

Fact Sheet

October - 2006

For Private Circulation Only

DBS Chola

MUTUAL FUND

In News

Our major focus would be on attracting retail equity assets: DBS Chola Mandalam

'We urge investors to remain focused on short duration assets'

Mumbai City

Kolkata, Oct. 22

Yes, the Indian have missed all right, says Dr Rajan Nanda, CEO, DBS Chola Mandalam. Global Fund, is a reference to the recent course in stock prices, including what was seen last week.

However, he adds a caveat or two to his observation. "Investors would do well to have realistic expectations. The next 3 to 5 years may well see 11-12 per cent returns per annum."

Europe

Some months have passed since the joint venture between Citic and DBS has commenced business. How is the market shaping up for it?

DBS, as you say already

know, happens to be among the largest financial services groups in Asia with operations spanning 12 countries. It has leading positions in asset management, corporate banking, treasury and markets, securities brokerage, equities and debt fund raising.

The fund management business run by DBS currently extends over a number of product categories. Its core responsibilities are in global fund income, debt equity and absolute return strategies.

In India, the newly formed asset management joint venture has the opportunity to leverage the strengths of the DBS group.

I am particularly referring to areas such as quality of investment management, inter-

To expect 12-15 per cent returns per annum over the next 3 to 5 years is, in a manner of speaking, realistic.

duction of new product categories and responsiveness in operational efficiency. The idea is to create a complete value proposition for investors and distributors.

Your asset base is relatively small. What are major issues that this leads to?

Well, while size is an issue

connected with, we believe it would not be a major hindrance to building our asset management franchise.

We would like to go on to attracting quality long term investment in our subsect and delivering what I would like to describe as "dependable" performance. Our main focus would be on attracting retail equity assets. And we would do that by working closely with a broad set of preferred distributors.

DBS Chola does have a range of products, including quite a few on the equity side, each with a clear set of attributes.

In a situation where the equity indices are moving up again, what are your views on the equity

market?

It is true that the market has displayed a certain degree of volatility. However, we maintain that investors should have realistic expectations.

To expect 12-15 per cent returns per annum over the next 3 to 5 years is, in a manner of speaking, realistic. As mentioned, we would not tell you, domestic economic momentum looks strong at the moment. This would perhaps continue to be so. All this, our hopes, would lead to a good growth in corporate profits.

What you, global risk factors in terms of liquidity tightening and credit crunch may have reduced considerably in recent times.

However, as always, there would need to be monitored closely by all those who are interested in knowing about latest trends.

Debt, some sections feel, may turn the corner soon. Do you agree? What can change the way investors consider debt funds in India?

It is expected that some amount of volatility would continue in the debt market. While certain important global factors would allow the interest rates to remain soft, strong domestic growth would keep the upward pressure on interest rates. We continue to urge investors to remain focused on short duration assets, income funds included.

From the Desk of the Chief Investment Officer



Tridib Pathak

Equity Markets

The rally continues. BSE Sensex rose 507 points or 4.1% to end at 12,962. CNX Midcap index underperformed the large cap Sensex, ending the month higher by 3%. Yet again, the rally was driven by strong FII inflows and not adequately supported by domestic Mutual Funds. FIIs bought US\$1.5 bn worth of stocks in October 06 compared to US\$1.1 bn in September 06. This was a third straight month of more than US\$1 bn of FII inflows. Mutual funds were marginal net sellers to the extent of US\$57 mn worth of stocks. India continued to be one of the best performing emerging market in October 2006 as well. The current month's movement, once again, proves the dependence of Indian markets on continued FII flows in the short term.

The highlight of the month was 2QFY07 earnings season, which once again brought positive surprises. Sensex companies' topline grew by 32% and bottomline by 28%. Strong growth came in from Auto, Cement, capital goods. IT sector gave the biggest surprises. This has led to further upgrades to earnings estimates of FY07 and FY08. Economic growth momentum thus continues to be robust.

While the market is at a new 'absolute' high, the market is not at an all time high on valuation basis. In May 2006, at a level of 12,600 the market was trading at a one year forward P/E of 19.5X. Six months down line, at near to 13,000, the market is trading at a one year forward P/E of 17X. This is due to earnings upgrades which have taken place over the last few months.

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

Fixed Income markets continued to remain uncertain amidst tightening liquidity. Outstanding Reverse Repo amount came down to INR 500 crores from an average of INR 3000 crores in the previous month. Festival withdrawals, GoI borrowing of INR 9000 crores and robust credit growth added to the liquidity pressure. On this backdrop the overnight rates remained high at 7.00%. Inflation continued to accelerate faster than expected and ended the month at 5.26%. Primary articles contributed maximum to the high YoY change in WPI numbers.

Federal Reserve left the overnight rates unchanged for the third consecutive time. US macro variables indicated a slow down in the economy which favored the domestic interest rate market.

RBI announced the busy season Credit Policy wherein it left the Reverse Repo rate unchanged but hiked the Repo rate by 25 basis points. This was done as a signal to the banks to take prudent measures while disbursing loans and control liquidity. The tone of the Policy remained cautious and RBI has left the option of a possible Reverse Repo rate hike open in case the inflation numbers turn unfavorable for the domestic interest rate market. The benchmark 10Y bond ended the month at 7.65% unchanged from previous month.

International factors continued to be favorable for the domestic interest rate market, but strong credit growth, shrinking liquidity, strong INR versus USD, high inflation numbers have led to uncertainty in the bond market. The fixed income market would continue to trade in a narrow range with upward pressure on the yields.

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 October 31, 2006

Features

Type of Fund

Open-Ended Equity Scheme

Load Structure

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. 11.24
 Cumulative Option : Rs. 11.24

Benchmark Index

S & P CNX 500

Fund Size

Rs. 81.60 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.

