202.10	-	-	37.40	-
UCO Bank	LICO D. L. CTF	Value	-	-	-	-	-	-	-
UCO Bank	STF	Purchases	-	49.27	-	-	-	-	-

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

6. Unit-holders can obtain from the mutual fund a copy of the Annual Report of the scheme in which he /she has invested

7. The unaudited financial results have been approved by the Directors of the Board of DSP Merrill Lynch Fund Managers Limited and DSP Merrill Lynch Trustee Co. Pvt. Ltd.

8. The Auditors of the Fund have performed a limited review of the above unaudited financial results.

the ISC/Distributor. Please read the Standard Offer Document before investing.

For DSP Merrill Lynch Fund Managers Limited For DSP Merrill Lynch Trustee Co. Pvt. Ltd.

S. S. Thakur Shitin Desai Mumbai, April 27, 2006

K R V Subrahmanian Hemendra Kothari Mumbai, April 27, 2006

Investment Objectives:

DSPML Bond Fund (DSPMLBF) is 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

DSPML Bond Fund (DSPMLBF) is 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 of issuers domiciled in India. DSPML Balanced Fund (DSPMLBalF) is an open-ended balanced scheme seeking to generate long-term capital appreciation, from a portfolio which is substantially constituted of equity and equity related securities. DSPML Equity Fund (DSPMLEF) is an open-ended growth scheme seeking to generate long-term capital appreciation, from a portfolio which is substantially constituted of equity and equity related securities of issuers domiciled in India. 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. DSPML Floating Rate Fund (DSPMLFRF) is an open ended income scheme seeking to generate income commensurate with prudent risk from a portfolio substantially constituted 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 and money market securities. DSPML Government Securities Fund (DSPMLGSF) is an open-ended scheme seeking to generate returns through investments in Central Government securities. There are two investment plans - Plans A (Longer Duration Plan) & Plans B (Shorter Duration Plan). DSPML Liquidity Fund (DSPMLLF) is an open ended scheme seeking to generate a reasonable return commensurate with low risk and high degree of liquidity from a portfolio constituted of money market securities and a high quality debt securities. DSPML Opportunities Fund (DSPMLOF) is an open-ended growth scheme with a primary objective to generate long-term capital appreciation, and a secondary objective of income generation and distribution of dividend, from a portfolio constituted of equity and equity-related securities, concentrating on the investment focus of the scheme. DSPML Savings Plus Fund scheme seeking to generate income commensurate with prudent risk, from a portfolio constituting of money market securities, floating rate debt securities and debt securities. **DSPML Technology. com Fund** is an open-ended growth scheme with a primary objective to generate long-term capital appreciation, and a secondary objective of income generation and distribution of dividend, from a portfolio constituted of equity and equity-related securities. **DSPML Top 100 Equity Fund** is an open ended growth scheme seeking to generate capital appreciation, from a portfolio that is substantially constituted of equity and equity related securities of the 100 largest corporations by market capitalisation, listed in India. 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. **DSPML India T.I.G.E.R. Fund (The Infrastructure Growth and Economic Reforms Fund) (DSPMLITF)** is an open ended growth scheme whose primary investment objective is to seek to generate capital appreciation, from a portfolio that is substantially constituted of equity securities of corporations that could benefit from structural changes brought about by continuing liberalisation in economic policies by the government and/or from continuing investments in infrastructure, both by the public and private sector. **DSPMLFTP** schemes seek 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

Statutory Details: DSP Merrill Lynch Mutual Fund (the Fund) was set up as a Trust by the settlors, DSP Merrill Lynch Ltd. and Merrill Lynch Investment Managers LP, USA. The Sponsors to the Fund are DSP Merrill Lynch Ltd., HMK Investment Pvt. Ltd. and ADIKO Investment Pvt. Ltd (collectively). The Trustee and Investment Manager to the Fund are DSP Merrill Lynch Trustee Company Pvt. Ltd. and DSP Merrill Lynch Fund Managers Ltd. respectively. The Sponsors are not responsible or liable for any loss resulting from the operation of the Fund beyond their initial contribution (to the extent contributed) of Rs. 1 lakh for setting up the Fund, and such other accretions/additions to the same.

