

Fact Sheet

September - 2007

For Private Circulation Only

DBS Chola

MUTUAL FUND

In News

Call rate swings lift returns

DBS Chola Short Term - FRF - Growth

NAV (Rs)	11.57	1-yr NAV movement	11.57%
52-week high (Rs)	11.57	DBS Chola Short Term	11.57%
52-week low (Rs)	10.48	FRF - G	11.57%
Fund category	Floating Rate Fund	1-month	0.67%
Type	Open Ended	3-months return	1.94%
Launch date	Aug 2005	1-year	8.31%
Net assets on 1,891.21	Rs Cr	Category avg (1-yr)	7.27%
Benchmark	Low duration new		

floating rate funds are better geared to take on rising interest rates, compared to other available options. These funds invest mainly in debt instruments that have their coupon rates linked to a reference/benchmark like the Mumbai interbank offer rate (MIBOR).

So, at the end of the day, the floating rate debt funds easily discounts the interest rate mood, at least more effectively than fixed rate debt instruments.

As fixed rate instruments contribute to volatility in floating rate instruments to curb the same.

DEBT FUND

DBS Chola Short Term FRF Fund (linked to the MIBOR) strives to stabilise debt portfolios. The MIBOR is a good barometer of the prevailing interest rate scenario in the country. The scheme is suitable for investors who want a stable rate of return with out much volatility. This fund is ideal for investors with an investment horizon of at least 12 months, especially in a rising interest rate scenario.

Floating rate funds have been in the news as the debt markets have been volatile. Over the past few months, most long-term debt funds have witnessed a drop in returns, while floating rate funds provided helped sustain investor portfolios. In

fact, floating rate funds have been a face-saving option for most of 2007 when debt markets have been hit hard by interest rate volatility.

The credit quality of the portfolio is very positive - it has an exposure of around 87.2% in AAA-rated securities. However, the scheme has very low allocation of around 2.21% to AA or lower rated securities, and the rest is invested in call & cash market instruments.

The scheme has maintained an average corpus of around Rs 918.29 crore throughout the last year, indicating that DBS Chola Short Term has been one of the top performers.

If we glance at the returns provided, fund has clearly outperformed its peer group as well as its benchmark index - 'Crail Liquid Fund Index'.

In the last year, the fund has generated 8.3% returns, while the benchmark generated 7.19% and the peer group gave 7.7% returns.

By arrangement with mutualfundindia.com, a unit of Ivo Online

Managerspeak - Ashish Nigam

The fund has done well in the last one year. What are the reasons for the same?

The fund has followed a disciplined investment process. Investing in a mix of fixed and floating rate MIBOR linked bonds with daily reset assets. The investment process emphasises on credit quality investment is predominantly in highest-rated assets and liquidity of the assets in the secondary market.

The strategy was to capture the volatility in overnight rates, especially when the liquidity is tight. This is achieved by investing in MIBOR linked bonds. During easy liquidity conditions, the fixed assets are churned to deliver better returns. The endeavor is to protect the returns on the downside, which is provided by the fixed rate assets and ensure higher returns in tight liquidity conditions. This strategy has resulted in the scheme delivering superior returns.

How do you see interest rates moving in the days to come and how will that affect the performance of the fund?

The interest rates are expected to ease, with slight tightening during mid-September due to advance tax outflows.

The 26 basis points cut in the Fed funds rate expected on September 18 should be good for the bond market. We expect call rates to ease post September. Optimum mix of fixed and floating rate assets in the scheme will ensure that it continues to deliver superior returns during any interest rate cycle.



'Price discovery mechanism needed in corporate bond market'

One of the key indicators that investors and experts are watching out for on the direction interest rate would take. This will determine the attractiveness of investing avenues available. Ashish Nigam, head - fixed income, DBS Chola Mandalam Asset Management spoke with Arvink Mathru/The Financial Express.



I feel the interest rates would ease from here going forward. There is enough liquidity in the system, inflation is much below RBI's tolerance limit, and credit growth has slowed (much to the expectation of RBI).

What are the structural impediments standing the growth (with regards to retail participation) of the debt market at large and the corporate debt market particularly?

The biggest impediment in the corporate bond market is the lack of a price discovery mechanism. Fixed income markets have seen very little or no participation from the retail segment. There were some opportunities by some primary dealers to offer fixed income securities (both CoI securities and corporate bonds) to the retail segment, but were not very successful.

The corporate debt market is slowly growing in size. Do you see significant opportunities here for investors? Also, what kind of investors should look at the corporate debt segment?

The corporate bond market has grown, but the pace has been slow. This is primarily due to lack of depth in the market. Since the interest rates have been volatile and uncertain for almost over a year now, there was clearly lack of interest in corporate bonds, as investors preferred to stay in liquid assets, money market instruments, and CoI bonds.

But, moving forward, the corporate bond market should start seeing some more interest as the perception in the market is that interest rates are going to ease. Since the interest rates are currently at 100-125 basis points, the asset class looks attractive. The interest would come mainly from banks, MFI and FIIs (good long term arbitrage to FIIs).