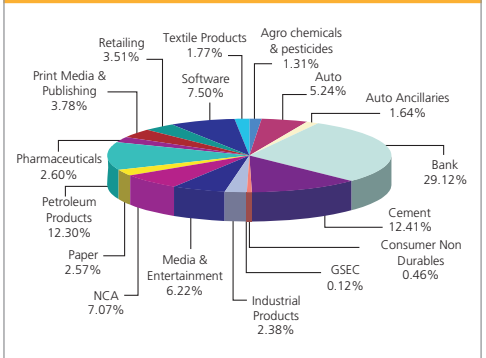
Portfolio

Scrip	% of Portfolio
Grasim Industries Ltd.	7.95%
HPCL	7.88%
Satyam Computers Ltd.	6.41%
Zee Telefilms Ltd.	6.22%
Infosys Technologies Ltd.	5.27%
Amtek Auto Ltd.	5.24%
Birla Corporation Ltd.	4.46%
Bharat Petroleum Corporation Ltd.	4.42%
Dena Bank	4.06%
Jagaran Prakashan	3.78%
Karnataka Bank	3.61%
Federal Bank Ltd	3.60%
Pantaloon Retail (I) Ltd.	3.51%
Allahabad Bank	3.20%
Oriental Bank Of Commerce Ltd	3.11%
Ballarpur Industries Ltd.	2.57%
Nicholas Piramal India Ltd.	2.56%
Bank Of Baroda Ltd	2.53%
Punjab National Bank Ltd.	2.50%
Bharat Forge Ltd.	2.38%
Kale Consultants Ltd.	2.23%
Welspun India Ltd.	1.77%
Motherson Sumi Systems Ltd.	1.64%
Monsanto India Ltd.	1.31%
GlaxoSmithkline Consumer Health. Ltd.	0.46%
CG - 2006 - 5.71% (Floating Rate)	0.12%
Development Credit Bank Ltd.	0.10%
Ranbaxy Laboratories Ltd.	0.04%
Net Current Asset (NCA)	7.07%

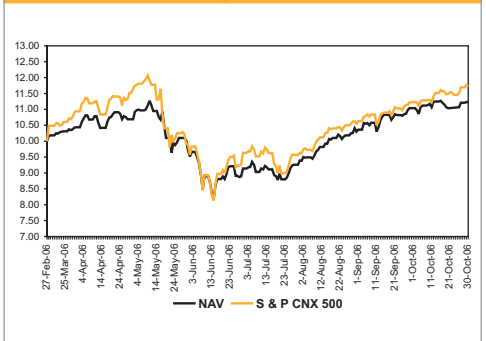
Performance

	DBSCCF	S & P CNX 500
3 Months (92 Days) #	19.70%	21.54%
6 Months (184 Days) #	5.14%	1.63%
Since Inception # (27/02/06)	12.40%	17.06%
# 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 October 31, 2006

Features

Type of Fund

Open-Ended Growth Scheme

Load Structure

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. 16.19
 Cumulative Option : Rs. 30.10

Benchmark Index

BSE Sensex

Fund Size

Rs. 25.50 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
HPCL Ltd.	7.90%
Infosys Technologies Ltd.	6.96%
Ultratech Cement Co.Ltd.	6.92%
Amtek Auto Ltd.	6.54%
Satyam Computers Services Ltd.	6.01%
Mahindra & Mahindra Ltd.	5.97%
ICICI Bank Ltd.	5.89%
Pantaloon Retail (I) Ltd.	5.62%
Bharat Heavy Electricals Ltd.	4.97%
Associated Cement Companies Ltd.	4.57%
Unitech Ltd.	4.04%
Suzlon Energy Ltd.	3.92%
HCL Technologies Ltd.	3.32%
Bank of Baroda	3.24%
Larsen & Toubro Ltd.	3.13%
Gammon India Ltd.	3.07%
Allahabad Bank Ltd	3.06%
Grasim Industries Ltd.	3.06%
Punjab National Bank Ltd.	2.29%
Oriental Bank Of Commerce Ltd	2.23%
Mahanagar Telephone Nigam Ltd.	2.14%
GMR Infrastructure Ltd.	0.45%
Development Credit Bank Ltd.	0.15%
Net Current Asset (NCA)	4.55%

Performance

	DBSCGF	BSE Sensex
3 Months (92 Days)#	25.52%	20.64%
6 Months (184 Days)#	9.14%	7.63%
1 Year\$	54.28%	64.23%
3 Years\$	39.95%	38.20%
5 Years\$	42.24%	34.08%
Since Inception\$	41.96%	36.01%

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

Systematic Investment Plan - Returns

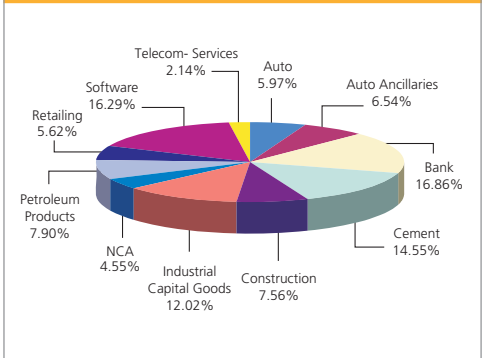
If you had invested Rs.1000/-per month in DBS Chola Growth Fund (DBSCGF)

The Amount would have grown to		
	3 Years	5 Years
Total Amt.	Rs.64,848/-	Rs.1,81,016/-
Annualised returns*	42.24%	45.90%

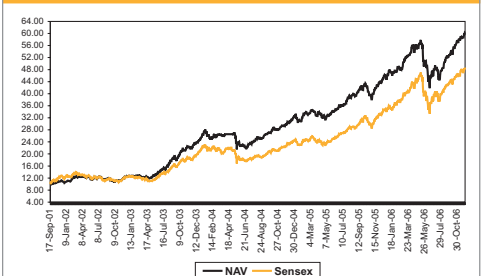
As on 31st October, 2006

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 October 31, 2006

Features

Type of Fund

Open-Ended Equity Scheme

Load Structure

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. 14.30
 Cumulative Option : Rs. 24.78

Benchmark Index

CNX Midcap Index

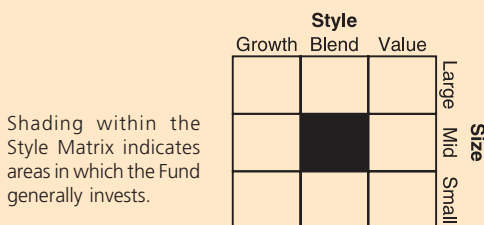
Fund Size

Rs. 50.02 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.	4.72%
Bharat Petroleum Corporation Ltd.	4.45%
Pantaloon Retail (I) Ltd.	4.26%
Infotech Enterprises Ltd.	4.07%
Karnataka Bank	3.90%
Amtek Auto Ltd.	3.67%
Federal Bank Ltd	3.67%
Kesoram Industries Ltd.	3.67%
Balkrishna Industries Ltd.	3.56%
Madras Cement Ltd.	3.51%
Goodlass Nerolac Paints Ltd.	3.27%
Jain Irrigation Systems Ltd.	3.26%
Dishman Pharmaceuticals & Chemicals	3.18%
Jagran Prakashan	3.16%
Mahindra Gesco Developers Ltd.	3.04%
Goldiam International Ltd.	2.81%
Vijaya Bank Ltd	2.80%
Crompton Greaves Ltd.	2.75%
Engineers India Ltd.	2.74%
Thermax Ltd.	2.73%
Sintex Industries Ltd.	2.60%
Alfa Laval India Ltd.	2.53%
Transport Corporation of India Ltd.	2.45%
Kale Consultants Ltd.	2.33%
Motherson Sumi System Ltd.	2.24%
Unitech Ltd.	2.11%
Birla Corporation Ltd.	2.01%
Geodesic Information Systems Ltd.	2.01%
Volta Ltd.	1.99%
Vimta Labs Ltd.	1.69%
Shyreyas Shipping & Logistics Ltd.	1.50%
GlaxoSmithKline Cons. Healthcare Ltd.	1.33%
Arihant Foundations & Housing Ltd.	1.25%
Pitti Laminations Ltd	0.59%
Development Credit Bank Ltd.	0.16%
Net Current Asset (NCA)	3.43%

