

# Fact Sheet

August - 2006

For Private Circulation Only

**DBS Chola**  

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**MUTUAL FUND**

## EXPERT ADVICE

# ‘Not the time to take money away from equities’

**S**MALL retail investors who were sceptical when the market sank, are now again willing to consider investing in equities. Harsh Soneji spoke to **Tudip Pathak, CIO, DBS Chola MF**, on his outlook for the market and sought advice for the small investor. Excerpt:

**Do you think the market is rightly priced? What are the risks?**

Volatility is expected to continue in the short term, although the risk levels in the market have reduced with the large correction in May 2006. However, one important change is that there is differentiation happening between stocks and sectors. Risks arising excessive domestic speculation have reduced with the open interest in the F&O market having gone down by almost 50%. Valuations are now at around 13x one-year forward P/E, which is far better than 19-20x we saw in April 2006. This is also closer to the last 15-year average P/E ratio of 14.5x. Further, the earnings growth scenario is intact. To expect an earnings growth of 15-20% p.a for the next 2-3 years would not be misplaced.

Economic growth momentum remains robust. Q1 FY07 results have thrown up positive surprises, this has led to earnings upgrades. This will certainly lend support to the market on the downside. The monsoon is progressing well. So, risks from domestic factors have reduced.

Risk arising from global factors, however, remains as the Indian market is still dependent on continuation of FI inflows. If interest rates keep rising further globally, then liquidity squeeze and risk aversion can affect flows to global equities and FI inflows into India. On the other hand, if interest rates were to stop rising, it could mainly be due to expectations of a slowdown in economic growth. This too may not augur well for global equity markets. However, in such an eventuality India should be comfortably placed as it is a large domestic demand driven economy and is comparatively less dependent on global growth.

**What is your advice for small investors?**  
We maintain that it is certainly not the time or reason for small retail investors to take away money from equities as an asset class. Small retail investors should have more realistic expectations of 12-15% return per annum from equities over the next three years. This expected return will still be almost double of what investors can expect from alternative asset classes. Long-term focus is the best way to ride out volatility in the markets.

**Why are many MF schemes under-performing?**

In the recent past, market movements have been dominated by a few large stocks. For instance, since January 2006, just five stocks account for the 2,300 points in the sensex. So, it may be difficult to beat some benchmarks during some time periods. However, most diversified funds continue to outperform markets on a long term basis.

**Is debt back? Should retail investors consider investing in debt funds?**

This is an asset allocation decision. Every small retail investor has a financial goal, investment horizon, return expectation and risk appetite. Depending on that a small retail investor should always have an appropriate mix of debt and equity exposures. We are currently recommending short duration fixed income funds such as liquid funds, short-term floating rate funds and fixed maturity plans.

**Are close-ended funds good for small investors?**

Closed-ended funds bring in the discipline of compulsory long-term investing. Open-ended

funds give the flexibility of withdrawal at any point of time without incurring large costs such as a high exit load. There is not much difference from an investment management standpoint.

**What should be investors' strategy for investing in MFs?**

Small retail investors' strategy should follow the asset allocation framework to decide the ideal exposure to various asset classes. Have a longer investment horizon - minimum of 3 to 5 years so as to ride out market volatility and maximise returns. Have realistic return expectations. Follow systematic investment plans (SIPs) route of investing as it brings with it the disciplined investing and allows the investor to ignore market timing.

**Should one buy into a diversified fund or an exchange-traded fund (ETF)?**

They are different product categories. Diversified funds are generally open-ended diversified funds. Sale and repurchase of units happens every day based on close of the day's NAV. Diversified funds are actively managed and thus aim to beat the markets and generate extra returns through superior portfolio construction. ETFs are exchange-traded funds. ETFs represent a basket of securities that are traded on an exchange. ETFs can be bought and sold throughout the trading day at the price prevailing at that time. Hence, ETFs are generally index funds. Costs may be lower in ETFs, but performance is better in diversified funds in the long term.



## From the Desk of the Chief Investment Officer



**Tridib Pathak**

### Equity Markets

August saw a sharp rally with the BSE Sensex rising 955 points or 8.9% to end at 11699. CNX Midcap index outperformed the large cap Sensex, ending the month higher by 11.5%. This is the first month of a strong rebound after the correction May/June 2006. As is evident in the market rise, FIIs bought US\$955 million worth of stocks in August 06 compared to US\$300 million in July 06. India continues to buck the trend seen in other emerging markets where FII selling continues. Mutual funds bought only Rs250 crores worth of stocks. Volumes improved 6% over July 2006, but are still 30-40% lower than the highs seen in April/May. Pause in the rate hikes by US Fed helped improve sentiments and lowered concerns of further liquidity tightening in the meanwhile. This allowed renewed FII buying. In fact, India was the best performing Emerging market in August 2006. The current month's movement, once again, proves the dependence of Indian markets on continued FII flows in the short term.

Economic growth momentum remains robust. Industrial production in June 2006 was strong at 9.6%, in line with the string trend observed over the last few months. Q1 FY07 results have thrown up positive surprises. Sensex earnings growth in Q1FY07 was around 25% as against expectations of 18-19%. Notable surprises came from Cement, Capital goods and IT sectors. This will certainly lead to earnings upgrades. FY07 earnings growth is now expected to be around 24%, from earlier

sub20%. This will certainly lend support to the market on the downside.

Risks arising from domestic factors of excessive speculation have reduced with the open interest in the F&O market having gone down by almost 50%. With the correction in May 2006, valuations are now at around 15.5X one year forward P/E which is far better than 19-20x we have reached in April 2006. This is also closer to the last 15 year average P/E ratio of 14.5x. Further the earnings growth scenario is intact. So, risks from domestic factors have reduced.

Risk arising from global factors, however, remain as the Indian market is still dependent on continuation of FII inflows. If interest rates keep rising further globally, then liquidity squeeze and risk aversion can affect flows to global equities and FII inflows into India. On the other hand, if interest rates were to stop rising, it could mainly be due to expectations of a slowdown in economic growth which may also not augur well for global equity markets. However, in such an eventuality India should be comfortably placed as India is a large domestic demand driven economy and is comparatively less dependent on global growth.

We maintain that it is certainly not time or reason for investors to take away money from equities as a class of asset. Investors should have more realistic expectations of 12-15% return per annum from equities over the next 3 years. This expected return will still be almost double of what investors can expect from alternative asset classes. Long term focus is the best way to ride out volatility in the markets and generate superior returns from equities.

### Fixed Income Markets

August saw a rally in the bond market, with the key 10Y GOI bond closing the month at 7.75% versus 8.24% in July. Sentiment improved as the Middle East crisis was resolved pushing the global oil prices down from a high of USD 77 per barrel to below USD 70 per barrel. Easing oil prices also reduced the threat of inflation in the domestic market. Federal Reserve left the rates unchanged for the first time after 19 consecutive hikes. Favorable US market data and nearly 20 basis point drop in 10 Y US treasury yields helped the domestic bond market. Strengthening INR versus USD also helped improve the bond market sentiments with INR ending the month at 46.53 against USD versus 46.70 at the close of the previous month.

Though the long bond yields eased by as much as 45 basis points, some selling pressure was seen in the shorter end of the yield curve. This was despite the fact that Liquidity continued to be easy at INR 40000 crores. This was due to the fact that Mutual Funds saw redemptions which prompted a sell off in the money market instruments. The yields of Money Market instruments went up by 20-30 basis points. This flattened the yield curve with the spread of 1Y and 10Y treasury at 80 basis points versus 130 basis points in the previous month.

Going forward, global cues are in favour of no further upwards pressure on interest rates. The market would, however, continue to watch the US data and Fed statements for future direction in interest rates. Strong domestic growth will however not allow much room for a sharp fall in yields. Gol supply pressure, advance tax out flows and H1 closing could halt the bond market rally in the short term. Some selling could still continue in the short-end of the curve as MFs could face some more redemption, forcing them to liquidate their positions.

We maintain that uncertainty in the bond markets will continue. We continue to advise investments in short-duration assets and avoid any mark-to-market risk on the portfolio.

In this regard, we think investors need a product that has low interest rate risk but which has the potential to deliver higher returns compared with other short duration products such as liquid funds/short term floating rate funds/FMPs. DBS Chola Freedom Income - ST Income Fund is one such product. Currently it has no market to market instruments, immunizing it from any adverse interest rate movement.

## DBS Chola Contra Fund

as on August 31, 2006

### Features

#### Type of Fund

Open-Ended Equity Scheme

#### Load Structure (w.e.f. 1st July, 2006)

Entry Load : < Rs. 1 Crore : 2.25%  
 >= Rs. 1 Crore: Nil  
 Exit Load / CDSC : Nil

#### Minimum Investment for New / Existing Investors

Rs. 5000/1000

#### Cut Off Time

Purchase : 3 p.m.  
 Redemption : 3 p.m.

#### Dividend Distribution

Declared as and when decided by the Trustees

#### Inception Date

16-Mar-06

#### NAV

Dividend Option : Rs. 10.30  
 Cumulative Option : Rs. 10.30

#### Benchmark Index

S & P CNX 500

#### Fund Size

Rs. 97.71 Crores

#### Fund Manager

Tridib Pathak

### Style Matrix

	Style			Size
	Growth	Blend	Value	
Shading within the Style Matrix indicates areas in which the Fund generally invests.				Large
				Mid
				Small

### Fund Manager's Comments

DBS Chola Contra Fund is a diversified equity fund which adopts a 'contrarian' style of investing. The fund invests in fundamentally sound companies whose share prices have underperformed the market in the recent past.

### Investment Objective

The objective of the scheme is to generate capital appreciation by investing in equity and equity related instruments by using a 'Contrarian strategy'. Contrarian investing refers to buying into fundamentally sound scripts which have underperformed/not performed to their full potential in their recent past.

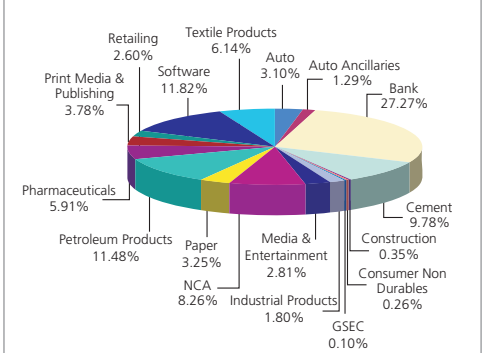
### Portfolio

Scrip	% of Portfolio
HPCL	8.19%
Infosys Technologies Ltd.	6.38%
Grasim Industries Ltd.	6.11%
Satyam Computers Ltd.	4.91%
Bank Of Baroda Ltd	4.35%
Alok Industries Ltd.	4.25%
Federal Bank Ltd	4.04%
Jagaran Prakashan	3.78%
Ranbaxy Laboratories Ltd.	3.76%
Birla Corporation Ltd.	3.67%
HCL Technologies Ltd.	3.56%
Allahabad Bank	3.40%
Karnataka Bank	3.39%
Kochi Refineries Ltd.	3.29%
Ballarpur Industries Ltd.	3.25%
Punjab National Bank Ltd.	3.13%
Hero Honda Ltd.	3.10%
Zee Telefilms Ltd.	2.81%
Pantaloen Retail (I) Ltd.	2.60%
Oriental Bank Of Commerce Ltd	2.59%
Nicholas Piramal India Ltd.	2.15%
Welspun India Ltd.	1.89%
Kale Consultants Ltd.	1.88%
Bharat Forge Ltd.	1.80%
Industrial Development Bank of India Ltd	1.46%
Motherson Sumi Systems Ltd.	1.29%
GMR Infrastructure Ltd.	0.35%
GlaxoSmithkline Consumer Healthcare Ltd.	0.26%
CG - 2006 - 6.30% (Floating Rate)	0.10%
Net Current Asset (NCA)	8.26%

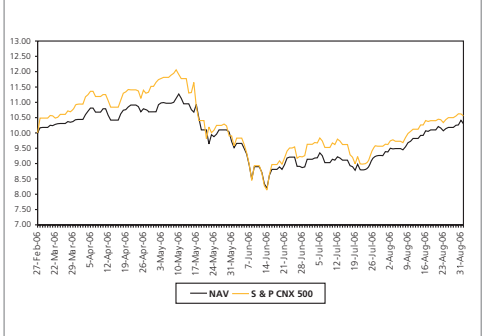
### Performance

	DBSCCF	S & P CNX 500
3 Months (92 Days) #	5.97%	6.55%
Since Inception # (27/02/06)	3.00%	5.53%
# Absolute Returns		
Past performance may or may not be sustained in future.		