What is your view on interest rates at the moment? Do you see any softening of rates at all? What stance should debt investors take at the moment?

I feel the interest rates would ease from here going forward. There is enough liquidity in the system, inflation is much below RBI's tolerance limit, and credit growth has slowed (much to the expectation of RBI).

The Federal Reserve rate cut at the FOMC meets on September 18 raises the possibility of any rate hike in India, since any rate hike would attract more capital inflows in the country and lead to further strengthening of the rupee versus the US dollar.

Looking at all these fundamental factors, I feel the interest rates should ease from here. Debt investors should start looking at investing in higher duration securities.

What, according to you, are interesting investment avenues present in the debt market at the moment?

For institutional investors I think apart from plain vanilla products, they can start looking at structured products like securitised papers, equity linked products, etc.

But the scope is definitely limited and there is no secondary market for such papers.

What would you advise investors wanting to invest in debt paper overseas? Would it be feasible and what would be some attractive avenues?

I think the biggest caution should be to invest only in very high credit quality assets.

But this would definitely limit the horizon of investments and since Indian fixed income markets offer higher rates, it may not see too much interest from domestic investors.

Publication : DNA Money
Date : Monday, September 10, 2007

Publication : The Financial Express
Date : Sunday, September 23, 2007

Equity & Debt Markets -

By R.Rajagopal (Chief Investment Officer)

The decision of Federal Reserve to cut FED Fund rates by 50 basis points came as sweet music to the entire investment community. This decision came at a time when confidence of investors and trust among market participants was low, as every one was worried about the contagion effect of US sub prime over other economies. After Federal Reserve's announcement, all asset classes including precious metals, industrials, crude and equities among others rallied smartly. Emerging markets including India also witnessed surge in equity prices on back of enhanced liquidity inflows.

During the month, India outperformed emerging markets, Asia and most other markets. S&P CNX Nifty gained 12.49% to close at 5021 points. KSE 100 of Karachi, STI Singapore, JCI of Indonesia, SHCOMP of China and KOSPI of South Korea were the outperforming market with a return of 9.33%, 9.23%, 7.51%, 6.39% and 3.91% respectively. MEXBOL of Mexico was the only market that ended the month in a negative territory with a return of (-)0.17%.

The series of positive events and economic data on the domestic front added favourably to the buoyant sentiments. On back of sustained economic activity, direct tax collections grew over 40% during FY08. Corporate tax recorded 42.4% growth during the same period. FII flows for the month was at all time high at US\$ 5.8 bn. On back of these strong inflows Indian rupee appreciated 2.8% against the US dollar and touched nine-year high level.

To insulate the possible negative impact of appreciating rupee on our portfolios we remained under weight on export led sectors including software. We continue to remain over weight on the sectors whose growth drivers are primarily linked to domestic growth including Financials, Power and Capital goods.

Fixed Income markets continued to see easy liquidity despite advance tax-outflows and half yearly closing for the banks. Overnight rates stayed at 6%. With Federal Reserve cutting the Fed Fund rates and Discount rate by 50 basis points each. INR gained strength due to FII inflows, prompting RBI to actively intervene in the foreign exchange market. This led to infusion of rupee liquidity in the system. Average outstanding in RBI LAF for the month was INR 25000 crores. Inflation continued to be benign and ended the month at 3.23%, way below RBI fiscal target for inflation of 4-4.50%. Credit growth continued to slow, much to the comfort of RBI. Concerns with RBI remained on the rupee appreciation and it exhausted INR 133000 crores of MSS (Market Stabilisation Scheme) to suck out liquidity from the system. Money market yields eased by 25-40 basis points, but headline 10Y benchmark bond yields closed the month at 7.90%, after touching a low of 7.77% after Fed cut rates. Bank of Japan left the rates unchanged due to concerns arising from US Sub-prime.

Going forward, the fixed income markets are bullish as the liquidity would continue to be easy as RBI would continue to intervene in FX market and the credit growth has slowed. The yields are expected to ease further on the short-end of the curve but long bonds may continue to trade in a narrow range. RBI may intervene in the interest rate market by either hiking CRR or increasing MSS limit further from current INR 150000 crores to suck out excess liquidity from the system.

We recommend DBS Chola Freedom Income and DBS Chola ST Floating rate fund to the investors.

DBS Chola Contra Fund

as on Sept 28, 2007

Features

Type of Fund

Open-Ended Equity Scheme

Load Structure

Entry Load : < 3 cr : 2.25%
 >=3 cr : Nil

Exit Load / CDSC : < 3 cr : 1.00% if redeemed within 6 months
 >= 3 cr < 5 cr : 0.50% if redeemed within 6 months
 >= 5 cr : 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 **Fund Manager**