Performance

	DBSCMF	CNX Midcap Index
3 months (92days)#	25.15%	24.68%
6 months (184days)#	-1.51%	-5.96%
1 Year\$	36.53%	38.98%
Since Inception\$ (09/08/04)	50.29%	44.88%

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 MIDcap Fund (DCMF)

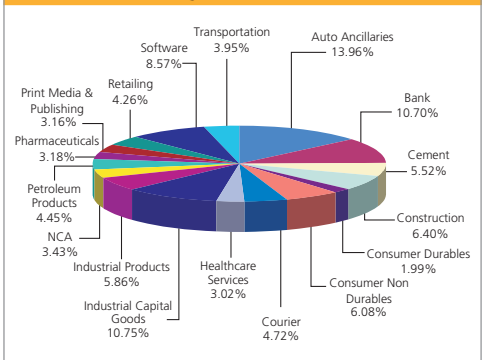
The Amount would have grown to		
	1 Year	2 Years
Total Amt.	Rs.13,697/-	Rs.33,376/-
Annualised returns*	27.26%	35.35%

As on 31st October, 2006

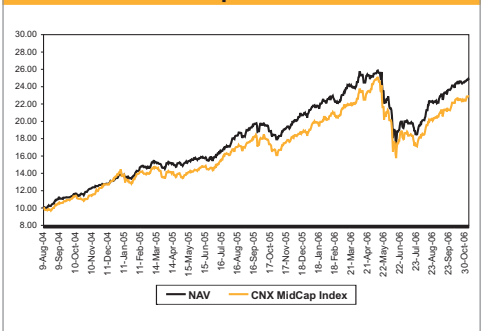
Past performance may or may not be sustained in future.

* Interim Dividend

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 October 31, 2006

Features

Type of Fund

Open-Ended Equity Scheme

Load Structure

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. 14.23
 Cumulative Option : Rs. 17.84

Benchmark Index

S&P CNX 500

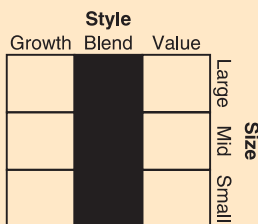
Fund Size

Rs. 64.72 Crores

Fund Manager

Tridib Pathak

Style Matrix



Shading within the Style Matrix indicates areas in which the Fund generally invests.

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, 57% of the fund is invested in large cap and around 35% 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.	7.18%
Infosys Technologies Ltd.	4.69%
ICICI Bank Ltd.	4.49%
Satyam Computers Services Ltd.	4.34%
Ultratech Cement Co.Ltd.	4.09%
Associated Cement Companies Ltd.	3.66%
Pantaloon Retail (I) Ltd.	3.65%
Mahindra & Mahindra	3.62%
Amtek Auto Ltd.	3.40%
Suzlon Energy Ltd.	2.98%
Bharat Heavy Electricals Ltd.	2.65%
Unitech Ltd.	2.64%
182 Days Tbill 17 Nov 06	2.62%
Larsen & Toubro Ltd.	2.56%
Kesoram Industries Ltd.	2.38%
Infotech Enterprises Ltd.	2.02%
Birla Corporation Ltd.	2.01%
Bank of Baroda	1.96%
HCL Technologies Ltd.	1.96%
Allahabad Bank	1.94%
Madras Cements Ltd.	1.93%
Gammon India Ltd.	1.84%
Punjab National Bank Ltd.	1.79%
Jain Irrigation Systems Ltd.	1.76%
Blue Dart Express Ltd.	1.58%
Mahanagar Telephone Nigam Ltd.	1.47%
Balkrishna Industries Ltd.	1.45%
Oriental Bank Of Commerce	1.34%
Federal Bank Ltd.	1.31%
Karnataka Bank	1.31%
Dishman Pharmaceuticals & Chemicals	1.29%
Mahindra Gesco Developers Ltd.	1.27%
Goodlass Nerolac Paints Ltd.	1.20%
Crompton Greaves Ltd.	1.10%
Jagran Prakashan	1.06%
Geodesic Information Systems Ltd.	0.98%
Thermax Ltd.	0.96%
Sintex Industries Ltd.	0.95%
Alfa Laval India Ltd.	0.88%
Goldiam International Ltd.	0.86%
Engineers India Ltd.	0.77%
Vimta Labs Ltd.	0.73%
Voltas Ltd.	0.70%
Motherson Sumi System Ltd.	0.67%
Shreyas Shipping and Logistics Ltd.	0.61%
Kale Consultants Ltd.	0.59%
Transport Corporation of India Ltd.	0.58%
Bharat Petroleum Corporation Ltd.	0.53%
GMR Infrastructure Ltd.	0.42%
PITTI LAMINATION	0.20%
Development Credit Bank Ltd.	0.10%
D.S.Kulkarni Developers Ltd.	0.10%
Net Current Asset (NCA)	2.83%

Performance

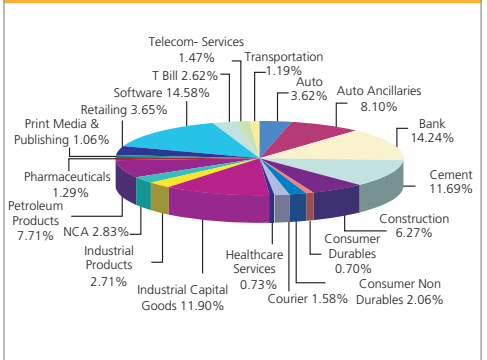
	DBSCMCF	S&P CNX 500
1 Month (31 days)#	3.96%	4.23%
3 Month (92 Days)#	23.80%	21.54%
6 Month (184 Days)#	2.82%	1.63%
1 Year \$	40.69%	50.62%
Since Inception \$(28/01/05)	39.04%	39.64%