### Sector Summary



### Returns Since Inception



### Disclaimer

"The DBS Chola Contra Fund, which is benchmarked to S&P CNX 500 Index is not sponsored, endorsed, sold or promoted by India Index Services & Products Limited (IISL). IISL is not responsible for any errors or omissions or the results obtained from the use of such index and in no event shall IISL have any liability to any party for any damages of whatsoever nature (including lost profits) resulted to such party due to purchase or sale or otherwise of such product benchmarked to such index."

## DBS Chola Growth Fund

as on August 31, 2006

### Features

#### Type of Fund

Open-Ended Growth Scheme

#### Load Structure (w.e.f. 1st July, 2006)

Entry Load : < Rs. 1 Crore : 2.25%  
 : >= Rs. 1 Crore: Nil  
 Exit Load / CDSC : Nil

#### Minimum Investment for New / Existing Investors

Rs. 5000/1000

#### Cut Off Time

Purchase : 3 p.m.  
 Redemption : 3 p.m.

#### Dividend Distribution

Quarterly

#### Inception Date

17-Sep-01

#### NAV

Quarterly Dividend Option : Rs. 14.17  
 Cumulative Option : Rs. 26.35

#### Benchmark Index

BSE Sensex

#### Fund Size

Rs. 25.79 Crores

#### Fund Manager

Tridib Pathak

### Style Matrix

		Style			Size
		Growth	Blend	Value	
Shading within the Style Matrix indicates areas in which the Fund generally invests.	Large				
	Mid				
	Small				

### Fund Manager's Comments

DBS Chola Growth Fund is a diversified equity fund with investment predominantly in large caps stocks.

The Fund has no bias towards growth style or value style. Current strategy of the fund is to focus on stocks from cement, banking, engineering and IT services.

### Investment Objective

The Scheme primarily seeks to generate long-term capital appreciation income through investments in equity and equity related instruments; the secondary objective is to generate some current income and distribute dividend.

### Portfolio

Scrip	% of Portfolio
Ultratech Cement Co.Ltd.	6.81%
HPCL Ltd.	6.68%
Satyam Computers Services Ltd.	6.48%
ICICI Bank Ltd.	6.25%
Infosys Technologies Ltd.	5.94%
Pantaloon Retail (I) Ltd.	5.38%
ACC Ltd.	5.25%
Mahindra & Mahindra Ltd.	4.90%
Bharat Heavy Electricals Ltd.	4.60%
Reliance Industries Ltd.	3.90%
Larsen & Toubro Ltd.	3.82%
Suzlon Energy Ltd.	3.56%
Amtek Auto Ltd.	3.55%
Grasim Industries Ltd.	3.47%
HCL Technologies Ltd.	3.06%
Punjab National Bank Ltd.	3.02%
Bank of Baroda	2.87%
Gammon India Ltd.	2.63%
Allahabad Bank Ltd	2.38%
Mahanagar Telephone Nigam Ltd.	2.36%
Unitech Ltd.	1.98%
Oriental Bank Of Commerce Ltd	1.66%
GMR Infrastructure Ltd.	0.31%
Net Current Asset (NCA)	9.14%

### Performance

	DBSCGF	BSE Sensex
3 Months (92 Days)#	6.29%	12.51%
6 Months (184 Days)#	7.42%	12.81%
1 Year\$	32.28%	49.88%
3 Years\$	41.87%	40.12%
Since Inception\$	39.84%	34.62%

# Absolute Returns  
 \$ Compounded Annualised Returns  
 Past performance may or may not be sustained in future.

### Systematic Investment Plan - Returns

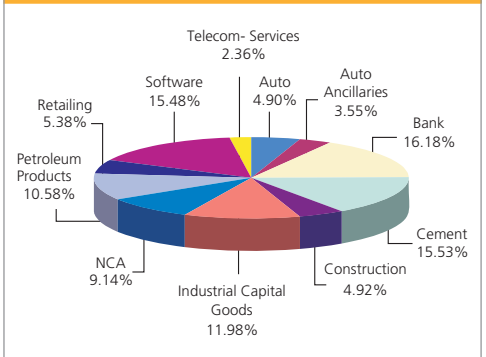
If you had invested Rs.1000/-per month in DBS Chola Growth fund (DBSCGF)

The Amount would have grown to

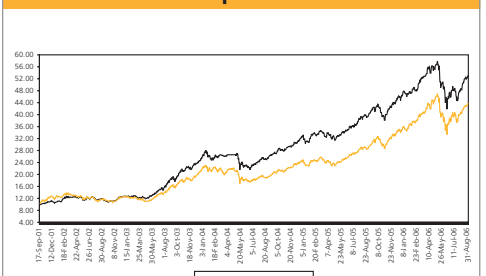
	1 Year	3 Year
Total Amount	13510	60399.28
Annualised Return*	21.73%	31.62%

As on 31st August, 2006  
 Past performance may or may not be sustained in future.

### Sector Summary



### Returns Since Inception



Cumulative Bonus NAV taken from 5th March, 2004  
 - Bonus declared at the rate 1:1.

### Dividend History

#### Regular Plan

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
26-Mar-02	20	2.00	Rs. 12.36
30-Jun-03	20	2.00	Rs. 12.24
29-Sept-03	20	2.00	Rs. 13.76
29-Dec-03	30	3.00	Rs. 15.42
28-Jan-04	10*	1.00	Rs. 12.64
29-Mar-04	10	1.00	Rs. 11.71
10-Dec-04	10	1.00	Rs. 12.42
28-Mar-05\$	10	1.00	Rs. 12.30
3-Oct -05	20	2.00	Rs. 14.83
27-Mar-06	15	1.50	Rs. 15.78

\$ Quarterly Dividend

Past performance may or may not be sustained in future.

The face value of the units is Rs. 10/-

\* Interim Dividend

## DBS Chola Midcap Fund

as on August 31, 2006

### Features

#### Type of Fund

Open-Ended Equity Scheme

#### Load Structure (w.e.f. 1st July, 2006)

Entry Load : < Rs. 1 Crore : 2.25%  
 >= Rs. 1 Crore: Nil

Exit Load / CDSC : Nil

#### Minimum Investment for New / Existing Investors

Rs. 5000/1000

#### Cut Off Time

Purchase : 3 p.m.  
 Redemption : 3 p.m.

#### Dividend Distribution

Declared as and when decided by the Trustees

#### Inception Date

09-Aug-04

#### NAV

Dividend Option : Rs. 12.75  
 Cumulative Option : Rs. 22.09

#### Benchmark Index

CNX Midcap Index

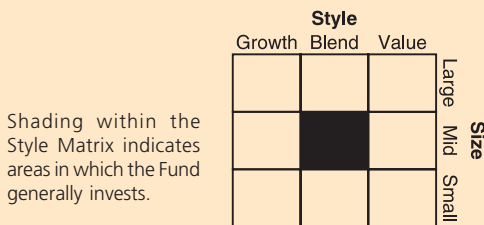
#### Fund Size

Rs. 49.20 Crores

#### Fund Manager

Tridib Pathak

### Style Matrix



### Fund Manager's Comments

DBS Chola Midcap Fund is a diversified equity fund with investments predominantly in midcap stocks. The Fund has no bias towards growth style or value style. The fund focuses on stocks which have the potential to become large cap stocks of tomorrow. The fund selects stocks after applying any one of the following filters - stocks which are leaders, stocks from a sunrise industry, globally competitive companies, companies with a niche positioning and stocks which are proxies to large cap stocks. Usually the fund restricts single stock exposure to 5% and keeps cash of 10-15% to manage liquidity risk.

### Investment Objective

The objective of the scheme is to generate capital appreciation by investing primarily in midcap stocks. The scheme will invest primarily in companies that have a market capitalization between Rs. 300 crore to Rs. 3000 crore.

### Portfolio

Scrip	% of Portfolio
Blue Dart Express Ltd.	4.65%
Infotech Enterprises Ltd.	4.50%
Madras Cement Ltd.	4.45%
Pantaloon Retail (I) Ltd.	4.31%
Kochi Refineries Ltd.	4.04%
Federal Bank Ltd	3.83%
Mahindra Gesco Developers Ltd.	3.59%
Dishman Pharmaceuticals & Chemicals	3.51%
Karnataka Bank	3.32%
Jain Irrigation Systems Ltd.	3.18%
Balkrishna Industries Ltd.	3.16%
Goodlass Nerolac Paints Ltd.	2.98%
Alok Industries Ltd.	2.95%
Jagran Prakashan	2.94%
Goldiam International Ltd.	2.89%
Amtek Auto Ltd.	2.75%
Geodesic Information Systems Ltd.	2.71%
Engineers India Ltd.	2.69%
Thermax Ltd.	2.58%
Crompton Greaves Ltd.	2.45%
Vijaya Bank Ltd	2.34%
Sintex Industries Ltd.	2.30%
Alfa Laval India Ltd.	2.28%
Motherson Sumi System Ltd.	2.15%
Volta Ltd.	2.05%
Unitech Ltd.	2.03%
Kale Consultants Ltd.	1.95%
Shyreyas Shipping And Logistics Ltd.	1.94%
Kesoram Industries Ltd.	1.93%
Transport Corporation of India Ltd.	1.91%
Birla Corporation Ltd.	1.80%
Vimta Labs Ltd.	1.39%
Arihant Foundations & Housing Ltd.	1.08%
Pitti Laminations Ltd	0.56%
D.S.Kulkarni Developers Ltd.	0.24%
Net Current Assesst (NCA)	6.57%

### Performance

	DBSCMF	CNX Midcap Index
3 months (92days)#	-0.81%	-2.10%
6 months (184days)#	-1.56%	-2.02%
1 Year \$	17.81%	17.58%
Since Inception (09/08/04)\$	46.91%	41.16%
# Absolute Returns		
\$ Compounded Annualised Returns		
Past performance may or may not be sustained in future.		

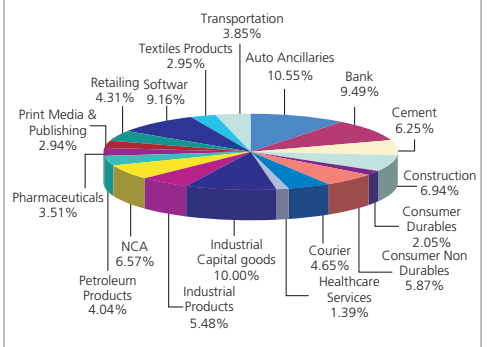
### Systematic Investment Plan - Returns

If you had invested Rs.1000/- per month for 1 year in DBS Chola MID Cap Fund (DBSCMF)	Rs. 12000 would have grown to Rs.12575/-
DBSCMF Annualised Return*	8.62%

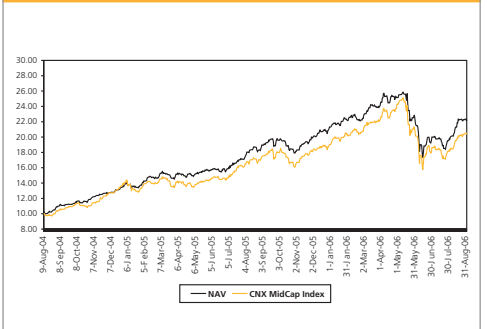
As on 31st August, 2006

Past performance may or may not be sustained in future.

### Sector Summary



### Returns Since Inception



### Dividend History

#### Regular Plan

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
24-Nov-04	10	1.00	Rs. 12.67
24-Jan-05	10	1.00	Rs. 12.33
14-Mar-05	10	1.00	Rs. 12.86
19-Sep-05	20	2.00	Rs. 15.79
27-Mar-06	25	2.50	Rs. 16.36

Past performance may or may not be sustained in future.