27-Feb-06 R. Rajagopal

NAV

Dividend Option : Rs. 13.13

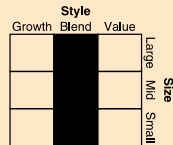
Cumulative Option : Rs. 13.13

Benchmark Index Fund Size

S & P CNX 500 Rs.39.53 crores

Style Matrix

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



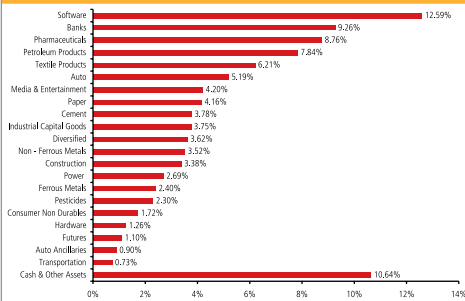
Investment Objective

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 - Top 10 Holdings

Scrip	% of Portfolio
Ballarpur Industries Ltd.	4.16%
Tata Consultancy Services Ltd.	4.01%
ABG Shipyard Ltd.	3.75%
Hindustan Unilever Ltd.	3.62%
Welspun India Ltd.	3.52%
Hindalco Industries Ltd.	3.52%
Cipla Ltd.	3.45%
Dr. Reddy's Laboratories Ltd.	3.23%
Mahindra and Mahindra Ltd.	3.23%
Punjab National Bank	3.08%

Sector Summary



Performance

	DBSCCF	S&P CNX 500
3 Months (92 Days)#	10.62%	15.52%
6 Months (183 Days)#	21.71%	33.17%
1 Year\$	18.84%	40.17%
Since Inception\$ (27/02/06)	18.64%	33.05%

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/- starting of every month in DBS Chola Contra Fund (DBSCCF)

	The Amount would have grown to	
	1 year	Since Inception
Total Amount	Rs.13670/-	Rs.21583/-
Annualised Return	27.21%	27.35%

As on 28th Sept, 2007

Past performance may or may not be sustained in future.

Fund Manager's Comments

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

DBS Chola Growth Fund

as on Sept 28, 2007

Value Research ★★★★
 RATINGS as on Sept 2007

Features

Type of Fund

Open-Ended Growth Scheme

Load Structure

Entry Load : < 3 cr : 2.25%
 >=3 cr : Nil

Exit Load / CDSC : < 3 cr : 1.00% if redeemed within 6 months
 >= 3 cr < 5 cr : 0.50% if redeemed within 6 months
 >= 5 cr : 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 **Fund Manager**

17-Sep-01 R. Rajagopal

NAV

Quarterly Dividend Option : Rs. 18.02

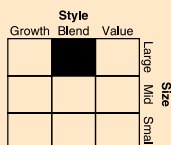
Cumulative Option : Rs. 38.15

Benchmark Index Fund Size

S&P CNX Nifty Rs.27.23 crores

Style Matrix

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



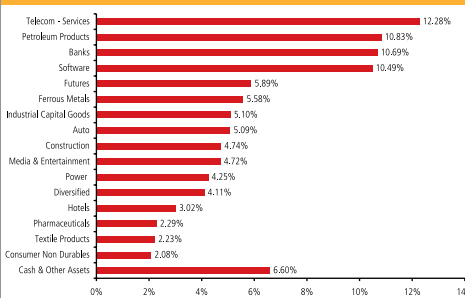
Investment Objective

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 - Top 10 Holdings

Scrip	% of Portfolio
Reliance Industries Ltd.	7.48%
Bharti Airtel Ltd.	5.15%
Reliance Communications Ltd.	4.72%
National Thermal Power Corp Ltd.	4.25%
Larsen and Toubro Ltd.	4.11%
ICICI Bank Ltd.	3.69%
Tata Consultancy Services Ltd.	3.10%
Indian Hotel Ltd.	3.02%
Bharat Heavy Electricals Ltd.	2.98%
Jindal Saw Ltd.	2.93%

Sector Summary



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.

Performance

	DBSCGF	S&P CNX Nifty
1 Month (30 Days)#	10.42%	12.49%
3 Months (92 Days)#	13.27%	16.28%
6 Months (183 Days)#	28.11%	31.40%
1 Year\$	32.70%	39.93%
3 Years\$	40.55%	42.22%
5 Years\$	47.76%	39.11%
Since Inception\$	40.01%	29.46%

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/- starting of every month in DBS Chola Growth Fund (DBSCGF)

	The Amount would have grown to	
	3 Years	5 Years
Total Amount	Rs.61348/-	Rs.170042/-
Annualised Return	38.08%	43.25%

As on 28th Sept, 2007

Past performance may or may not be sustained in future.

Dividend

Regular Plan

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
12-Dec-06	20	2.00	Rs. 16.17
27-Mar-06	15	1.50	Rs. 15.78
3-Oct -05	20	2.00	Rs. 14.83
28-Mar-05\$	10	1.00	Rs. 12.30

\$ Quarterly Dividend

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

DBS Chola Midcap Fund

as on Sept 28, 2007

Value Research
RATINGS ★★☆☆ as on Sept 2007

Features

Type of Fund

Open-Ended Equity Scheme

Load Structure

Entry Load : < 3 cr : 2.25%

>= 3 cr : Nil

Exit Load / CDSC : < 3 cr : 1.00% if redeemed within 6 months

>= 3 cr < 5 cr : 0.50% if redeemed within 6 months

>= 5 cr : 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

Fund Manager

R. Rajagopal

NAV

Dividend Option : Rs. 18.81

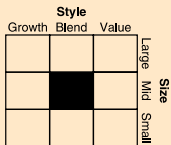
Cumulative Option : Rs. 32.60

Benchmark Index

CNX Midcap Index Rs.30.83 crores

Style Matrix

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



Investment Objective

To generate capital appreciation by investing primarily in midcap stocks. The scheme will invest in companies whose market capitalization falls between the highest and the lowest constituent of the CNX Midcap Index.