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

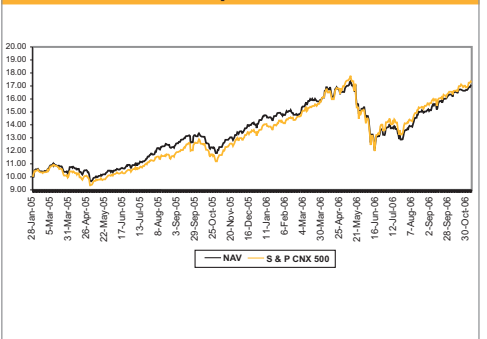
Systematic Investment Plan - Returns

If you had invested Rs.1000/- per month in DBS Chola Multi-Cap Fund (DCMCF)	
Rs. 18000 would have grown to	
18 Months	
Total Amt.	Rs.22,946/-
Annualised returns*	34.61%

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/-

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* Interim Dividend

DBS Chola Tax Saver Fund

as on October 31, 2006

Features

Type of Fund

Equity Linked Savings Scheme

Load Structure

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. 12.80
 Cumulative Option : Rs. 12.80

Benchmark Index

BSE Sensex

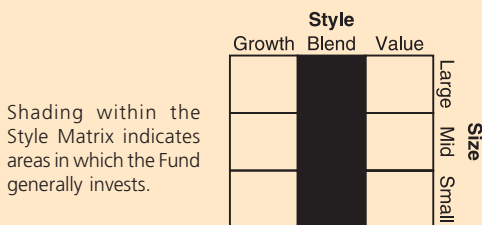
Fund Size

Rs. 31.04 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.

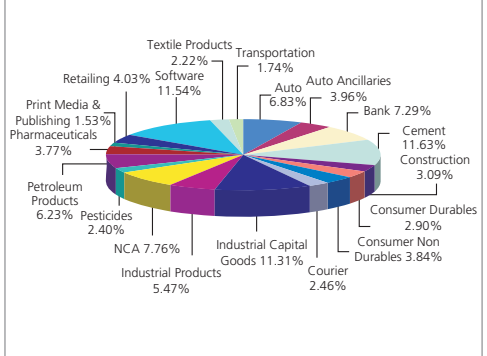
Investment Objective

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.

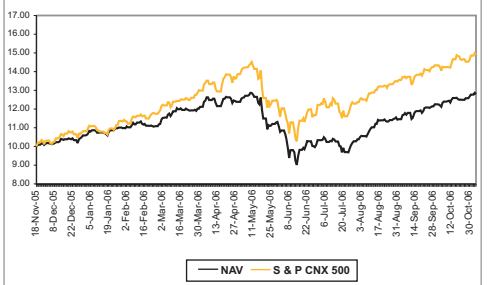
Portfolio

Scrip	% of Portfolio
HPCL Ltd.	6.23%
Satyam Computers Services Ltd.	4.68%
Associated Cement Companies Ltd.	4.58%
Mahindra & Mahindra Ltd.	4.41%
Jain Irrigation Systems Ltd.	4.20%
Pantaloon Retail (I) Ltd.	4.03%
Infosys Technologies Ltd.	3.52%
Grasim Industries Ltd.	3.34%
Infotech Enterprises Ltd.	3.34%
Balkrishna Industries Ltd.	3.19%
Suzlon Energy Ltd.	3.12%
Crompton Greaves Ltd.	3.05%
Federal Bank Ltd.	3.02%
Karnataka Bank	2.97%
Madras Cements Ltd.	2.84%
Dishman Pharmaceuticals & Chemicals	2.70%
Goldiam International Ltd.	2.50%
Blue Dart Express Ltd.	2.46%
Vijaya Bank	2.42%
United Phosphorus Ltd.	2.40%
Volta Ltd.	2.31%
Unitech Ltd.	2.25%
Thermax Ltd.	2.12%
GMR Infrastructure Ltd.	1.96%
ICICI Bank Ltd.	1.88%
Jagaran Prakashan	1.53%
Goodlass Nerolac Paints Ltd.	1.34%
Alok Industries Ltd.	1.33%
Bharat Forge Ltd.	1.27%
Nicholas Pirmal India Ltd.	1.07%
Transportation Corporation of India Ltd.	1.04%
Mahindra Gesco Developers Ltd.	0.90%
Birla Corporation Ltd.	0.87%
Amtek Auto Ltd.	0.77%
Gokaldas Exports Ltd.	0.72%
Shreyas Shippings & Logistics Ltd.	0.70%
Gitanjali Gems Ltd.	0.59%
D S Kulkarni Developers Ltd.	0.23%
Development Credit Bank Ltd.	0.19%
Celebrity Fashions Ltd.	0.17%
Net Current Asset (NCA)	7.76%

Sector Summary



Returns Since Inception



Performance

	DBSCTSF	SENSEX
3 Months (92 Days)#	23.20%	20.64%
6 Months (184 Days)#	3.39%	7.63%
Since Inception \$ (18/11/05)	28.00%	49.22%
# Absolute Returns		
\$ Compounded Annualised Returns		
Past performance may or may not be sustained in future.		

DBS Chola Opportunities Fund

as on October 31, 2006

Features

Type of Fund

Open-Ended Growth Fund

Load Structure

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 / Redemption : 3 p.m.

Dividend Distribution Inception Date

Quarterly 27-Nov-97

NAV

Quarterly Dividend Option : Rs. 16.53

Cumulative Option : Rs. 25.43

Benchmark Index Fund Size

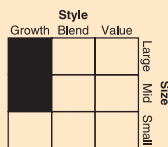
BSE Sensex Rs. 7.83 Crores

Fund Manager

Tridib Pathak

Style Matrix

Shading within the Style Matrix indicates areas in which the Fund generally invests.



Investment Objective

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

Scrip	% of Portfolio
Oriental Bank Of Commerce Ltd	7.87%
HPCL Ltd.	7.26%
Dena Bank	6.99%
Amtek Auto Ltd.	6.96%
Hindustan Construction Co. Ltd.	6.82%
Infotech Enterprises Ltd.	6.74%
Ultratech Cement Co.Ltd.	6.45%
Birla Corporation Ltd.	6.43%
Punjab National Bank Ltd.	5.43%
Ansar Properties and Infrastructure Ltd.	5.28%
Mahindra Gesco Developers Ltd.	4.89%
Unitech Ltd.	4.42%
Associated Cement Companies Ltd.	4.32%
Goldiam International Ltd	3.24%
Arihant Foundations and Housing Ltd	2.76%
Pitti Lamination Ltd.	1.17%
Jagran Prakashan Ltd.	1.07%
D.S.Kulkarni Developers Ltd.	0.29%
Development Credit Bank Ltd.	0.28%
Net Current Asset (NCA)	11.33%

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. The fund is a "High Risk, High Return" fund.