The face value of the units is Rs. 10/-

### Disclaimer

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# DBS Chola Multi-Cap Fund

as on August 31, 2006

## Features

### Type of Fund

Open-Ended Equity Scheme

### Load Structure (w.e.f. 1st July, 2006)

Entry Load : < Rs. 1 Crore : 2.25%  
 : >= Rs. 1 Crore: Nil  
 Exit Load / CDSC : Nil

### Minimum Investment for New / Existing Investors

Rs. 5000/1000

### Cut Off Time

Purchase : 3 p.m.  
 Redemption : 3 p.m.

### Dividend Distribution

Declared as and when decided by the Trustees

### Inception Date

28-Jan-05

### NAV

Dividend Option : Rs. 12.62  
 Cumulative Option : Rs. 15.83

### Benchmark Index

S&P CNX 500

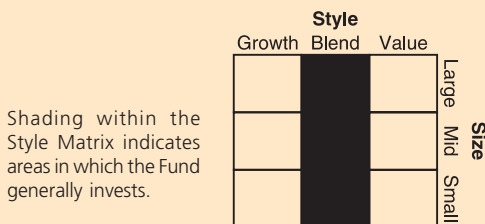
### Fund Size

Rs. 61.04 Crores

### Fund Manager

Tridib Pathak

## Style Matrix



## Fund Manager's Comments

DBS Chola Multi-Cap Fund, is a truly diversified fund with investments in large cap, mid cap and small cap stocks. Currently, 60% of the fund is invested in large cap and around 30% in mid cap stocks.

## Investment Objective

To provide long term capital appreciation by investing in a well diversified portfolio of equity & equity related instruments across all ranges of market capitalisation.

## Portfolio

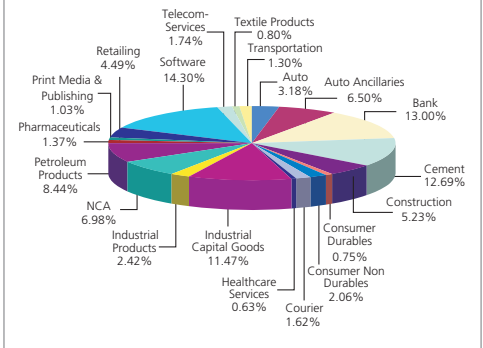
Scrip	% of Portfolio
HPCL Ltd.	5.56%
Satyam Computers	4.75%
Pantaloon Retail (I) Ltd.	4.49%
Ultratech Cement Co.Ltd.	4.34%
Infosys Technologies Ltd.	4.29%
ICICI Bank Ltd.	4.20%
ACC Ltd.	3.64%
Amtek Auto Ltd.	3.36%
Mahindra & Mahindra	3.18%
Suzlon Energy Ltd.	2.90%
Bharat Heavy Electricals Ltd.	2.63%
Larsen & Toubro Ltd.	2.48%
Reliance Industries Ltd.	2.38%
Grasim Industries Ltd.	2.33%
Unitech Ltd.	1.96%
HCL Technologies Ltd.	1.94%
Bank of Baroda	1.87%
Infotech Enterprises Ltd.	1.77%
Mahanagar Telephone Nigam Ltd.	1.74%
Madras Cements Ltd.	1.73%
Punjab National Bank Ltd.	1.72%
Gammon India Ltd.	1.70%
Allahabad Bank	1.62%
Blue Dart Express Ltd.	1.62%
Jain Irrigation Systems Ltd.	1.54%
Dishman Pharmaceuticals & Chemicals	1.37%
Balkrishna Industries Ltd.	1.34%
Karnataka Bank	1.28%
Federal Bank Ltd.	1.24%
Mahindra Gesco Developers Ltd.	1.18%
Goodlass Nerolac Paints Ltd.	1.14%
Oriental Bank Of Commerce	1.07%
Jagran Prakashan	1.03%
Thermax Ltd.	0.95%
Kesoram Industries Ltd.	0.93%
Geodesic Information Systems Ltd.	0.92%
Goldiam International Ltd.	0.92%
Crompton Greaves Ltd.	0.89%
Sintex Industries Ltd.	0.88%
Alfa Laval India Ltd.	0.83%
Shreyas Shipping and Logistics Ltd.	0.83%
Alok Industries Ltd.	0.80%
Engineers India Ltd.	0.79%
Voltas Ltd.	0.75%
Motherson Sumi System Ltd.	0.67%
Birla Corporation Ltd.	0.65%
Kale Consultants Ltd.	0.63%
Vimta Labs Ltd.	0.63%
Kochi Refiners Ltd.	0.50%
Transport Corporation of India Ltd.	0.47%
GMR Infrastructure Ltd.	0.31%
Pitti Lamination Ltd.	0.20%
D.S.Kulkarni Developers Ltd.	0.08%
Net Current Asset (NCA)	6.98%

## Performance

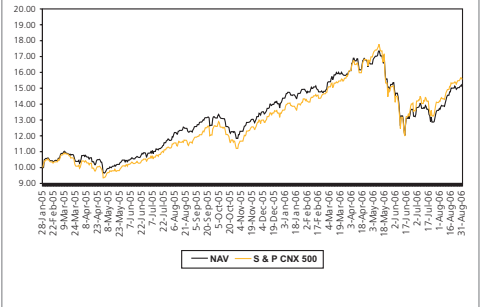
	DBSCMCF	S&P CNX 500
1 Month (31 days)#	9.85%	9.58%
3 Months (92Days)#	1.15%	6.55%
6 Months (184Days)#	0.89%	5.60%
1 Year\$	21.21%	32.05%
Since Inception\$ (28/01/05)	33.52%	35.50%

# Absolute Returns  
 \$ Compounded Annualised Returns  
 Scheme "DBS Chola Multi - Cap Fund (DBSCMCF)" was allotted on 28th Jan 05 and first NAV was declared on 09/02/05  
 Past performance may or may not be sustained in future.

## Sector Summary



## Returns Since Inception



## Dividend History

### Regular Plan

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
29-Aug-05	15	1.50	Rs. 12.85
20-Mar-06	15	1.50	Rs. 14.87

Past performance may or may not be sustained in future.  
 The face value of the units is Rs. 10/-

## Disclaimer

"The DBS Chola Multi-cap Fund/DBS Chola Global Advantage Fund, which is benchmarked to S&P CNX 500 Index is not sponsored, endorsed, sold or promoted by India Index Services & Products Limited (IISL). IISL is not responsible for any errors or omissions or the results obtained from the use of such index and in no event shall IISL have any liability to any party for any damages of whatsoever nature (including lost profits) resulted to such party due to purchase or sale or otherwise of such product benchmarked to such index."

# DBS Chola Tax Saver Fund

as on August 31, 2006

## Features

### Type of Fund

Equity Linked Savings Scheme

### Load Structure (w.e.f. 1st July, 2006)

Entry Load : < Rs. 25 Lacs : 2.25%  
 : >= Rs. 25 Lacs: Nil  
 Exit Load / CDSC : Nil

### Minimum Investment for New / Existing Investors

Rs. 500 & in multiples of Rs. 500 thereafter

### Cut Off Time

Purchase : 3 p.m.  
 Redemption : 3 p.m.

### Dividend Distribution

Declared as and when decided by the Trustees

### Inception Date

18-Nov-05

### NAV

Dividend Option : Rs. 11.43  
 Cumulative Option : Rs. 11.43

### Benchmark Index

BSE Sensex

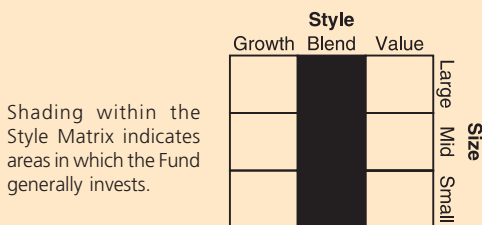
### Fund Size

Rs. 27.38 Crores

### Fund Manager

Tridib Pathak

## Style Matrix



## Fund Manager's Comments

DBS Chola Tax Saver Fund is a diversified equity fund. The fund will invest in large caps, midcaps as well as small cap stocks. The fund has no bias towards growth style or value style.

## Investment Objective

To provide long term capital appreciation by investing predominantly in equity and equity related instruments and also enabling investors to get income tax rebate as per the prevailing tax laws and subject to applicable conditions.

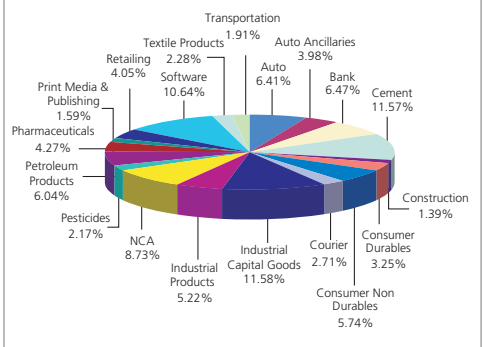
## Portfolio

Scrip	% of Portfolio
HPCL Ltd.	6.04%
ACC Ltd.	4.88%
Satyam Computers Services Ltd.	4.86%
Mahindra & Mahindra Ltd	4.15%
Pantaloon Retail (I) Ltd.	4.05%
Jain Irrigation Systems Ltd.	3.92%
Suzlon Energy Ltd.	3.25%
Balkrishna Industries Ltd.	3.16%
Infotech Enterprises Ltd.	3.13%
Grasim Industries Ltd.	3.11%
Karnataka Bank	3.11%
Federal Bank Ltd.	3.07%
Dishman Pharmaceuticals & Chemicals	3.06%
Crompton Greaves Ltd.	3.02%
Goldiam International Ltd.	2.87%
Goodlass Nerolac Paints Ltd.	2.87%
Blue Dart Express Ltd.	2.71%
Madras Cements Ltd.	2.71%
Voltas Ltd.	2.66%
Infosys Technologies Ltd.	2.65%
Vijaya Bank	2.26%
Thermax Ltd.	2.24%
United Phosphorus Ltd.	2.17%
ICICI Bank Ltd.	1.63%
Jagaran Prakashan	1.59%
Alok Industries Ltd.	1.30%
Bharat Forge Ltd.	1.30%
Unitech Ltd.	1.26%
Nicholas Pirmal India Ltd.	1.21%
Shreyas Shippings & Logistics Ltd.	1.01%
Mahindra Gesco Developers Ltd.	0.90%
Transportation Corporation of India Ltd.	0.90%
Birla Corporation Ltd.	0.87%
Amtek Auto Ltd.	0.82%
Gokaldas Exports Ltd.	0.77%
Gitanjali Gems Ltd.	0.59%
Industrial Development Bank of India Ltd	0.47%
GMR Infrastructure Ltd.	0.29%
Celebrity Fashions Ltd.	0.21%
D S Kulkarni Developers Ltd.	0.20%
Net Current Asset (NCA)	8.73%

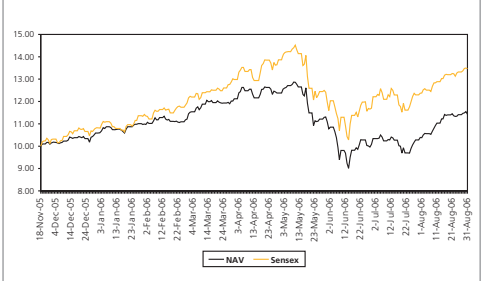
## Performance

	DBSCTSF	SENSEX
3 Months (92 Days)#	3.07%	12.51%
6 Months (184 Days)#	1.96%	12.81%
Since Inception # (18/11/05)	14.30%	34.68%
# Absolute Returns		
Past performance may or may not be sustained in future.		

## Sector Summary



## Returns Since Inception





# DBS Chola Opportunities Fund

as on August 31, 2006

## Features

### Type of Fund

Open-Ended Growth Fund

### Load Structure (w.e.f. 1st July, 2006)

Entry Load : < Rs. 1 Crore : 2.25%

>= Rs. 1 Crore: Nil

Exit Load / CDSC : Nil

### Minimum Investment for New / Existing Investors

Rs. 3000/1000

### Cut Off Time

Purchase : 3 p.m.

Redemption : 3 p.m.