Portfolio - Top 10 Holdings

Scrip	% of Portfolio
Thermax Ltd.	5.18%
Vijaya Bank Ltd.	4.27%
Jagran Prakashan Ltd.	3.44%
Financial Technologies (India) Ltd.	3.43%
Bank of Maharashtra	2.94%
Sintex Industries Ltd.	2.88%
Infotech Enterprises Ltd.	2.85%
Union Bank Of India	2.58%
Dishman Pharmaceuticals and Chemicals Ltd.	2.50%
Hindustan Construction Co. Ltd.	2.46%

Dividend

Regular Plan

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

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

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 predominantly invest in companies in the market capitalisation range of the CNX Midcap Index.

Performance

	DBSCMF	CNX Midcap Index
1 Month (30 Days)#	9.84%	13.62%
3 Months (92 Days)#	12.89%	14.92%
6 Months (183 Days)#	33.40%	41.59%
1 Year \$	35.06%	46.37%
3 Years\$	42.34%	43.31%
Since Inception (09/08/04) \$	45.64%	45.42%

Absolute Returns \$ Compounded Annualised Returns

Past performance may or may not be sustained in future.

Systematic Investment Plan - Returns

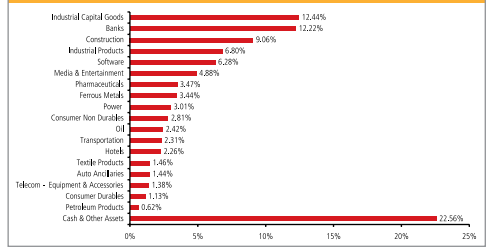
If you had invested Rs.1000/- starting of every month in DBS Chola Midcap Fund (DBSCMF)

	The Amount would have grown to	
	1 Year	2 Years
Total Amount	Rs.14672/-	Rs.32984/-
Annualised Return	44.44%	34.22%

As on 28th Sept, 2007

Past performance may or may not be sustained in future.

Sector Summary



DBS Chola Multi-Cap Fund

as on Sept 28, 2007

Features

Type of Fund

Open-Ended Equity Scheme

Load Structure

Entry Load : < 3 cr : 2.25%

>= 3 cr : Nil

Exit Load / CDSC : < 3 cr : 1.00% if redeemed within 6 months

>= 3 cr < 5 cr : 0.50% if redeemed within 6 months

>= 5 cr : 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

Fund Manager

R. Rajagopal

NAV

Dividend Option : Rs. 16.64

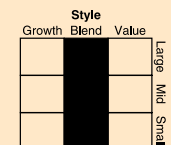
Cumulative Option : Rs. 20.87

Benchmark Index

S&P CNX 500 Rs. 36.75 crores

Style Matrix

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



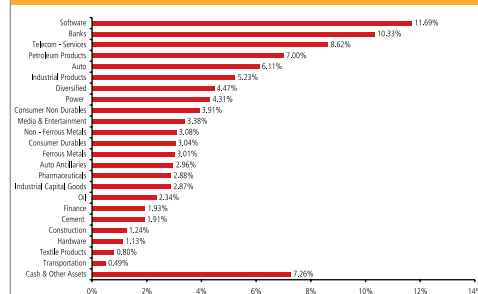
Investment Objective

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 - Top 10 Holdings

Scrip	% of Portfolio
Reliance Industries Ltd.	5.37%
Bharti Airtel Ltd.	4.21%
Mahindra and Mahindra Ltd.	3.37%
Hindustan Zinc Ltd.	3.08%
ICICI Bank Ltd.	2.88%
Reliance Communications Ltd.	2.87%
Tata Motors Ltd.	2.74%
Larsen and Toubro Ltd.	2.67%
Tech Mahindra Ltd.	2.54%
Wipro Ltd.	2.50%

Sector Summary



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.

Performance

	DBSCMF	S&P CNX 500
1 Month (30 Days)#	9.04%	12.85%
3 Months (92 Days)#	10.02%	15.52%
6 Months (183 Days)#	21.06%	33.17%
1 Year\$	21.62%	40.17%
Since Inception\$(28/01/05)	31.71%	39.16%

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/- starting of every month in DBS Chola Multi-Cap Fund (DBSCMF)

	The Amount would have grown to	
	1 Year	Since Inception
Total Amount	Rs.13605/-	Rs.43155/-
Annualised Return	26.11%	26.87%

As on 28th Sept, 2007

Past performance may or may not be sustained in future.

Dividend

Regular Plan

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

Past performance may or may not be sustained in future.