Performance

	DBSCOF	BSE Sensex
1 Month (31 Days)#	6.58%	4.07%
3 Months (92 Days)#	32.59%	20.64%
6 Months (184 Days)#	13.17%	7.63%
1 Year\$	44.82%	64.23%
Since Inception \$#	31.99%	36.26%

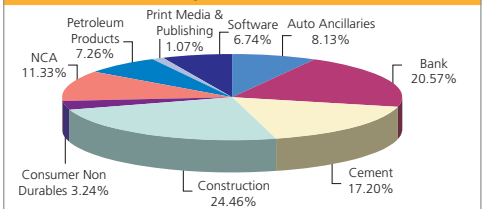
Absolute Returns \$ Compounded Annualised Returns
*Returns calculated from 11/12/2003, when the scheme was repositioned as DBS Chola Opportunities Fund.
Past performance may or may not be sustained in future.

Dividend History

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/-

Sector Summary



DBS Chola Global Advantage Fund

as on October 31, 2006

Features

Type of Fund

Open-Ended Equity Scheme

Load Structure

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 / Redemption : 3 p.m.

Dividend Distribution

Declared as and when decided by the Trustees

Inception Date

30-May-05

NAV

Dividend Option : Rs. 12.88

Cumulative Option : Rs. 13.73

Benchmark Index Fund Size

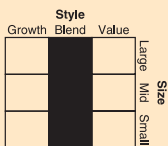
S&P CNX 500 Rs. 22.31 Crores

Fund Manager

Tridib Pathak

Style Matrix

Shading within the Style Matrix indicates areas in which the Fund generally invests.



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.

Scrip	% of Portfolio
Infotech Enterprises Ltd.	6.07%
Infosys Technologies Ltd.	5.49%
Amtek Auto Ltd.	5.17%
Thermax Ltd.	5.16%
Dishman Pharmaceuticals & Chemicals	5.00%
Balkrishna Industries Ltd.	4.92%
Crompton Greaves Ltd.	4.83%
Suzlon Energy Ltd.	4.70%
United Phosphorus Ltd.	4.66%
Volta Ltd.	4.65%
Bharat Forge Ltd.	4.57%
Gokaldas Exports Ltd.	4.36%
Satyam Computers Services Ltd	4.23%
Kale Consultants Ltd.	4.01%
Welspun India Ltd.	3.95%
Alok Industries Ltd.	3.53%
Vimta Labs Ltd.	3.33%
Motherson Sumi System Ltd	3.24%
Goldiam International Ltd.	2.04%
NET Current Asset (NCA)	16.09%

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.

Performance

	DBSCGAF	S&P CNX 500
1 Month (31 Days)#	1.85%	4.23%
3 Months (92 days)#	14.13%	21.54%
6 Months (184 days)#	-6.47%	1.63%
1 Year \$	21.29%	50.62%
Since Inception\$ (30/05/05)	24.97%	45.96%

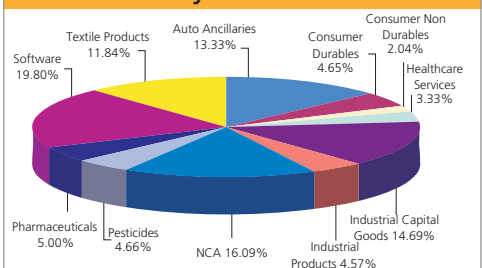
Absolute Returns \$ Compounded Annualised Returns
Scheme "DBS Chola Global Advantage Fund (DCGAF)" was launched on 19th Apr 05 & units allotted on 30th May 05
Past performance may or may not be sustained in future.

Dividend History

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/-

Sector Summary





DBS Chola Triple Ace

as on October 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. 11.2271
 Semi Annual Dividend Option : Rs. 11.5385
 Cumulative Option : Rs. 23.8447
 Bonus Option : Rs. 13.2491

Benchmark Index

CRISIL Composite Bond Fund Index

Fund Size

Rs. 15.33 Crores

Fund Manager

Ashish Nigam

Fund Manager's Comments

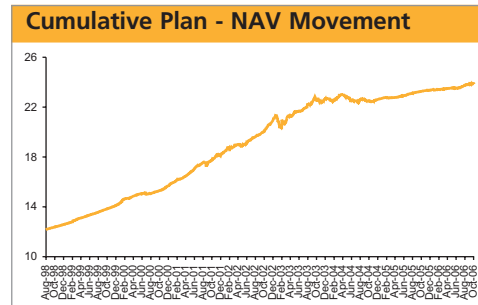
DBS Chola Triple Ace is long term income fund with investments in fixed instruments of all class and maturity. Utmost importance is given to the investment grade of the assets as the fund is CRISIL AAAf rated fund. The investment is in the highest rated instruments and based on the interest rate view 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.

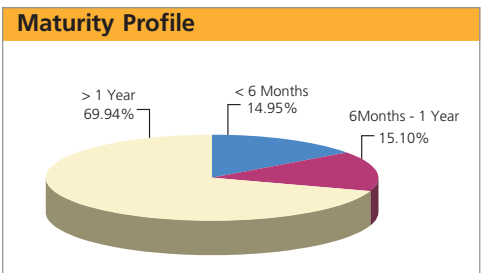
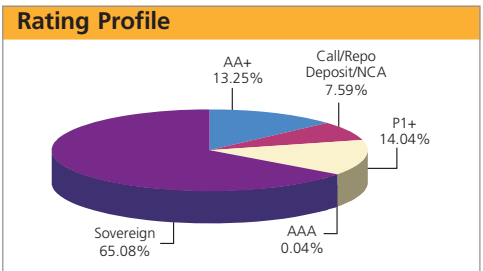
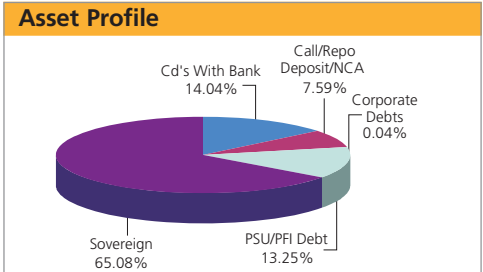
Portfolio		
Scrip	Weight	Rating
Corporate Debt		
Fleet Trust April		
2003 Series A2	0.04%	AAA
PSU/PFI Debt		
IDBI Omni Bond		
2004 (Floating Rate)	13.25%	AA+
Sovereign		
CG -2016 - 7.59 %	65.08%	Sov
Federal Bank Ltd.	14.04%	P1+
Call/Repo Deposit/TBill	7.59%	