### Dividend Distribution

Quarterly

### Inception Date

27-Nov-97

### NAV

Quarterly Dividend Option : Rs. 13.46

Cumulative Option : Rs. 20.69

### Benchmark Index

BSE Sensex

### Fund Size

Rs. 5.68 Crores

### Fund Manager

Pradeep Kumar

## Style Matrix

		Style			Size
		Growth	Blend	Value	
Shading within the Style Matrix indicates areas in which the Fund generally invests.	Large				Small
	Mid				
	Small				

## Fund Manager's Comments

DBS Chola Opportunities Fund is a concentrated equity fund with exposure to a few high growth sectors of the economy. The fund has a bias towards the growth style of investing.

## Investment Objective

The Scheme will invest mainly to generate long term capital appreciation from a diversified portfolio of equity and equity related securities.

## Portfolio

Scrip	% of Portfolio
Oriental Bank Of Commerce Ltd	8.19%
ICICI Bank Ltd.	7.88%
Infotech Enterprises Ltd.	7.69%
Punjab National Bank Ltd.	6.79%
Ultratech Cement Co.Ltd.	6.77%
Amtek Auto Ltd.	6.66%
Unitech Ltd.	6.05%
Mahindra Gesco Developers Ltd.	5.92%
ACC Ltd.	5.61%
HPCL Ltd.	4.90%
Alok Industries Ltd.	4.73%
Goldiam International Ltd	4.53%
Hindalco Industries Ltd.	4.34%
Satyam Computer Services Ltd.	4.27%
Ansal Properties and Infrastructure Ltd.	3.88%
Arihant Foundations and Housing Ltd	3.22%
Pitti Lamination Ltd.	1.52%
Jagran Prakashan Ltd.	1.35%
D.S.Kulkarni Developers Ltd.	0.31%
Net current Asset (NCA)	5.39%

## Performance

	DBSCOF	BSE Sensex
1 Month (31 Days)#	7.87%	8.89%
3 Months (92 Days)#	-1.10%	12.51%
6 Months (184 Days)#	1.22%	12.81%
1 Year\$	13.93%	49.88%
Since Inception \$	24.47%	33.74%

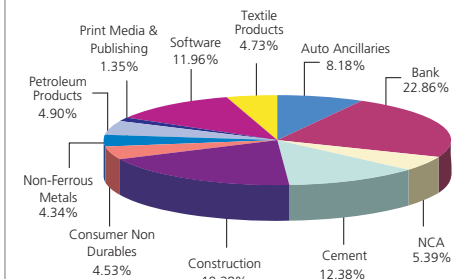
# Absolute Returns

\$ Compounded Annualised Returns

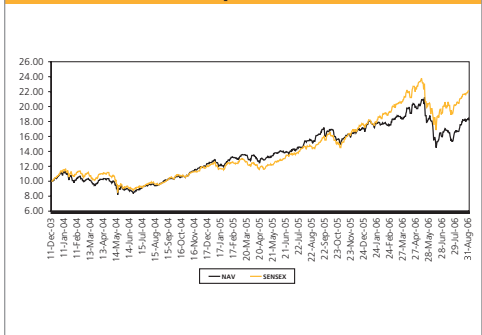
\*Returns calculated from 11/12/2003, when the scheme was repositioned as DBS Chola Opportunities Fund.

Past performance may or may not be sustained in future.

## Sector Summary



## Returns Since Inception



## Dividend History

### Regular Plan

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
31-Mar-99	10	1.00	Rs. 12.43
30-Sep-99	15	1.50	Rs. 12.46
24-Mar-00	40	4.00	Rs. 17.23

Past performance may or may not be sustained in future.

The face value of the units is Rs. 10/-

# DBS Chola Global Advantage Fund

as on August 31, 2006

## Features

### Type of Fund

Open-Ended Equity Scheme

### Load Structure (w.e.f. 1st July, 2006)

Entry Load : < Rs. 1 Crore : 2.25%  
 : >= Rs. 1 Crore: Nil  
 Exit Load / CDSC : Nil

### Minimum Investment for New / Existing Investors

Rs. 5000/1000

### Cut Off Time

Purchase : 3 p.m.  
 Redemption : 3 p.m.

### Dividend Distribution

Declared as and when decided by the Trustees

### Inception Date

30-May-05

### NAV

Dividend Option : Rs. 12.04  
 Cumulative Option : Rs. 12.84

### Benchmark Index

S&P CNX 500

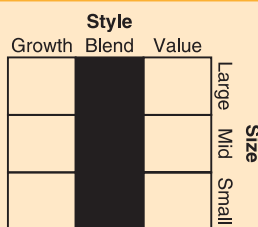
### Fund Size

Rs. 24.04 Crores

### Fund Manager

Tridib Pathak

## Style Matrix



## Fund Manager's Comments

The investment in DBS Chola Global Advantage Fund has been done without any bias towards large cap or mid cap stocks, but it keeping with the objective of investing in globally competitive companies.

## Investment Objective

To provide long term capital appreciation and/or income distribution by investing predominantly in equity/equity related instruments of Indian companies with export competitiveness and Indian companies which have or which are expanding their business in global markets.

## Portfolio

Scrip	% of Portfolio
Infotech Enterprises Ltd.	6.01%
Infosys Technologies Ltd.	5.38%
Dishman Pharmaceuticals & Chemicals	5.04%
Thermax Ltd.	4.92%
Alok Industries Ltd.	4.77%
Kale Consultants Ltd.	4.65%
Crompton Greaves Ltd.	4.64%
Voltas Ltd.	4.38%
Tata Tea Ltd.	4.16%
Suzlon Energy Ltd.	4.00%
Balkrishna Industries Ltd.	3.99%
Amtek Auto Ltd.	3.88%
Bharat Forge Ltd.	3.84%
Gokaldas Exports Ltd.	3.78%
Satyam Computers Services Ltd	3.60%
Welspun India Ltd.	3.54%
United Phosphorus Ltd.	3.44%
Motherson Sumi system Ltd	2.84%
Alfa Laval India Ltd.	2.62%
Vimta Labs Ltd.	2.51%
Goldiam International Ltd.	1.92%
NET Current Assest (NCA)	16.09%

## Performance

	DBSCGAF	S&P CNX 500
1 Month (31 Days)#	6.73%	9.58%
3 Months (92 days)#	-1.76%	6.55%
6 Months (184 days)#	-5.73%	5.60%
1 Year \$	13.03%	32.05%
Since Inception\$ (30/05/05)	22.05%	41.33%

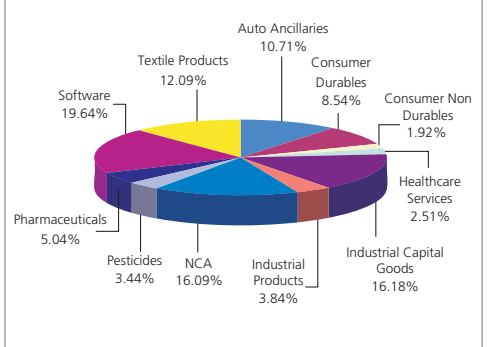
# Absolute Returns

\$ Compounded Annualised Returns

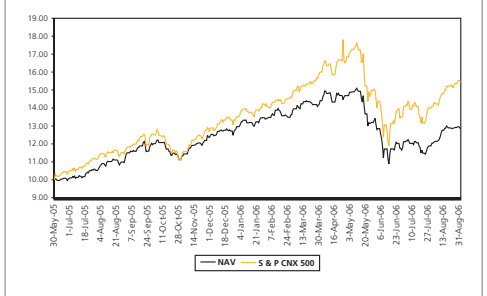
Scheme "DBS Chola Global Advantage Fund (DCGAF)" was launched on 19th Apr 05 & units allotted on 30th May 05

Past performance may or may not be sustained in future.

## Sector Summary



## Returns Since Inception



## Dividend History

### Regular Plan

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
27-Sep-05	7.5	0.75	Rs. 11.94

Past performance may or may not be sustained in future.

The face value of the units is Rs. 10/-

AAAF<sup>\*</sup>  
rated by  
CRISIL

## DBS Chola Triple Ace

as on August 31, 2006

### Features

#### Type of Fund

Open-Ended Pure Income Fund

#### Load Structure

Entry Load : Nil  
Exit Load / CDSC : For investments <=10 Lacs:0.5% if Redeemed within 6 months  
For investments >10 Lacs: Nil

#### Minimum Investment for New / Existing Investors

Rs. 2000/1000

#### Cut Off Time

Purchase : 3 p.m.  
Redemption : 3 p.m.

#### Dividend Distribution

Quarterly/Semi Annual

#### Inception Date

31-Mar-97

#### NAV

Quarterly Dividend Option : Rs. 11.1926  
Semi Annual Dividend Option : Rs. 11.5031  
Cumulative Option : Rs. 23.7715  
Bonus Option : Rs. 13.2084

#### Benchmark Index

CRISIL Composite Bond Fund Index

#### Fund Size

Rs. 17.06 Crores

#### Fund Manager

Ashish Nigam

### Fund Manager's Comments

DBS Chola Triple Ace is long term income fund with investments in fixed instruments of all class and maturity. Utmost importance is given to the investment grade of the assets as the fund is CRISIL AAAF rated fund. The investment is in the highest rated instruments and based on the interest rate view the duration of the portfolio is managed. The investments in the fund range from very short i.e. cash/repo to sovereign securities and corporate bonds. The fund is actively managed based on the interest rate view.

### Investment Objective

The investment objective of the scheme would be to provide regular and stable income. The corpus of the scheme would be invested primarily in debt market securities, such as non-convertible debentures, bonds issued by corporates, banks and government, commercial paper, certificates of deposit and other money market instruments. The scheme would invest predominantly in securities rated by the Credit Rating and Information Services of India Ltd. (CRISIL), or any other rating agency.

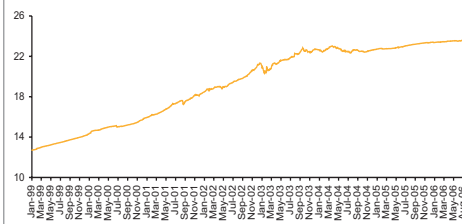
#### Portfolio

Scrip	Weight	Rating
<b>Corporate Debt</b>		
Citi Financial Consumer Fin. Ltd	14.79%	AAA
Fleet Trust April 2003 Series A2	0.12%	AAA
<b>PSU/PFI Debt</b>		
IDBI Omni Bond 2004 (Floating Rate)	14.33%	AA+
<b>Sovereign</b>		
CG -2017 - 8.07%	17.76%	Sov
182 Days TBill	15.33%	Sov
ABN AMRO Bank	29.06%	P1+
Call/Repo Deposit/TBill	8.61%	

#### Avg Maturity

2.44 yrs	YTM 6.50%
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#### Cumulative Plan - NAV Movement

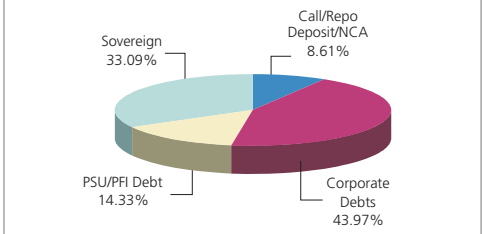


#### Performance

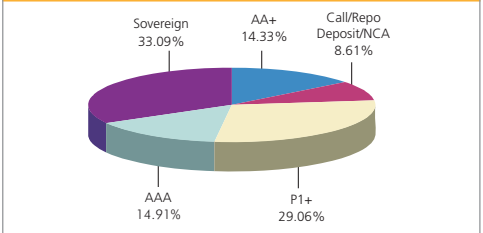
	DBSCTA- Regular Cumulative	CRISIL Composite Bond Index
1 Month (31 Days)#	0.71%	0.64%
3 Months (92 Days)#	1.01%	0.97%
6 Months (184 Days)#	1.51%	2.01%
1 Year\$	2.79%	3.14%
3 Years\$	2.21%	2.81%
5 Years\$	6.20%	N.A.
Since Inception\$	9.62%	N.A.

# Absolute Returns  
\$ Compounded Annualised Returns  
NA - Not Applicable  
Past performance may or may not be sustained in future.  
The distribution tax has been included in the calculations of returns.