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

DBS Chola Opportunities

Fund

Value Research **★★★★**
RATINGS as on Sept 2007

as on Sept 28, 2007

Features

Type of Fund

Open-Ended Growth Fund

Load Structure

Entry Load : < 3 cr : 2.25%
>=3 cr : Nil

Exit Load / CDSC : < 3 cr : 1.00% if redeemed within 6 months
>= 3 cr < 5 cr : 0.50% if redeemed within 6 months
>= 5 cr : Nil

Minimum Investment for New / Existing Investors

Rs. 3000/1000

Cut Off Time

Purchase : 3 p.m.

Redemption : 3 p.m.

Dividend Distribution

Declared as and when decided by the Trustees

NAV

Quarterly Dividend Option : Rs. 23.51

Cumulative Option : Rs. 36.19

Benchmark Index **Fund Size**

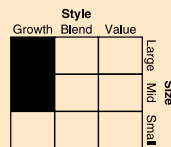
S&P CNX Nifty Rs.18.50 crores

Fund Manager

R. Rajagopal

Style Matrix

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



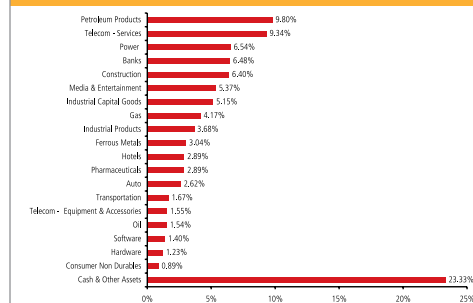
Investment Objective

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

Portfolio - Top 10 Holdings

Scrip	% of Portfolio
Mangalore Refinery & Petrochemicals Ltd.	5.80%
Deep Industries Ltd.	4.17%
National Thermal Power Corp Ltd.	3.19%
Reliance Communications Ltd.	3.17%
ICICI Bank Ltd.	2.99%
Bharti Airtel Ltd.	2.87%
Rain Calcing Ltd.	2.09%
Ansai Properties and Infrastructure Ltd.	1.99%
Indian Hotel Ltd.	1.94%
Havells India Ltd.	1.90%

Sector Summary



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	S&P CNX Nifty
1 Month (30 Days)#	13.35%	12.49%
3 Months (92 Days)#	16.60%	16.28%
6 Months (183 Days)#	39.48%	31.40%
1 Year\$	51.63%	39.93%
3 Years\$	44.67%	42.22%
Since Inception*\$	35.46%	33.02%

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.

Systematic Investment Plan - Returns

If you had invested Rs. 1000/- starting of every month in DBS Chola Opportunities Fund (DBSCOF)

The Amount would have grown to		
	3 Years	5 Years
Total Amount	Rs.66817/-	Rs.158350/-
Annualised Return	44.84%	40.12%

As on 28th Sept, 2007

Past performance may or may not be sustained in future.

Dividend

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

Past performance may or may not be sustained in future.

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

DBS Chola Hedged

Equity Fund

as on Sept 28, 2007

Features

Type of Fund

Open-Ended Equity Scheme

Load Structure

Entry Load : < 3 cr : 2.50%
>=3 cr : Nil

Exit Load / CDSC : < 3 cr : 1.00% if redeemed within 6 months
>= 3 cr < 5 cr : 0.50% if redeemed within 6 months
>= 5 cr : 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

19-Apr-07

Benchmark Index

S&P CNX Nifty

NAV

Dividend Option : Rs. 11.14

Cumulative Option : Rs. 12.31

Fund Size

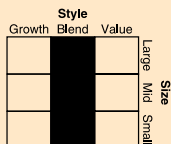
Rs.34.97 crores

Fund Manager

R. Rajagopal

Style Matrix

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



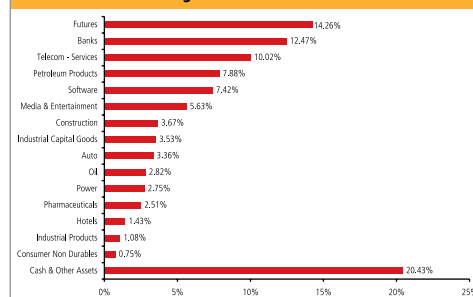
Investment Objective

The investment objective of the fund is to generate long term capital appreciation by investing in equity, equity related and derivative instruments. The fund seeks to minimize risk by use of hedging instruments such as index and stock derivative instruments. The aim is to generate returns with a lower volatility.

Portfolio - Top 10 Holdings

Scrip	% of Portfolio
Reliance Industries Ltd.	5.53%
Reliance Communications Ltd.	5.07%
ICICI Bank Ltd.	4.83%
Tata Consultancy Services Ltd.	3.60%
Bharti Airtel Ltd.	3.19%
Cairn India Ltd.	2.82%
National Thermal Power Corp Ltd.	2.75%
Infosys Technologies Ltd.	2.41%
Punjab National Bank	2.24%
Oriental Bank of Commerce	2.06%

Sector Summary



Performance

	DBSCHF	S&P CNX Nifty
Since Inception# (19/04/07)	23.10%	25.61%

Absolute Returns

Past performance may or may not be sustained in future.