Avg Maturity	YTM
6.69 yrs	7.43%



	DBSCTA- Regular Cumulative	CRISIL Composite Bond Index
1 Month (31 Days)#	0.10%	0.55%
3 Months (92 Days)#	1.02%	1.80%
6 Months (184 Days)#	1.43%	2.45%
1 Year\$	2.45%	3.53%
3 Years\$	1.88%	2.83%
5 Years\$	5.99%	NA
Since Inception\$	9.48%	NA

Absolute Returns NA - Not Applicable
 \$ Compounded Annualised Returns
 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-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 October 31, 2006

Features

Type of Fund

Open-Ended Income Fund

Load Structure

Entry Load : Nil
Exit Load / CDS : 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. 10.9218
Semi Annual Dividend Option : Rs. 11.4288
Cumulative Option : Rs. 11.5203

Institutional -
Monthly Dividend Option : Rs. 10.9217
Cumulative Option : Rs. 11.6573

Benchmark Index

CRISIL Short Term Fund Index

Fund Size

Rs. 172.38 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 1 year or less. The fund aims to generate superior returns without taking any MTM risk on the portfolio. 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 of the scheme. 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
Corporate Debt		
UCO Bank Ltd	13.75%	P1+
ING Vysya Bank	13.71%	P1+
GE Capital Services India Ltd.	10.14%	P1+
YES Bank	8.09%	A1+
American Express Bank	8.08%	P1+
Federal Bank	5.49%	P1+
HSBC	5.49%	P1+
ICICI Home Finance Co. Ltd	5.40%	A1+
UCO Bank Ltd	4.94%	P1+
Federal Bank	3.75%	P1+
Indian corp Loan Securities Trust-XI	2.91%	PR1 (so)
Citicorp Finance Ltd. (Floating Rate)	2.90%	AAA
Kotak Mahindra Bank	2.79%	P1+
UCO Bank Ltd	2.78%	P1+
ICICI Bank Ltd	2.76%	A1+
Kotak Mahindra Bank	2.75%	P1+
Federal Bank	2.71%	P1+
SBI Cards & Payments Ser	1.26%	P1+
Cash (Call/Repo Deposit/TBill)	0.30%	

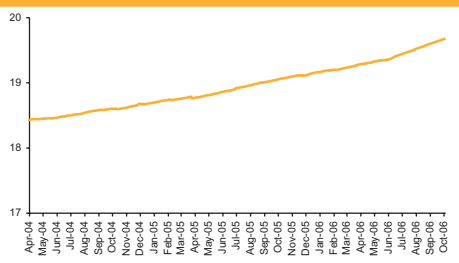
Avg Maturity

0.75yr

YTM

7.96%

Cumulative Plan - NAV Movement



Performance

	DBSFCI- STF	DBSFCI- STF	CRISIL STF
	Institutional Index		
1 Month (31Days)#	0.63%	0.63%	0.51%
3 Months (92 Days)#	2.02%	2.02%	1.56%
6 Months (184 Days)#	3.49%	3.53%	3.12%
1 Year\$	5.70%	5.93%	4.96%
3 Years\$	4.70%	5.03%	4.26%
Since Inception\$	5.78%	N.A.	N.A.

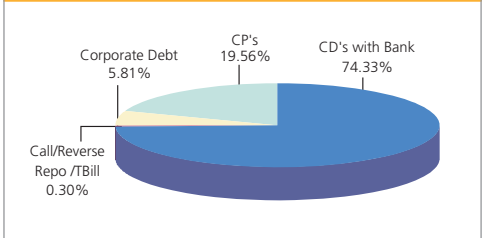
Absolute Returns NA-Not Applicable

\$ Compounded Annualised Returns

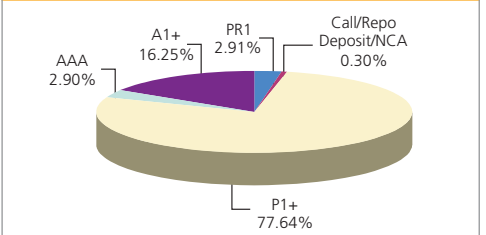
Past performance may or may not be sustained in future.

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

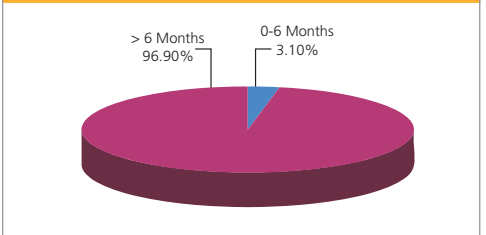
Asset Profile



Rating Profile



Maturity Profile



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^F
rated by
CRISIL

DBS Chola Liquid Fund

as on October 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 : 12 a.m.
Redemption : 3 p.m.

Dividend Distribution

Daily / Weekly

Inception Date

04-Oct-00

NAV

Regular-
Weekly Dividend Option : Rs. 11.9621
Cumulative Option : Rs. 14.7053

Institutional Plus-
Weekly Dividend Option : Rs. 11.9300
Cumulative Option : Rs. 14.7892

Super Institutional Plan
Weekly Dividend Option : Rs. 10.0165
Cumulative Option : Rs. 10.0538