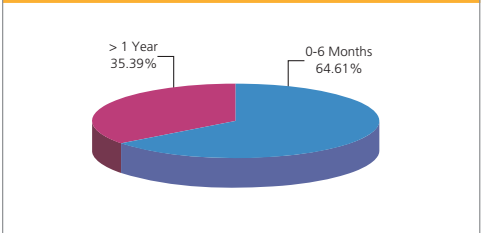
#### Asset Profile



#### Rating Profile



#### Maturity Profile



#### Dividend History

##### Regular Plan

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
27-Jun-03	2.5	0.25	Rs. 11.1786
29-Sep-03	2.5	0.25	Rs. 11.2634
29-Sep-03	75.0#	7.50	Rs. 22.3847
29-Dec-03	2.5	0.25	Rs. 11.1326
29-Mar-04	0.80	0.08	Rs. 10.9147
29-Mar-04^	27.5#	2.75	Rs. 14.2224
27-Sep-04^	0.6620*	0.0662	Rs.10.7427
27-Sep-04^	0.7080\$	0.0708	Rs.10.7427
27-Sep-04•	0.6620*	0.0662	Rs.11.0367
27-Sep-04•	0.7080\$	0.0708	Rs.11.0367

# Semi Annual Dividend option was carved out of the Cumulative Plan in Sept' 03

\* Corporate \$ Individual ^ DBSCTA Regular

• DBSCTA Semi Annual Dividend

Past performance may or may not be sustained in the future. The face value of the units is Rs. 10/-



# DBS Chola Freedom Income - Short Term Fund

as on August 31, 2006

## Features

### Type of Fund

Open-Ended Income Fund

### Load Structure

Entry Load : Nil  
Exit Load / CDSC : Nil

### Minimum Investment for New / Existing Investors

Regular : Rs. 3000/1000  
Institutional : Rs. 1000000/100000

### Cut Off Time

Purchase : 3 p.m.  
Redemption : 3 p.m.

### Dividend Distribution

Monthly/Semi Annual

### Inception Date

08-Mar-02\*

### NAV

Regular -  
Monthly Dividend Option : Rs. 10.9396  
Semi Annual Dividend Option : Rs. 11.2816  
Cumulative Option : Rs. 11.3717

### Institutional -

Monthly Dividend Option : Rs. 10.9396  
Cumulative Option : Rs. 11.5070

### Benchmark Index

CRISIL Short Term Fund Index

### Fund Size

Rs. 39.92 Crores

### Fund Manager

Ashish Nigam

\* Scheme was repositioned as DBS Chola Freedom Income - Short Term Fund from March 08, 2002

### Fund Manager's Comments

DBS Chola Freedom Income is a short-term fund. The scheme seeks to provide better returns than liquid fund. The duration of the fund is longer than the liquid fund and the investment is in fixed income assets ranging from cash/repo to corporate bonds and gilts with residual maturity of 5 years and less. The fund is rated AAAF by CRISIL for its credit quality.

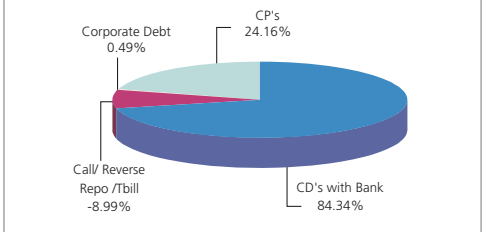
## Investment Objective

An income scheme with at least 80% investments in fixed income securities with the objective of generating regular and stable income for the unit holders. The balance will be invested in money market instruments of high quality. The scheme will not invest in equities or equity related instruments.

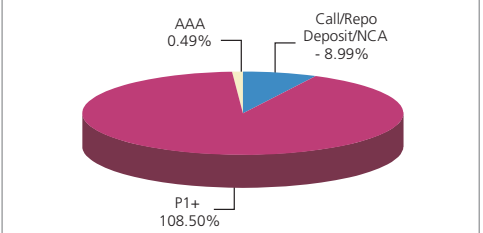
## Portfolio

Scrip	Weight	Rating
<b>Corporate Debt</b>		
Federal Bank	23.43%	P1+
HSBC	23.44%	P1+
GE Capital Services India Ltd.	0.75%	P1+
GE Capital Services India Ltd.	11.68%	P1+
GE CountryWide Consumer Finance Ltd.	11.73%	P1+
Kotak Mahindra Bank	11.72%	P1+
UCO Bank Ltd	11.72%	P1+
UCO Bank Ltd	14.03%	P1+
Citi Fin.Con.Fin Ltd	0.49%	AAA
Call/Repo Deposit/TBill	-8.99%	

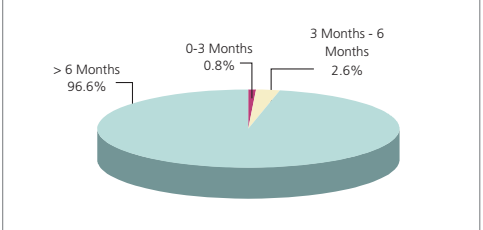
## Asset Profile



## Rating Profile



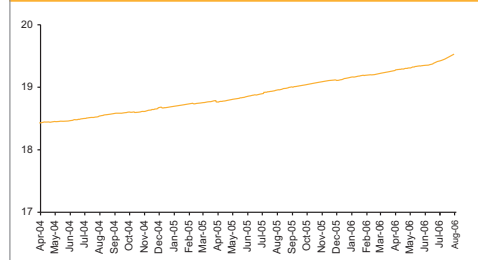
## Maturity Profile



## Avg Maturity YTM

0.86 yrs 7.90%

## Cumulative Plan - NAV Movement



## Performance

	DBSFCI- STF	DBSFCI- STF	CRISIL STF
	Institutional		Index
1 Month (31Days)#	0.70%	0.70%	0.56%
3 Months (92 Days)#	1.77%	1.79%	1.62%
6 Months (184 Days)#	2.99%	3.06%	3.28%
1 Year\$	5.22%	5.49%	4.73%
3 Year\$	4.53%	4.53%	4.27%
Since Inception\$	5.69%	NA	NA
# Absolute Returns	NA-Not Applicable		
\$ Compounded Annualised Returns	NA-Not Applicable		
Past performance may or may not be sustained in future. The distribution tax has been included in the calculations of returns.			

## Dividend History

Regular Plan			
Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
27-Sep-04^	0.2480*	0.0248	Rs.10.0769
27-Sep-04^	0.2650\$	0.0265	Rs.10.0769
27-Sep-04^^	0.2980*	0.0298	Rs.10.0781
27-Sep-04^^	0.3180\$	0.0318	Rs.10.0781
27-Sep-04•	0.8270*	0.0827	Rs.10.4326
27-Sep-04•	0.8840\$	0.0884	Rs.10.4326
25-Oct-04^	0.2270*	0.0227	Rs.10.0676
25-Oct-04^	0.2430\$	0.0243	Rs.10.0676
25-Oct-04^^	0.2270*	0.0227	Rs.10.0663
25-Oct-04^^	0.2430\$	0.0243	Rs.10.0663

\* Corporate \$ Individual  
• Semi Annual Dividend Plan # Monthly Dividend  
^ DBSFCI-STF Regular ^^ DBSFCI-STF Institutional  
Past performance may or may not be sustained in the future. The face value of the units is Rs. 10/-

AAA<sup>F</sup>  
rated by  
CRISIL

## DBS Chola Liquid Fund

as on August 31, 2006

### Features

#### Type of Fund

Open-Ended Liquidity Income Scheme

#### Load Structure

Entry Load : Nil  
Exit Load / CDSC : Nil

#### Minimum Investment for New / Existing Investors

Regular : Rs. 10000/5000  
Institutional Plus : Rs. 1000000/100000

#### Cut Off Time

Purchase : 1 p.m.  
Redemption : 10 a.m.

#### Dividend Distribution

Daily / Weekly

#### Inception Date

04-Oct-00

#### NAV

Regular-  
Weekly Dividend Option : Rs. 11.9085  
Cumulative Option : Rs. 14.5388

Institutional Plus-  
Weekly Dividend Option : Rs. 11.8746  
Cumulative Option : Rs. 14.6196

#### Benchmark Index

CRISIL Liquid Fund Index

#### Fund Size

Rs. 1,093.60 Crores

#### Fund Manager

Ashish Nigam

### Fund Manager's Comments

DBS Chola Liquid Fund is a very short-term fund with investments in fixed income assets of residual maturity of one year or less. The strategy for managing the fund is to invest in the highest rated instruments which are liquid in the secondary market. The fund is AAA<sup>F</sup> rated by CRISIL for its credit quality. The fund is managed actively with the duration ranging from 50 to 150 days based on the short-term view.

### Investment Objective

The investment objective will be to generate reasonable returns while maintaining safety and providing the investor superior liquidity. To achieve this objective investments will be predominantly made in a well-diversified and highly liquid portfolio of money market instruments, government securities and corporate debt.

#### Portfolio

Scrip	Weight	Rating
<b>CD's with Banks</b>		
Rabo India Finance Ltd.	8.86%	P1+
ICICI Bank Ltd	6.58%	P1+
IDBI Ltd.	5.39%	P1+
HDFC Bank Ltd	5.33%	P1+
Punjab National Bank Ltd.	4.99%	P1+
UCO Bank Ltd.	4.28%	P1+
YES Bank	3.60%	A1+
GE Country Wide Consumer Finance Ltd.	3.55%	P1+
IL & FS Ltd.	3.39%	P1+
State Bank of Patiala Ltd.	3.19%	A1+
SBI Cards & Payments Ser. Ltd.	3.12%	P1+
State Bank of Indore	3.11%	P1+
GE Capital Services India Ltd.	2.58%	P1+
ABN Amro Bank	2.27%	P1+
National Housing Bank Ltd.	2.25%	P1+
Kotak Mahindra Primus Ltd	1.83%	P1+
Jammu and Kashmir Bank	1.82%	P1+
Britania Industries Ltd.	1.78%	P1+
Exim Bank Ltd.	1.73%	P1+
Federal Bank	1.30%	P1+
ING Vysya Bank Ltd.	0.91%	P1+
Kotak Mahindra Bank	0.91%	P1+
State Bank of Bikaner & Jaipur	0.91%	P1+
UTI Bank Ltd.	0.91%	P1+
Citicorp Finance.Ltd	0.91%	P1+
State Bank of Patiala Ltd.	0.89%	P1+
Bajaj Auto Finance Ltd	0.89%	P1+
Sundaram Finance Ltd.	0.44%	P1+
State Bank of Saurashtra	0.43%	P1+
Allahabad Bank	0.42%	P1+
<b>Other deposits</b>		
State Bank Of Patiala	3.66%	
Allahabad Bank	4.11%	
<b>Corporate Debt</b>		
IDBI Omni Bond 2004 (Floating Rate)	1.89%	AA+
Ge Capital Services India Ltd. (Floating Rate)	1.38%	AAA
LIC Housing Finance Ltd (Floating Rate)	0.94%	AAA
Mahindra and Mahindra Finance Ltd 3YR INBMK	0.94%	P1+
Rabo India Finance Pvt Ltd (Floating Rate)	0.94%	AAA
Sundaram Finance Ltd 3YR INBMK	0.93%	AAA
UTI Bank - 1YR INBMK	0.93%	AAA

#### Portfolio

Scrip	Weight	Rating
Indian Corporate Loan Security Trust -IV		
Tata Son Trust Series I - PTC	0.92%	A1+
IBS TRUST Sept 2005 - PTC	0.73%	AAA
Citicorp Finance Ltd. (Floating Rate)	0.46%	AAA
Goetze India Ltd.	0.46%	P1+
Kotak Securities Ltd.	0.46%	P1+
Kotak Mahindra Primus Ltd	0.46%	P1+
Sterlite Industries Ltd.(Floating Rate)	0.27%	P1+
GE Countrywide CFS Ltd.	0.18%	AAA
Call/Repo Deposit/TBill	0.85%	

#### Avg Maturity

Avg Maturity	YTM
128 days	6.63%

#### Performance

	DBSCLF- Cum	DCLF- Cum-Institu- tional Plus	CRISIL LF Index
7 Days#	0.1253%	0.1260%	0.10%
14 Days#	0.2538%	0.2530%	0.19%
1 Month (31 Days)#	0.56%	0.56%	0.46%
3 Months (92 Days)#	1.63%	1.64%	1.34%
6 Months (184 Days)#	3.25%	3.26%	3.07%
1 Year\$	6.16%	6.17%	5.52%
3 Years\$	5.30%	4.66%	4.66%
Since Inception\$	6.54%	NA	NA

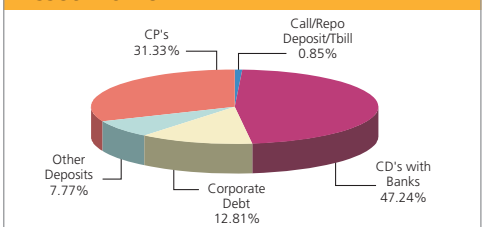
# Absolute Returns

\$ Compounded Annualised Returns

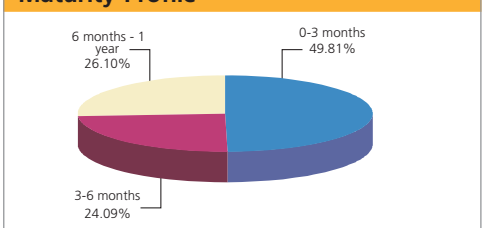
NA - Not Applicable

Past performance may or may not be sustained in future. The distribution tax has been included in the calculations of returns.