Dividend

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
25-Sep-07	6%	0.6	Rs.11.60
31-May-07	5%	0.5	Rs.10.78

Past performance may or may not be sustained in future.

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

Fund Manager's Comments

DBS Chola Hedged Equity Fund is an open ended equity scheme, which seeks to capture the growth potential of stocks while using active hedging strategy by use of index and stock derivative instruments to reduce the effect of market swings on the fund's long term performance. The aim is to generate returns both in the bull market and bear market as opportunities exist on both ends of the spectrum. The fund aims to generate returns with lower volatility.

DBS Chola Tax Saver Fund

as on Sept 28, 2007

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

NAV

Dividend Option : Rs. 14.19

Cumulative Option : Rs. 15.27

Inception Date **Fund Manager**

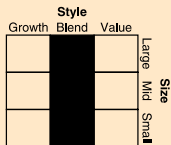
18-Nov-05 R. Rajagopal

Benchmark Index **Fund Size**

S&P CNX Nifty Rs.38.03 crores

Style Matrix

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



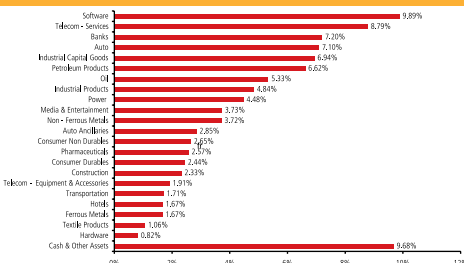
Investment Objective

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 - Top 10 Holdings

Scrip	% of Portfolio
Reliance Industries Ltd.	5.14%
Bharti Airtel Ltd.	4.33%
Oil & Natural Gas Corporation Ltd.	3.35%
Reliance Communications Ltd.	3.16%
Bharat Forge Ltd.	3.08%
Mahindra and Mahindra Ltd.	2.56%
Tata Consultancy Services Ltd.	2.51%
Voltas Ltd.	2.44%
Tata Motors Ltd.	2.31%
Lupin Ltd.	2.24%

Sector Summary



Lock-in Period

The scheme is open for continuous redemption subject to the completion of a lock-in period of 3 years from the date of allotment as prescribed in the ELSS guidelines. Currently, the tax benefits are restricted to an investment amount of Rs.1,00,000/-. However, any amount in excess of Rs.1,00,000/- would also be subject to the lock in period of 3 years.

Performance

	DBSCTSF	S&P CNX Nifty
3 Months (92 Days)#	8.61%	16.28%
6 Months (183 Days)#	20.90%	31.40%
1 Year\$	24.65%	39.93%
Since Inception\$ (18/11/05)	25.47%	34.82%

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/- starting of every month in DBS Chola Tax Saver Fund (DBSCTF)

	The Amount would have grown to	
	1 year	Since Inception
Total Amount	Rs.13634/-	Rs.27450/-
Annualised Return	26.60%	25.34%

As on 28th Sept, 2007

Past performance may or may not be sustained in future.

Dividend

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
22-Jan-07	10	1.00	Rs.14.22

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

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.

DBS Chola Global Advantage Fund

as on Sept 28, 2007

Features

Type of Fund

Open-Ended Equity Scheme

Load Structure

Entry Load : < 3 cr : 2.25%
>=3 cr : 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 **Fund Manager**

30-May-05 R. Rajagopal

NAV

Dividend Option : Rs. 13.94

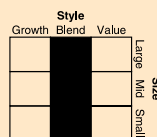
Cumulative Option : Rs. 14.87

Benchmark Index **Fund Size**

S&P CNX 500 Rs.18.82 crores

Style Matrix

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



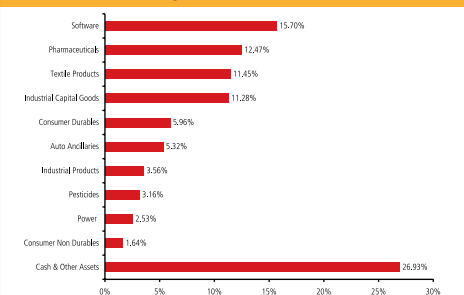
Investment Objective

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.

Portfolio - Top 10 Holdings

Scrip	% of Portfolio
Voltas Ltd.	5.96%
Thermax Ltd.	5.96%
Crompton Greaves Ltd.	5.32%
Biocon Ltd.	4.73%
Balkrishna Industries Ltd.	4.59%
Tata Consultancy Services Ltd.	4.07%
Gokaldas Exports Ltd.	4.04%
Infosys Technologies Ltd.	3.89%
Welspun India Ltd.	3.88%
Bharat Forge Ltd.	3.56%

Sector Summary



Performance

	DBSCGAF	S&P CNX 500
1 Month (30 Days)#	4.57%	12.85%
3 Months (92 Days)#	6.29%	15.52%
6 Months (183 Days)#	14.57%	33.17%
1 Year\$	10.24%	40.17%
Since Inception\$ (30/05/05)	18.47%	42.88%

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

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/-

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.