Benchmark Index

CRISIL Liquid Fund Index

Fund Size

Rs. 833.88 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^F 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
CD's with Banks		
ICICI Bank Ltd	11.03%	P1+
Rabo India Finance Ltd.	9.40%	P1+
Exim Bank Ltd.	5.73%	P1+
State Bank of Indore	5.29%	P1+
UCO Bank Ltd.	3.53%	P1+
IDBI Ltd.	3.47%	P1+
ABN AMRO bank	2.79%	A1+
Kotak Mahindra Primus Ltd	2.43%	P1+
Britania Industries Ltd.	2.36%	P1+
GE Country Wide		
Consumer Finance Ltd.	2.28%	P1+
State Bank of Patiala Ltd.	1.19%	P1+
Jagran Prakashan Ltd.	1.19%	P1+
Standard Chartered		
Loans & Investments Ltd	1.18%	P1+
Allahabad Bank	1.17%	P1+
Federal Bank Ltd.	1.15%	P1+
State Bank Of India	1.15%	P1+
SBI Cards & Payments Ser. Ltd.	1.15%	P1+
American Express bank	1.11%	P1+
GE Capital Services India Ltd.	0.70%	P1+
Sundaram Finance Ltd.	0.59%	P1+
Indian Bank	0.57%	P1+
State Bank of Bikaner & Jaipur	0.57%	P1+
ICICI Home Finance Co.Ltd.	0.56%	A1+
Other deposits		
Allahabad Bank	5.40%	
Sovereign		
GOI 6.30% 2006 - Floating Rate Bond	0.87%	Sov.
182 Days TBILL - 17 Nov 06	0.15%	Sov.
Corporate Debt		
IDBI Omni Bond 2004 (Floating Rate)	2.47%	AA+
GE Capital Services Ltd (Floating Rate)	2.29%	AAA
Indian Corp Loan Security Trust-XV	1.80%	PR1 (So)
Union Bank of India Ltd	1.26%	AA+
Citicorp Finance Ltd.	1.23%	AAA
LIC Housing Finance Ltd	1.23%	AAA
Mahindra and Mahindra Finance Ltd	1.23%	P1+
Rabo India Finance Pvt Ltd	1.23%	AAA
Sundaram Home Finance Ltd.	1.22%	AAA
IRFC - 5yr INBMK	1.21%	AAA
Indian Corporate Loan Security Trust	1.20%	PR1 (So)
Indian Corporate Loan Security Trust	1.20%	PR1 (So)

Portfolio

Scrip	Weight	Rating
Tata Son Trust Series I - PTC	1.20%	P1+SO
Exim Bank Ltd.	0.61%	AAA
Sundaram Finance Ltd	0.61%	MAAA
Goetze India Ltd-03 Nov 06	0.60%	PR1+
IBS TRUST Sept 2005 - PTC	0.60%	AAA
Kotak Mahindra Primus Ltd	0.60%	P1+
JM Financial Prod Pvt Ltd	0.60%	P1+
Kotak Securities Ltd.	0.60%	P1+
GE Countrywide CFS Ltd.	0.24%	AAA
Call/Repo Deposit/TBill	9.76%	

Avg Maturity

150 days

YTM

7.03%

Performance

	DBS CLF- Cum	DBSCLF- Inst. Plus	DBSCLF- Cum. Super Inst. Plan	CRISIL LF Index
7 Days#	0.13%	0.13%	0.1315%	0.14%
14 Days#	0.27%	0.27%	0.2683%	0.23%
1 Month (31 Days)#	0.59%	0.60%	NA	0.53%
3 Months (92 Days)#	1.71%	1.73%	NA	1.44%
6 Months (184 Days)#	3.36%	3.38%	NA	2.83%
1 Year\$	6.41%	6.43%	NA	5.75%
3 Years\$	5.41%	6.53%	NA	4.77%
5 Years\$	5.80%	NA	NA	NA
Since Inception#\$	6.55%	NA	0.54%*	NA

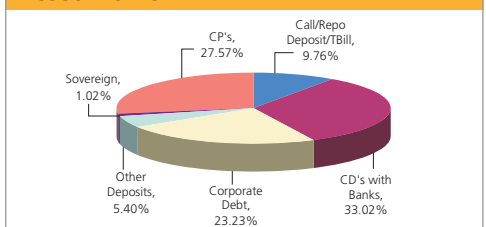
Absolute Returns NA - Not Applicable

\$ Compounded Annualised Returns

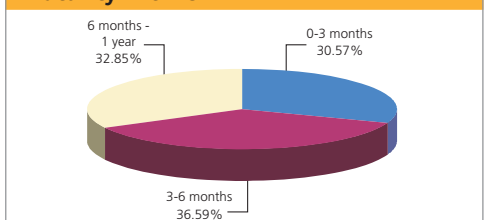
* Scheme DBS Chola Liquid Fund Cummulative Super Institutional Plan was allotted on 3 oct 06.

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 October 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 : 12 a.m.
Redemption : 3 p.m.

Dividend Distribution

Daily / Weekly / Monthly

Inception Date

10-Aug-05

NAV

Monthly Dividend Option : Rs. 10.1873
Cumulative Option : Rs. 10.7931

Benchmark Index

CRISIL Liquid Fund Index

Fund Size

Rs. 124.20 Crores

Fund Manager

Ashish Nigam

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
Corporate Debt		
GE Capital Services Ltd.	8.09%	AAA
DSP ML Capital Ltd.	8.05%	AAA
Sundaram Finance Ltd.	8.05%	A1+
GE Capital Services Ltd.	4.83%	AAA
Citi Financial Consumer Fin Ltd.	4.08%	AAA
Citicorp Maruti Finance Ltd.	4.05%	AAA
Redington (India) Ltd	4.03%	P1+
IDBI Ltd - 5.90%	4.01%	P1+
Rabo India finance Ltd.	3.95%	P1+
ICICI Home Finance Co. Ltd.	3.75%	A1+
IBS trust Sep 2005 - PTC	3.23%	AAA (so)
IDBI Omni Bond 2004	1.88%	AA+
Sterlite India Ltd	0.81%	P1+
GE Capital Services India Ltd	0.38%	P1+
Certificate Deposit		
ICICI Bank Ltd	11.81%	A1+
Indian Bank Ltd	7.70%	P1+
Federal Bank	4.62%	P1+
ING Vysya Bank	3.80%	P1+
Other Deposits		
Allahabad Bank	4.03%	
Call/Repo Deposit/TBill	8.85%	

Performance

	DBS CST-RRF	CRISIL Liquid Fund Index
3months (92 days)#	1.77%	1.44%
6months (184 days)#	3.46%	2.83%
1 Year\$	6.55%	5.75%
Since Inception\$(10/08/05)	6.43%	5.52%

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.

Dividend History

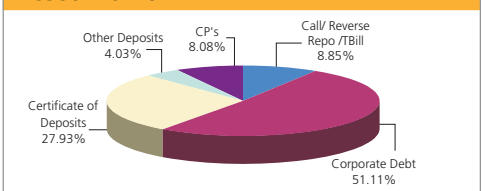
Date of Declaration (Last Dividend Declared)	% Unit	Rs./Unit	NAV as on date of declaration
29-May-06	0.3270*	0.0327	Rs. 10.1648
29-May-06	0.3510\$	0.0351	Rs. 10.1648

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

Avg Maturity

Avg Maturity	YTM
121 days	7.48%

Asset Profile



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 100-150 days.

DBS Chola Floating Rate Fund

as on October 31, 2006

Features

Type of Fund

Open-Ended Income Scheme

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 / Redemption : 3 p.m.