#### Asset Profile



#### Maturity Profile



Contd...



# DBS Chola Short Term Floating Rate Fund

as on August 31, 2006

## Features

### Type of Fund

Open-Ended Income Scheme

### Load Structure

Entry Load : Nil  
Exit Load / CDSC : Nil

### Minimum Investment for New / Existing Investors

Rs. 5000/1000

### Cut Off Time

Purchase : 1 p.m.  
Redemption : 10 a.m.

### Dividend Distribution

Daily / Weekly / Monthly

### Inception Date

10-Aug-05

### NAV

Monthly Dividend Option : Rs. 10.1678  
Cumulative Option : Rs. 10.6674

### Benchmark Index

CRISIL Liquid Fund Index

### Fund Size

Rs. 194.21 Crores

### Fund Manager

Ashish Nigam

## Fund Manager's Comments

DBS Chola Short Term Floating Rate Fund is a quasi - liquid fund with more than 50% of the assets in floating rate assets. Investments are in highest rated instruments. The duration of the portfolio is in the range of 100-120 days.

## Investment Objective

The investment objective of the scheme is to generate regular income to investment in a portfolio comprising substantially of floating rate debt/money market instrument, fixed rate debt/money market instruments swapped for floating rate return, and fixed rate debt securities, govt. securities & money market instruments.

## Portfolio

Scrip	Weight	Rating
<b>Corporate Debt</b>		
Sterlite Industries Ltd. (Floating Rate)	6.69%	P1+
IRFC - 5YR INBMK	5.19%	AAA
Ge Capital Services Ltd. (Floating Rate)	5.16%	AAA
Ge Capital Services Ltd. (Floating Rate)	5.15%	AAA
Sundaram Finance Ltd. (Floating Rate)	5.15%	A1+
Standard Chartered Loans & Investment Ltd.	5.00%	P1+
Citi Financial Consumer Fin Ltd. (Floating Rate)	2.61%	AAA
Citicorp Maruti Finance Ltd. (Floating Rate)	2.59%	AAA
Citicorp Maruti Fin Ltd. (Floating Rate)	2.57%	AAA
Exim Bank Ltd. (Floating Rate)	2.57%	AAA
Exim Bank Ltd. (Floating Rate)	2.57%	AAA
Raymond Ltd. (Floating Rate)	2.57%	P1+
SBI Cards and Payment Services Ltd.	2.45%	P1+
GE Countrywide Consumer Finance LTd.	2.41%	P1+
IDBI Omni Bond 2004 (Floating Rate)	1.21%	AA+
<b>Certificate Deposit</b>		
Federal Bank	4.86%	P1+
HDFC Bank Ltd	4.81%	P1+
UCO Bank Ltd	4.80%	P1+
Allahabad Bank	2.48%	P1+
UCO Bank Ltd	2.41%	P1+
ING Vysya Bank	2.40%	P1+
<b>Other Deposits</b>		
HDFC Bank	7.59%	
Development Credit Bank	5.15%	
Allahabad Bank	2.57%	
<b>Sovereign</b>		
CG -2006 - 6.30% (Floating Rate)	4.63%	Sov.
Call/Repo Deposit/TBill	4.41%	

## Avg Maturity

174 day

## YTM

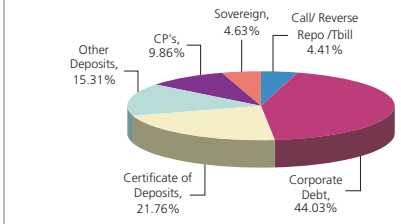
6.99%

## Performance

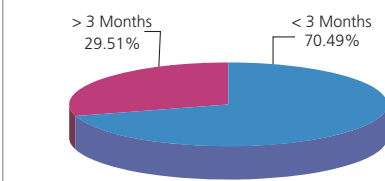
	DBS CST-FRF	CRISIL Liquid Fund Index
3months ( 92 days)#	0.58%	0.46%
6months (184 days)#	3.35%	3.07%
1 Year\$	6.29%	5.52%
Since Inception# (10/08/05)\$	6.30%	5.44%

# Absolute Returns  
\$ Compounded annualised returns  
Past performance may or may not be sustained in future.  
The distribution tax has been included in the calculations of returns.

## Asset Profile



## Maturity Profile



## Dividend History

Date of Declaration (Last Dividend Declared)	% Unit	Rs./Unit	NAV as on date of declaration
29-May-06	0.3270*	0.0327	Rs. 10.1648
29-May-06	0.3510\$	0.0351	Rs. 10.1648

\* Corporate \$ Individual  
Past performance may or may not be sustained in the future. The face value of the units is Rs. 10/-

# DBS Chola Floating Rate Fund

as on August 31, 2006

## Features

### Type of Fund

Open-Ended Income Fund

### Load Structure

Entry Load : Nil  
 Exit Load / CDSC : 0.30% for <= 10 lacs  
 if redeemed within 3 months  
 Nil for > 10 lacs

### Minimum Investment for New / Existing Investors

Rs. 25000/1000

### Cut Off Time

Purchase : 3 p.m.  
 Redemption : 3 p.m.

### Dividend Distribution

Quarterly

### Inception Date

25-Aug-04

### NAV

Dividend Option : Rs. 10.3710  
 Cumulative Option : Rs. 11.1260

### Benchmark Index

CRISIL Liquid Fund Index

### Fund Size

Rs. 6.61 Crores

### Fund Manager

Ashish Nigam

## Fund Manager's Comments

DBS Chola Floating Rate Fund is designed to protect the investor from rising interest rates. The objective of the fund is to invest at least 65% of the corpus in floating rate instrument with benchmark linked to gilts of daily MIBOR.

## Investment Objective

The primary objective is to provide income consistent with the prudent risk from a portfolio comprising substantially of floating rate debt instruments, money market instruments and fixed rate debt instruments swapped for floating rate return.

## Portfolio

Scrip	Weight	Rating
<b>Corporate Debt</b>		
IBS TRUST Sept 2005 - PTC	30.30%	AAA
Citi Financial Consumer Fin. Ltd -	14.68%	AAA
UCO Bank Ltd.	9.75%	P1+
Allahabad Bank Ltd.	3.64%	P1+
Bajaj Auto Finance Ltd	2.24%	P1+
<b>Sovereign</b>		
182 Days TBILL	14.93%	Sov
GOI 6.30% 2006 -		
Floating Rate /Bond	7.56%	Sov
Call/Repo Deposit/TBill	16.90%	

## Avg Maturity

Avg Maturity	YTM
174 day	6.41%

## Performance

	DBSCFRF	CRISIL Liquid Fund Index
1 Month ( 31days)#	0.53%	0.46%
3 Months (92 Days) #	1.36%	1.34%
6Months (184 Days) #	2.77%	3.07%
1 Year\$	5.49%	5.52%
Since Inception (25/08/04)\$	5.43%	5.01%

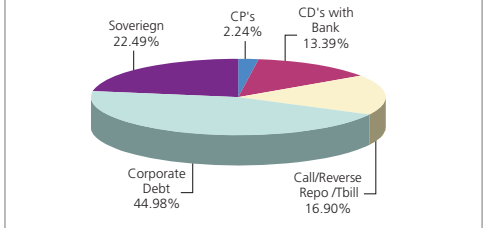
# Absolute Returns

\$ Compounded Annualised Returns

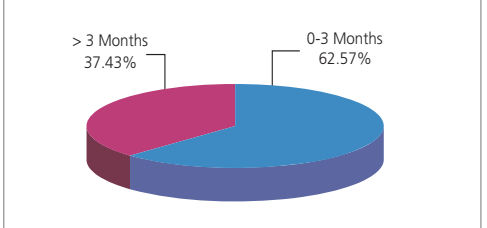
Past performance may or may not be sustained in the future.

The distribution tax has been included in the calculations of returns.

## Asset Profile



## Maturity Profile



## Dividend History

Regular Plan			
Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
27-Jun-05	0.8170*	0.0817	Rs. 10.2781
27-Jun-05	0.8770\$	0.0877	Rs. 10.2781
26-Sep-05	0.6530*	0.0653	Rs. 10.3230
26-Sep-05	0.7020\$	0.0702	Rs. 10.3230
26-Dec-05	0.6530*	0.0653	Rs. 10.3230
26-Dec-05	0.7020\$	0.0702	Rs. 10.3230
27-Mar-06	1.2250*	0.1225	Rs. 10.4299
27-Mar-06	1.3160\$	0.1316	Rs. 10.4299
26-Jun-06	1.3160\$	0.1316	Rs. 10.4106
26-Jun-06	1.3160\$	0.1316	Rs. 10.4106

\* Corporate

\$ Individual

Past performance may or may not be sustained in the future. The face value of the units is Rs. 10/-

The face value of the units is Rs. 10/-

## DBS Chola GILT Investment Plan

as on August 31, 2006

### Features

#### Type of Fund

Open-Ended Dedicated Gilts Schemes

#### Load Structure

Entry Load : Nil

Exit Load / CDSC : Nil

#### Minimum Investment for New / Existing Investors

Rs. 10000/1000

#### Cut Off Time

Purchase : 3 p.m.

Redemption : 3 p.m.

#### Dividend Distribution

Quarterly

#### Inception Date

29-Mar-00

#### NAV

Quarterly Dividend Option : Rs. 9.9984

Cumulative Option : Rs. 18.1785

#### Benchmark Index

ISEC-Li-BEX

#### Fund Size

Rs. 2.72 Crores

#### Fund Manager

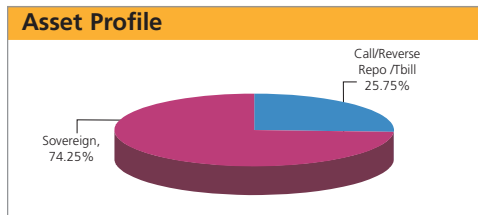
Ashish Nigam

## Investment Objective

The Scheme seeks to generate returns from a portfolio from investment in Government Securities.

Portfolio		
Scrip	Weight	Rating
<b>Sovereign</b>		
CG -2017 - 8.07%	74.25%	Sov
Call/Repo Deposit/TBill	25.75%	

Avg Maturity	YTM
8 yrs	7.41%



### Fund Manager's Comments

The investment objective of the fund seeks to maximize returns by investing in GOI securities. The fund is actively managed and the investment range from short-term treasury bills to longer maturity gilt securities. The duration of the fund is actively managed and based on the interest rate view the duration of the portfolio is shortened or elongated.

Performance		
	DBSCGI	I-Sec Li-BEX
1 Year\$	-0.06%	2.24%
3 Years\$	2.88%	2.11%
5 Years\$	7.95%	N.A.
Since Inception\$	9.74%	N.A.

NA-Not Applicable \$ Compounded Annualised Returns  
Past performance may or may not be sustained in the future.  
The distribution tax has been included in the calculations of returns.