DBS Chola Liquid Fund

as on Sept 30, 2007

Value Research
RATINGS ★★★★★
as on Sept 2007

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
Super Institutional Plan : Rs. 5 crore & any amt. thereafter

Cut Off Time

Purchase : 12 p.m.
Redemption : 3 p.m.

Dividend Distribution

Inception Date

Daily / Weekly

NAV

Regular-
Weekly Dividend Option : Rs. 11.9989
Cumulative Option : Rs. 15.6711
Institutional Plus-
Weekly Dividend Option : Rs. 11.9648
Cumulative Option : Rs. 15.7942
Super Institutional Plan-
Cumulative Option : Rs. 10.7388

Benchmark Index

CRISIL Liquid Fund Index

Fund Size : Rs.518.85 crores
Fund Manager : Ashish Nigam

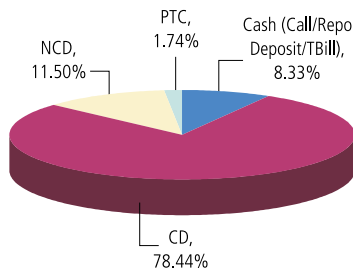
Investment Objective

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 - Top 10 Holdings

Scrip	Weight	Rating
State Bank of Travancore	26.49%	P1+
Union Bank	13.54%	P1+
State Bank of India	10.11%	P1+
Axis Bank Ltd.	8.92%	P1+
IDBI Ltd.	7.58%	P1+
Citicorp Finance Ltd. (Floating Rate)	4.82%	AAA
State Bank of Hyderabad	4.59%	P1+
State Bank of Saurashtra	4.41%	P1+
NABARD Ltd. - 9.50%	2.91%	AAA
IRFC - 5YR INBMK	1.93%	AAA
Cash (Call/Repo Deposit/TBill)	8.33%	

Asset Profile



Avg Maturity

97 days

YTM

7.49%

Performance

	DBS CLF- Cum	DBSCLF- Cum. Inst. Plus	DBSCLF- Cum. Super Inst. Plan	CRISIL LF Index
7 Days#	0.1547%	0.1598%	0.1595%	0.15%
14 Days#	0.2976%	0.3067%	0.3073%	0.34%
1 Month (30 Days)#	0.61%	0.63%	0.63%	0.62%
3 Months (92 Days)#	1.69%	1.75%	1.76%	1.48%
6 Months (183 Days)#	3.93%	4.05%	NA	4.00%
1 Year\$	7.19%	7.43%	NA	7.37%
3 Years\$	6.27%	6.36%	NA	5.84%
5 Years\$	5.78%	NA	NA	5.28%
Since Inception\$	6.64%	5.92%^	7.39%*#	5.42%

Absolute Returns
\$ Compounded Annualised Returns
^ Since Inception returns of DBS Chola Liquid Fund - Institutional Plus Plan Cum option is from 10-Apr-03.
* DBS Chola Liquid Fund - Super Institutional Plan - Cum Option units 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.

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+ 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.

DBS Chola Short Term Floating Rate Fund

as on Sept 30, 2007



Value Research
RATINGS ★★★★★
as on Sept 2007

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 p.m.
Redemption : 3 p.m.

Dividend Distribution

Daily / Weekly / Monthly

Inception Date

10-Aug-05

NAV

Monthly Dividend Option : Rs. 10.2382
Cumulative Option : Rs. 11.6267

Benchmark Index

CRISIL Liquid Fund Index

Fund Size : Rs.1,280.26 crores
Fund Manager : Ashish Nigam

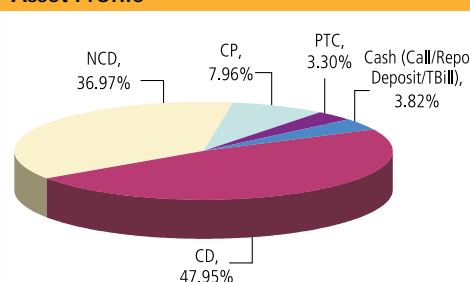
Investment Objective

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 - Top 10 Holdings

Scrip	Weight	Rating
State Bank of Hyderabad	8.94%	P1+
IDFC Ltd. (Floating Rate)	8.37%	LAAA
State Bank of Bikaner & Jaipur	4.94%	P1+
Citicorp Finance Ltd. (Floating Rate)	4.75%	AAA
IDBI Ltd.	4.09%	P1+
Rabo India Finance Pvt.Ltd.	3.92%	AAA
Mahindra and Mahindra Financial Services	3.59%	AA+
State Bank of Patiala	3.37%	P1+
Exim Bank Ltd.	3.07%	P1+
Canara Bank	3.03%	P1+
Cash (Call/Repo Deposit/TBill)	3.82%	

Asset Profile



Performance

	DBSCST-FRF	CRISIL Liquid Fund Index
3 Months (92 Days)#	0.64%	0.62%
6 Months (183 Days)#	4.45%	4.00%
1 Year\$	8.38%	7.37%
Since Inception\$(10/08/05)	7.30%	6.34%

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

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
27-Sep-07	0.5140*	0.0514	Rs.10.2313
27-Sep-07	0.5140\$	0.0514	Rs.10.2313
27-Aug-07	0.4830*	0.0483	Rs.10.2289
27-Aug-07	0.4830\$	0.0483	Rs.10.2289

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

Avg Maturity

103 days

YTM

7.25%

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.