Dividend Distribution

Quarterly

Inception Date

25-Aug-04

NAV

Dividend Option : Rs. 10.3348
Cumulative Option : Rs. 11.2277

Benchmark Index

CRISIL Liquid Fund Index

Fund Size

Rs. 4.13 Crores

Fund Manager

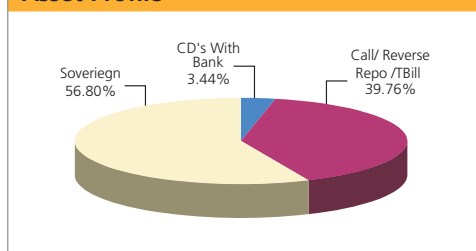
Ashish Nigam

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
Corporate Debt		
UCO Bank Ltd. 1st Aug 07	3.44%	P1+
Sovereign		
182 Days TBILL	50.74%	Sov
CG - 2006 - 6.30%		
(Floating Rate)	6.06%	Sov
Call/Repo Deposit/TBill	39.76%	

Asset Profile



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.

Performance

	DBSCFRF	CRISIL Liquid Fund Index
1 Month (31days)#	0.49%	0.53%
3 Months (92 Days) #	1.45%	1.44%
6Months (184 Days) #	2.77%	2.83%
1 Year\$	5.45%	5.75%
Since Inception (25/08/04)\$	5.45%	5.08%

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.

Dividend History

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
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/-

Avg Maturity

Avg Maturity	YTM
21 days	6.30%

DBS Chola GILT Investment Plan

as on October 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. 10.1581

Cumulative Option : Rs. 18.4687

Benchmark Index

ISEC-Li-BEX

Fund Size

Rs. 2.64 Crores

Fund Manager

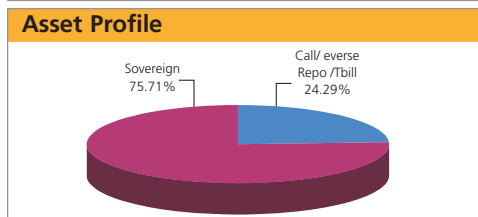
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Investment Objective

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

Portfolio		
Scrip	Weight	Rating
Sovereign		
CG -2016 - 7.59%	75.71%	Sov
Call/Repo Deposit/TBill	24.29%	

Avg Maturity	YTM
0.14 yrs	6.58%



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\$	0.70%	5.01%
3 Years\$	1.50%	7.51%
5 Years\$	7.52%	NA
Since Inception\$	9.75%	NA
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			
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 October 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. 10.2968

Quarterly Dividend Option : Rs. 10.5572

Cumulative Option : Rs. 13.0455

Benchmark Index

CRISIL Blended MIP Index

Fund Size

Rs. 6.97 Crores

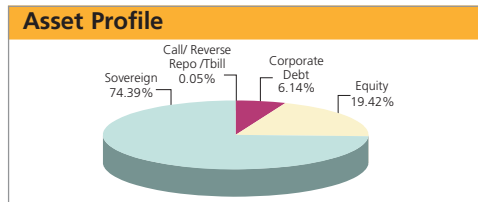
Fund Manager

Ashish Nigam

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
Equity		
Ultratech Cement Co. Ltd.	3.41%	Eq
Allahabad Bank	3.00%	Eq
Infosys Technologies Ltd	2.93%	Eq
Infotech Enterprises Ltd.	2.40%	Eq
Tata Consultancy Services Ltd	2.18%	Eq
Oriental Bank Of Commerce	1.84%	Eq
Alfa Laval India Ltd	1.50%	Eq
Birla Corporation Ltd	1.37%	Eq
Jagran Prakashan Ltd	0.42%	Eq
Punjab National Bank Ltd	0.22%	Eq
D. S Kulkarni Developers Ltd	0.10%	Eq
Development credit bank ltd	0.04%	Eq
Celebrity Fashions Ltd	0.01%	Eq
Corporate Debt		
IDBI Omni Bond 2004 (Floating Rate)	5.83%	AAA
Fleet Trust April 2003 Series A2	0.31%	AAA
Sovereign		
182 Days TBILL 17 Nov 06	70.80%	Sov
GOI 6.30% 2006 -Floating Rate Bond	3.59%	Sov
Call/Repo Deposit/TBill	0.05%	



Fund Manager's Comments

In DBS Chola MIP, equity exposure was over 15%.

Performance		
	DBSCMIP*	CRISIL Blended MIP Index
1 Month (31 Days)#	1.04%	1.12%
3 Months (92 Days)#	3.89%	4.26%
6 Months (184 Days)#	2.95%	3.21%
1 Year\$	8.03%	10.78%
3 Years\$	7.25%	7.49%
Since Inception\$	8.51%	8.96%
# 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
0.06 yrs	4.97%

Total AUM as on October 2006 : Rs. 1,938.74 crores



Call: 1800 22 2300
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 SMS: 'DBSCHOLA' at 4545

Discover the benefits of the Systematic Investment Plan from DBS Chola Mutual Fund. This discipline of small, but regular monthly savings also helps you average out your investment price arising from fluctuating market conditions, and leads to long term wealth creation. Save for a dream, for an emergency, or just to ensure your future.

SIP is available in the following equity schemes • DBS Chola Contra Fund • DBS Chola Growth Fund • DBS Chola Midcap Fund • DBS Chola Multi-Cap Fund • DBS Chola Tax Saver Fund • DBS Chola Global Advantage Fund • DBS Chola Opportunities Fund

Systematic Investment Plan from
DBS Chola
MUTUAL FUND

Ahmedabad : 98980 46210 Bangalore : 080 41811055/56 Baroda : 98985 98644 Chandigarh : 98158 84100 Chennai : 044 25307402 Cochin : 98955 53190
 Coimbatore : 98949 45345 Delhi : 011 23353048 Hyderabad : 98490 20815 Jaipur : 98294 22699 Kolkata : 033 22837370/71 Lucknow : 98399 58537
 Madurai : 98421 17174 Mangalore : 93422 55286 Mumbai : 022 66574000/22021042 Pune : 020 25510468 Salem : 99940 77006 Trichy : 98659 66013

Investment Objectives: • 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 and 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.

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 :

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
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- Pune 25510468 • Salem* 9994077006 • Trichy* 9865966013

* Application will not be accepted

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- Manipal: 0820 - 325 5827 • Meerut: 0121 - 325 7278 • Moradabad: 0591 - 329 7202 • Mumbai: 022 - 22702414 • Mysore: 0821 - 329 4503
- 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
- Sambalpur: 0663-329 0591 • Secunderabad: 040 - 3918 2471 • Siliguri: 0353-329 1103 • Surat: 0261 - 326 2267 • Trichur: 0487 - 325 1564
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- 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. • AA+ 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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