#### Dividend History

Regular Plan			
Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
27-Sep-04	0.8270*	0.0827	Rs.10.2309
27-Sep-04	0.8840\$	0.0884	Rs.10.2309
27-Mar-06	1.2250*	0.1225	Rs. 10.3095
27-Mar-06	1.3160\$	0.1316	Rs. 10.3095

PF Plan			
Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
30-Mar-04	10	0.10	Rs. 10.1314

\* Corporate \$ Individual  
Past performance may or may not be sustained in the future.  
The face value of the units is Rs. 10/-

## DBS Chola Monthly Income Plan

as on August 31, 2006

### Features

#### Type of Fund

Open-Ended Income Scheme with no assured returns

#### Load Structure

Entry Load : Nil

Exit Load / CDSC : For investments <=10 Lacs: 0.5% if redeemed within 6 months For investments >10 Lacs: Nil

#### Minimum Investment for New / Existing Investors

Rs. 5000/1000 (Cum.)

Rs. 10000/1000 (Div.)

#### Cut Off Time

Purchase : 3 p.m.

Redemption : 3 p.m.

#### Dividend Distribution

Monthly/Quarterly

#### Inception Date

31-Jul-98

#### NAV

Monthly Dividend Option : Rs. 10.1611

Quarterly Dividend Option : Rs. 10.4607

Cumulative Option : Rs. 12.7059

Bonus Option : Rs. 12.7059

#### Benchmark Index

CRISIL Blended MIP Index

#### Fund Size

Rs. 10.34 Crores

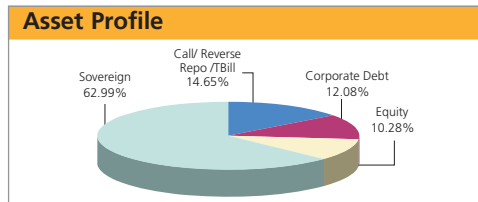
#### Fund Manager

Ashish Nigam/Pradeep Kumar

## Investment Objective

The Scheme seeks to generate monthly income through investment in a range of Debt, Equity and Money Market instruments.

Portfolio		
Scrip	Weight	Rating
<b>Equity</b>		
Infosys Technologies Ltd	2.27%	Eq
Infotech Enterprises Ltd.	1.79%	Eq
Allahabad Bank	1.59%	Eq
Tata Consultancy Services Ltd	1.35%	Eq
Oriental Bank Of Commerce	0.94%	Eq
Alfa Laval India Ltd	0.90%	Eq
Birla Corporation Ltd	0.81%	Eq
Jagran Prakashan Ltd	0.26%	Eq
Punjab National Bank Ltd	0.14%	Eq
Hindalco Industries Ltd	0.10%	Eq
Hindalco Industries Ltd	0.07%	Eq
D. S Kulkarni Developers Ltd	0.05%	Eq
Celebrity Fashions Ltd	0.01%	Eq
<b>Corporate Debt</b>		
Citi Financial Consumer Fin. Ltd	11.26%	AAA
Fleet Trust April 2003 Series A2	0.82%	AAA
<b>Sovereign</b>		
182 Days TBILL 17 Nov 06	60.57%	Sov
GOI 6.30% 2006 -Floating Rate Bond	2.42%	Sov
Call/Repo Deposit/TBill	14.65%	



### Fund Manager's Comments

In DBS Chola MIP, equity exposure was less than 15%.

Performance		
	DBSCMIP*	CRISIL Blended MIP Index
1 Month (31 Days)#	1.18%	1.81%
3 Months (92 Days)#	1.29%	2.64%
6 Months (184 Days)#	2.15%	3.69%
1 Year\$	6.52%	8.84%
3 Year\$	7.48%	7.73%
Since Inception\$	8.06%	8.63%

# Absolute Returns \$ Compounded annualised returns  
\* Converted from close-ended to open-ended w.e.f. July 31, 2003 and renamed as **DBS Chola Monthly Income Plan**. Hence the returns of 3 & 5 years are not given.  
Past performance may or may not be sustained in the future.  
The distribution tax has been included in the calculations of returns.

#### Dividend History

Regular Plan			
Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
27-Mar-06	0.4080*	0.0408	10.2942
27-Mar-06	0.4390\$	0.0439	10.2942
27-Mar-06	1.2250*#	0.1225	10.472
27-Mar-06	1.3160\$#	0.1316	10.472

\* Corporate \$ Individual # Quarterly Dividend  
Past performance may or may not be sustained in the future.  
The face value of the units is Rs. 10/-

Avg Maturity	YTM
1.39 yrs	5.62%

Total AUM as on August 2006 : Rs. 2,293.39 crores



# Systematic Investment Plans

Just as small steps and regular habits are key to success in health, academics or any other serious pursuit, so is the case with investing money and creating long term wealth. It is commonly observed that people do not take investing as seriously and either keep hard earned money idle or leave it to chance and intuition or take undesirably high risk to achieve financial goals. None of this is true investing and more often than not the investment does not, result in optimal returns. Successful investors all over the world have a formula they practice, which is called Systematic Investment Plan.

## What is a Systematic Investment Plan (SIP)?

SIP simply means investing a fixed amount of money at regular intervals over a period of time. SIP offers the following benefits to an investor.

- Discipline of regular saving
- Affordable small investments
- Power of Compounding
- Rupee Cost Averaging
- Overcomes market volatility

## Regular Saving

SIP ensures that the investor saves regularly and invests for the long term to create long term wealth.

## Invest with as low as Rs 1000 per month

DBS Chola Mutual Fund offers SIP starting from a minimum investment of Rs 1000/- per month. The investor has a choice of making an affordable investment regularly.

## Power of Compounding

The longer you invest, chances are that your returns will be disproportionate. If the rate of return improves even marginally, the return is even more disproportionate. That is the beauty of compounding. A sum of Rs.1,000 invested each month over different time periods offering various rates of returns is indicated below:

Rate of Return	5%	8%	10%	15%	
Investment Amount tenure (Yrs) Invested	Investment value				
5	60,000	69,623	76,031	80,587	93,045
10	120,000	158,481	187,746	210,374	280,191
20	240,000	416,631	593,075	756,030	1,413,721
30	360,000	837,129	1,468,150	2,171,321	5,999,483

## Rupee Cost Averaging

Under rupee cost averaging, an investor buys more units when prices are low. On the other hand, he will buy fewer units when prices are high. As a result his units cost less than the price of units. This works under any market scenario rising market, falling market or a fluctuating market.

### Case 1: Rising Market (SIP in DBS Chola Growth Fund)

First Working Day of the Month	Amount (Rs.)	Unit Price (NAV + Load)	Units of Allotted
2nd Jan 2006	1000	23.41	42.71
1st Feb 2006	1000	23.72	42.15
1st March 2006	1000	25.43	39.32
1st April 2006	1000	27.92	35.82
<b>Totals</b>	<b>4000</b>	<b>100.48</b>	<b>160.01</b>

Average price per unit = Rs.25.12

Average cost per unit = Rs.25.00

Result : your average cost **is less than** the average price

### Case 2: Declining Market (SIP in DBS Chola Growth Fund)

First Working Day of the Month	Amount (Rs.)	Unit Price (NAV + Load)	Units of Allotted
2nd May 2006	1000	28.44	35.16
1st June 2006	1000	24.49	40.83
3rd July 2006	1000	24.32	41.12
<b>Totals</b>	<b>3000</b>	<b>77.25</b>	<b>117.11</b>

Average price per unit = Rs.25.75

Average cost per unit = Rs.25.62

Result : your average cost **is less than** the average price

### Case 3: Fluctuating Market (SIP in DBS Chola Growth Fund)

First Working Day of the Month	Amount (Rs.)	Unit Price (NAV + Load)	Units of Allotted
1st Mar 2006	1000	25.43	39.32
3rd Apr 2006	1000	27.92	35.82
2nd May 2006	1000	28.44	35.16
1st June 2006	1000	24.49	40.83
3rd July 2006	1000	24.32	41.12
<b>Totals</b>	<b>5000</b>	<b>130.60</b>	<b>192.25</b>

Average price per unit = Rs.26.12

Average cost per unit = Rs.26.01

Result : your average cost **is less than** the average price

## Balances Market volatility

An SIP investor's performance is not dependent on end point returns, and captures market volatility to average out unit cost. Hence the returns are a function of staying invested in the fund during various market conditions and not so much dependent on the fund's return.

If you had invested Rs.1000 every month in	Rs. 24000 over 24 months would have grown to..	Rs. 36,000 over 36 months would grown to..	Rs. 56,000 over 56 months would grown to..
DBS Chola Growth Fund	Rs. 33,410.20 (30.68%)	Rs. 60,399.28 (31.62%)	Rs. 1,46,647.23 (36.30%)

(as of 31st August 06)

**Interestingly, an SIP of Rs.10,000 on the last day of the year in the BSE Sensex, since 1979 (BSE Sensex as of 31st Dec' 79 =118) until 2005 (Rs. 2.7 lacs in 27 years) would result in Rs. 51,27,397/- (a 17.47% CAGR).**

## DBS Chola Mutual Fund offers SIP across the following Equity Schemes.

- DBS Chola Growth Fund
- DBS Chola Multi-Cap Fund
- DBS Chola Tax Saver Fund
- DBS Chola Midcap Fund
- DBS Chola Global Advantage Fund
- DBS Chola Opportunities Fund
- DBS Chola Contra Fund

## SIP Features:

### Amount / Period

- Minimum investment of Rs. 1000/- each for 6 consecutive months (DBS Chola Growth Fund, DBS Chola Mid Cap Fund, DBS Chola Opportunities Fund, DBS Chola Multicap Fund and DBS Chola Global Advantage Fund).
- Minimum investment of Rs. 500/- each for 6 consecutive months or in multiples of Rs. 500/- for DBS Chola Tax Saver Fund.
- Minimum investment of Rs. 1000/- each for 6 consecutive months or minimum investment of Rs. 500/- each for 12 consecutive months for DBS Chola Contra Fund.

## Current Load Structure Equity Schemes

- **Entry Load** (Except DBS Chola Tax Saver Fund) : 2.25%-for an investment < Rs.1 Crore and Nil- for an investment >= Rs.1 Crore  
**Exit Load** : Nil.
- **Entry Load** (DBS Chola Tax Saver Fund) : 2.25% for an investments < Rs. 25 lacs and Nil, for investment > = Rs. 25 lacs  
**Exit Load** : Nil

## Cheque Date

- All SIP Cheques (except the first one) must be uniformly dated 5th, 15th or 25th of a month.

## Cheques Should be drawn in favour of scheme Name eg. "DBS Chola Growth Fund."

For more details kindly go through Offer Document.

## About DBS Cholamandalam Asset Management Limited

DBS Cholamandalam Asset Management Limited (DCAM) is the asset management company and the investment manager of DBS Chola Mutual Fund, which offers mutual funds to retail, high net worth and institutional investors. Established in 1996, the company manages funds in excess of Rs.2750 crores (as on May 31, 2006) across 17 schemes with over 200,000 customer accounts. Known for its prudent and disciplined investment philosophy, DCAM products cover the entire range of cash, debt and equity asset classes. DCAM is present in over 22 locations in the country and also has a strong distribution network.

## About Cholamandalam DBS Finance Limited

Chola DBS is a joint venture of India's Murugappa Group and DBS Bank of Singapore, the largest bank in South East Asia. Cholamandalam DBS Finance Limited (Chola DBS) along with its subsidiaries and affiliates offers individual and institutional customers a range of financial services automobile finance, personal loans, capital market finance, mutual funds, securities broking and distribution of investment and insurance products. (www.cholamandalam.com).