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. The NAV of the Schemes' Units may be affected by changes in the general level of interest rates. The past performance of the mutual funds managed by the Sponsors and their affiliates/associates is not necessarily indicative of the future performance of the Schemes. Investors in the Schemes are not being offered a guaranteed or assured rate of return. The liquidity of the Schemes' investments may be restricted by trading volumes, settlement periods and transfer procedures. In the event of an inordinately large number of redemption requests or of a restructuring of either of the Schemes' portfolios, the time taken by the Fund for redemption of Units may become significant. Please see 'Risk Factors and Special Considerations' and 'Right to Limit Redemptions' in the Standard Offer Document. The liquidity & valuation of the Schemes' investments due to their holdings of unlisted securities may be affected if they have to be sold prior to their target date of divestment. In the event that investible funds of more than 50% of the total proceeds of the equity schemes are not invested in equity shares of domestic companies, the tax concessions on income distribution will not be available to the Unit Holders. The scheme may enter into derivatives transactions, which are subject to embedded risks. As per SEBI circular each scheme and individual plan(s) under the schemes should have a minimum of 20 investors and no single investor should account for more than 25% of the corpus of such scheme/plan(s). In case of non-fulfilment with either of the above two conditions on an ongoing basis for each calendar quarter, the respective schemes/plans shall be wound up by following the guidelines prescribed by SEBI and the investor's money would be redeemed at applicable NAV. DSPMLITF will focus on companies which will benefit from structural changes brought about by continuing liberalisation in economic policies by the government and/or from continuing investments in infrastructure, both by the public and private sector. It is possible that such policies may not fructify or crystallise in a manner commensurate with expectations thereby affecting the prospects of companies held in the portfolio of the Scheme. Since the NAV of the scheme is linked to the share price performance of such companies, they may outperform or under perform the benchmark index (BSE 100) and/or the constituents of the said benchmark index. While Government Securities carry minimal credit risk since the Government of India issues them, they do carry price risk depending upon the general level of interest rates prevailing from time to time. To the extent DSPMLFRF's and DSPMLSTF's investments are in floating rate debt instruments or fixed debt instruments swapped for floating rate return, they will be affected by interest rate movement, spread movement, settlement risk and liquidity risk. DSPMLTF will predominantly focus on equities of select companies in the proton of the scheme is linked to the equity performance of such companies and may be more volatile than a more diversified portfolio of equities. Since DSPMLOF's investment focus is on select sectors of the market the portfolio will be concentrated in select companies across these sectors. This may make the portfolios vulnerable to factors that may affect these sectors in general thereby leading to increased volatility in the movement of the scheme's NAV. The NAV of DSPMLTEF is linked to the share price performance of the top 100 listed companies, which may outperform or under perform the benchmark index (the BSE 100) and/or its constituents. DSPMLFTP schemes – These schemes are closed ended and their Units can be redeemed at the Redemption Price only once in a week. As the liquidity of the investments made by the Scheme could, at times, be restricted by trading volumes and settlement periods, the time taken by the Fund for redemption of Units may be significant in the event of an inordinately large number of redemption requests or a restructuring of the Scheme. Although the investments made by a close-ended scheme are normally in line with the scheduled maturity date, there is a possibility where precise tenor matching of the underlying assets is not possible with that of the scheduled maturity of the scheme line such instances, there could be a dilution in the expected returns for an investor. Also, redemption made by an investor prior to the scheduled maturity date of a close-ended scheme may attract exit load, which can further dilute the expected returns for the investor. DSPMLEF, DSPMLFR, DSPMLFF, DSPMLFF,