## SMS: "DBSCHOLA" to 4545

**DBS CHOLAMANDALAM ASSET MANAGEMENT LIMITED - BRANCHES:** • Ahmedabad 9898046210 • Bangalore 41811055/41811056 • Baroda 9898598644 • Chandigarh 9815884100 • Chennai 25307405 • Cochin 9895553190 • Coimbatore 9894945345 • Hyderabad 55737001 • Jaipur 9829422699 • Kolkata 22837370 • Lucknow 9839958537 • Madurai 9842117174 • Mangalore 9342255286 • Mumbai 66574000/22021042/22025451 • New Delhi 23353048 • Pune 25510468 • Salem 9994077006 • Trichy 9865966013

**Investment Objective:** ♦DBS Chola Growth Fund: The Scheme primarily seeks to generate long term capital appreciation income through investments in equity and equity related instruments; the secondary objective is to generate some current income and distribute dividend. ♦DBS Chola Midcap Fund: An open-ended equity scheme having an objective of generating capital appreciation by investing primarily in midcap stocks. The scheme will invest primarily in companies that have a market capitalization between Rs. 300 Crore to Rs. 3000 Crore. ♦DBS Chola Opportunities Fund: The Scheme will invest mainly to generate long-term capital appreciation from a diversified portfolio of equity-related securities. ♦DBS Chola Multi-cap Fund: To provide long term capital appreciation by investing in a well-diversified portfolio of equity & equity related instruments across all ranges of market capitalisation. ♦DBS Chola Global Advantage Fund: To provide long term capital appreciation and/or income distribution by investing predominantly in equity/equity related instruments of Indian companies with export competitiveness and Indian companies which have or which are expanding their business in global markets. ♦DBS Chola Tax Saver Fund : To provide long term capital appreciation by investing predominantly in equity and equity related instruments and also enabling investors to get income tax rebate as per the prevailing Tax Laws and subject to applicable conditions. ♦DBS Chola Contra Fund: The objective of the scheme is to generate capital appreciation by investing in equity and equity related instruments by using a 'contrarian strategy'. Contrarian investing refers to buying into fundamentally sound scripts which have underperformed / not performed to their full potential in their recent past.

**Risk Factors:** ♦All investments in Mutual Funds and Securities are subject to market risks and the NAV of the Scheme may go up or down, depending upon the factors and forces affecting the securities market. ♦There cannot be any assurance that the Schemes' Investment Objectives can be achieved. ♦The past performance of the AMC, Mutual Fund, the Sponsor or its Group affiliation is not indicative of the future performance of the Scheme. ♦DBS Chola Growth Fund, DBS Chola Midcap Fund, DBS Chola Multi-Cap Fund, DBS Chola Opportunities Fund, DBS Chola Global Advantage Fund, DBS Chola Tax Saver Fund & DBS Chola Contra Fund are only the names of the Schemes and do not in any manner indicate the quality of the Schemes, their future prospects or returns. ♦The Schemes do not guarantee any assured returns to the investors. ♦Investors are requested to refer the offer document of the respective scheme carefully before making any investments.

**Statutory Details:** DBS Chola Mutual Fund has been established as a trust under the Indian Trust Act, 1882 by Cholamandalam DBS Finance Limited (formerly known as Cholamandalam Investment and Finance Company Limited) (liability restricted to the seed corpus of Rs. 1 lakh) with DBS Cholamandalam Trustees Limited (formerly known as Cholamandalam Trustee Co. Ltd.) as the Trustee and DBS Cholamandalam Asset Management Limited (formerly known as Cholamandalam AMC Ltd.) as the Investment Manager.

**So begin your journey to wealth building now! Invest Today!!!**

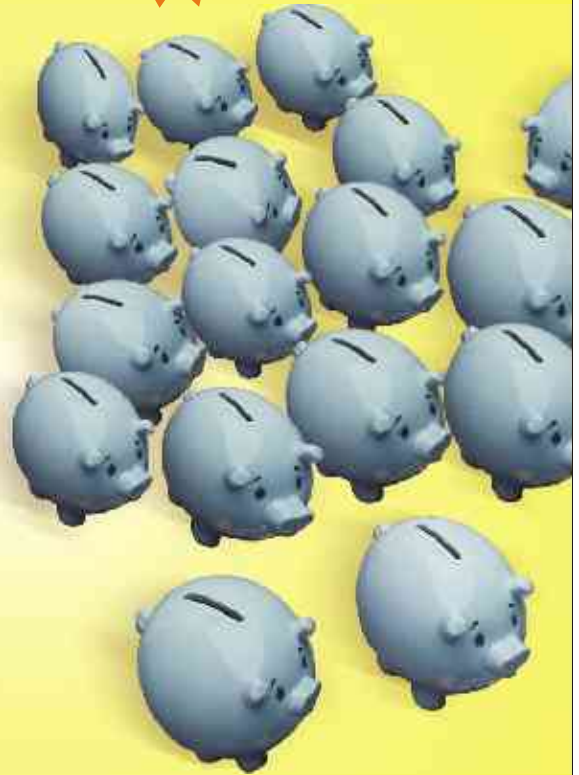


# DBS Chola Contra Fund

An open ended equity scheme

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**DBS Chola**  
MUTUAL FUND

**DBS CHOLAMANDALAM ASSET MANAGEMENT LIMITED - BRANCHES:** • Ahmedabad 9898046210 • Bangalore 41811055/41811056 • Baroda 9898598644 • Chandigarh 9815884100 • Chennai 25307405 • Cochin 9895553190 • Coimbatore 9894945345 • Hyderabad 55737001 • Jaipur 9829422699 • Kolkata 22837370 • Lucknow 9839958537 • Madurai 9842117174 • Mangalore 9342255286 • Mumbai 66574000/22021042/22025451 • New Delhi 23353048 • Pune 25510468 • Salem 9994077006 • Trichy 9865966013

**Investment Objective:** The objective of the scheme is to generate capital appreciation by investing in equity and equity related instruments by using a contrarian strategy. Contrarian investing refers to buying into fundamentally sound scrips which have underperformed / not performed to their full potential in their recent past.  
**Asset Allocation:** Equity & Equity related instruments: 65% - 100% Debt & Money Market Instruments: 0-35% **Investment Amt:** Rs. 5000/- and in multiples of Re.1/- thereafter. Additional Purchase: Rs. 1000/- and in multiples of Re.1/- **For SIP:** Min. 12 installments of Rs 500 each or minimum 6 installments of Rs. 1000/- each. **Terms of issue:** Sales of units at Rs.10/- per unit for cash plus applicable load during the new fund offer and at NAV related prices after the scheme re-opens for ongoing sales **Applicable Loads:** (During NFO & for ongoing sales) For Each Investment Amount: <=Rs. 1 crore Entry Load: 2.25% Exit : Nil ; For each investment amount : >Rs. 1 crore up to Rs 5 crore Entry Load: Nil Exit Load: 0.5% if redeemed within 3 months , For each investment > Rs. 5 crore Entry Load: Nil. Exit Load: Nil **Applicable Loads under SIP:** Entry Load : Nil Exit Load : 2.25% if redeemed on or before expiry of 365 days; if redeemed after 365 days - Nil. **Investment Options:** Dividend & Cumulative **Risk Factors:** All investments in Mutual Funds and Securities are subject to market risks and the NAV of the Scheme may go up or down, depending upon the factors and forces affecting the securities market. There cannot be any assurance that the Schemes' Investment Objectives can be achieved. The past performance of the AMC, Mutual Fund, the Sponsor or its Group affiliation is not indicative of the future performance of the Scheme. The Sponsor is neither responsible nor liable for any loss resulting from the operation of the Scheme beyond the initial contribution of Rs. 1 Lakh made by them towards setting up of the Mutual Fund. Chola Contra Fund is only the name and does not in any manner indicate the quality of the Scheme, its future prospects or returns. For scheme-specific risk factors and other details investors are requested to refer to the Offer Document of the scheme carefully before making any

• **Statutory Details:** DBS Chola Mutual Fund has been established as a trust under the Indian Trust Act, 1882 by Cholamandalam Investemnt and Finance Company Limited (liability restricted to seed corpus of Rs. 1 lakh) with DBS Cholamandalam Trustees Ltd. as the Trust and DBS Cholamandalam Asset Management Ltd. as the Investment Manager.  
• For offer document and application forms, please contact your nearest collection centre / AMC Office.

**DBS Chola Mutual Fund**, is promoted by Cholamandalam DBS Finance Ltd.- the joint venture between Murugappa group and DBS Bank, Singapore.

## DBS CHOLAMANDALAM ASSET MANAGEMENT LIMITED

World Trade Centre, Centre One, 27th Floor, Unit 1, Cuffe Parade, Mumbai - 400 005  
India. Tel. : 91.22.6657 4000 Fax : 91.22.6657 4004  
www.dbscholamutualfund.com

*For application forms and offer documents, please contact :*

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- Pune 25510468 • Salem\* 9994077006 • Trichy\* 9865966013

\* Application will not be accepted

### CAMS - INVESTOR SERVICE CENTRES / TRANSACTION POINTS

- Agra: 0562 - 324 0202 • Ahmedabad: 079 - 3008 2468 • Ajmer: 0145 - 329 2040 • Allahabad: 0532 - 329 1273 • Amaravathi: 0721 - 329 1965
- Amritsar: 0183 - 325 7404 • Asansol: 0341-3295235 • Aurangabad: 0240 - 329 5202 • Bangalore: 080 - 3294 1357 • Belgaum: 0831 - 329 9598
- Bhillai: 0788 - 3299 040 • Bhopal: 0755 - 3295 878 • Bhubaneswar: 0674 - 325 3307 • Burdwan: 0342 - 320 7001 • Calicut: 0495 - 325 5984
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- Dhanbad: 0326-3290217 • Durgapur: 0343 - 329 8890 • Erode: 0424 - 320 7730 • Goa: 0832 - 325 1755 • Gorakhpur: 0551 - 329 4771
- Guntur: 0863 - 325 2671 • Gurgaon: 0124-3263833 • Guwahati: 0361 - 260 7771 • Gwalior: 0751 - 320 2873 • Hubli: 0836 - 329 3374 • Hyderabad: 040 - 3918 2468
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- Jamshedpur: 0657 - 329 4594 • Jodhpur: 0291 - 325 1357 • Kanpur: 0512 - 391 8000 • Kochi: 0484 - 323 4651 • Kolkata: 033 - 3058 2297
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- Nagpur: 0712 - 325 8275 • Nasik: 0253 - 329 7084 • Nellore: 0861 - 329 8154 • New Delhi: 011 - 3048 2471 • Panipat: 0180 - 325 0525
- Patiala: 0175 - 329 8926 • Patna: 0612 - 325 5284 • Pondicherry: 0413 - 329 2468 • Pune: 020 - 3028 3001 • Raipur: 0771 - 3296404
- Rajahmundry: 0883 - 325 1357 • Rajkot: 0281 - 329 8158 • Ranchi: 0651 - 329 6202 • Rourkela: 0661-329 0575 • Salem: 0427 - 325 2271
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- Trichy: 0431 - 329 6906 • Thiruvananthapuram: 0471 - 324 0202 • Udaipur: 0294 - 329 3202 • Vadodara: 0265 - 301 8029
- Valsad: 02632 - 324 202 • Varanasi: 0542 - 325 3264 • Vijayawada: 0866 - 329 5202 • Visakhapatnam: 0891 - 329 8397 • Warangal: 0870 - 320 2063

**Toll Free No. : 1800-22-2300 or SMS: "DBSCHOLA" to 4545**

Risk factors: • All investments in Mutual Funds and Securities are subject to market risks and the NAV of the Schemes may go up or down, depending upon the factors and forces affecting the securities market. • There cannot be any assurance that the Schemes' Investment Objectives can be achieved. • The past performance of the AMC, Mutual Fund, the Sponsor or its Group affiliation is not indicative of the future performance of the Schemes. • The Sponsor is not responsible or liable for any loss resulting from the operations of the Schemes beyond the initial contribution of Rs. 1 Lakh made by them towards setting of the Mutual Fund. • DBS Chola Growth Fund, DBS Chola Midcap Fund, DBS Chola Opportunities Fund, DBS Chola Monthly Income Plan (an open-ended fund, monthly income is not assured and is subject to the availability of distributable surplus), DBS Chola Triple Ace, DBS Chola Freedom Income - Short Term Fund, DBS Chola Floating Rate Fund, DBS Chola Gilt and DBS Chola Liquid Fund are only the names of the Schemes and does not in any manner indicate the quality of the Schemes, its future prospects or returns. • AAAF rating by CRISIL indicates that the fund's portfolio holdings provide a very strong protection against losses from credit defaults. • The rating of CRISIL is not an opinion on the Asset Management Company's willingness or ability to make timely payment to the investor. The rating is also not an opinion on the stability of the NAV of the Fund, which would vary with market developments. • Investors are requested to refer to the Offer Document of respective Scheme carefully before making any investment. • The Schemes does not guarantee any assured returns to the investors.

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