• For one year period ending 31st Dec 2006

DBS Chola Treasury Management Fund

as on Sept 30, 2007

Features

Type of Fund

Open-Ended Liquid Fund

Load Structure

Entry Load : Nil
Exit Load / CDSC : Nil

Minimum Investment for New / Existing Investors

Rs. 5000/1000

Cut Off Time

Purchase : 12 p.m.
Redemption : 3 p.m.

Dividend Distribution Inception Date

Daily / Weekly : 23-Mar-07

NAV

Cumulative Option : Rs. 11.5397

Benchmark Index Fund Size

CRISIL Liquid Fund Index Rs.0.04 crores

Fund Manager

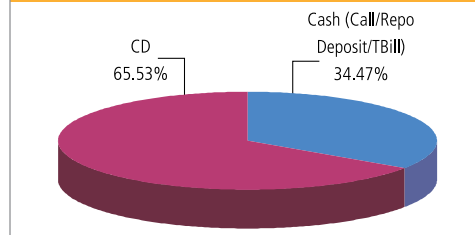
Ashish Nigam

Investment Objective

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

Portfolio		
Scrip	Weight	Rating
CD's with Bank		
Development Credit Bank		
- CD - 02 Apr 08	65.53%	P1+
Cash (Call/Repo Deposit/TBill)	34.47%	

Asset Profile



Fund Manager's Comments

DBS Chola Treasury Management Fund aims to capture interest rate volatility arising out of high liquidity conditions. This is achieved by investing in MIBOR linked assets and lending in overnight market. The investments are in highest rated assets only.

Performance

	DBSCTMF	CRISIL Liquid Fund Index
Since Inception#	15.40%	4.22%
# Absolute Returns Past performance may or may not be sustained in the future. The distribution tax has been included in the calculations of returns.		

Dividend

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
25-Mar-07	0.0682*	0.0068	Rs. 10.0000
25-Mar-07	0.0733\$	0.0073	Rs. 10.0000

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

Avg Maturity

Avg Maturity	YTM
180 days	6.75%

DBS Chola Freedom Income - Short Term Fund

as on Sept 28, 2007



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
Dividend Reinvestment : Rs. 100000/5000

Cut Off Time

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

Dividend Distribution Inception Date

Daily / Weekly / Monthly / Semi Annual : 08-Mar-02*

NAV

Regular-
Monthly Dividend Option : Rs. 11.0113
Semi Annual Dividend Option : Rs. 11.7202
Cumulative Option : Rs. 12.3226
Institutional
Monthly Dividend Option : Rs. 11.0153
Cumulative Option : Rs. 12.4685

Benchmark Index

CRISIL Short Term Fund Index

Fund Size

Rs. 1,197.43 crores

Fund Manager

Ashish Nigam

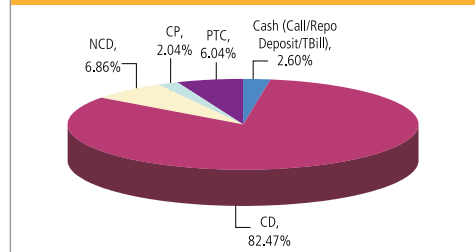
* Scheme was repositioned as DBS Chola Freedom Income - Short Term Fund from March 08, 2002

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 - Top 10 Holdings		
Scrip	Weight	Rating
CD's with Bank		
State Bank of India - CD - 29 May 08	18.51%	P1+
IDBI Ltd. - CD - 13 May 08	5.99%	P1+
State Bank of Hyderabad - CD - 06 June 08	5.98%	P1+
State Bank of Hyderabad - CD - 28 Apr 08	5.64%	P1+
State Bank of Patiala - CD - 29 May 08	3.99%	P1+
IDBI Ltd. - CD - 05 Mar 08	3.26%	P1+
Corporation Bank - CD - 20 May 08	3.17%	P1+
Kotak Mahindra Bank - CD - 04 Jul 08	3.15%	P1+
State Bank of Travancore	2.85%	A1+
State Bank of Travancore	2.38%	P1+
Cash (Call/Repo Deposit/TBill)	2.60%	

Asset Profile



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.

Performance

	DBSCFI-STF	DBSCFI-STF Institutional	CRISIL STF Index
1 Month (30 Days)#	0.64%	0.66%	0.93%
3 Months (92 Days)#	2.03%	2.07%	2.27%
6 Months (183 Days)#	4.14%	4.15%	4.97%
1 Year\$	7.71%	7.70%	7.09%
3 Years\$	5.75%	5.75%	5.60%
5 Years\$	5.86%	NA	5.28%
Since Inception\$	6.09%	5.63%*	5.67%

Absolute Returns NA-Not Applicable
\$ Compounded Annualised Returns
* From 10th April 2003
Past performance may or may not be sustained in future.
The distribution tax has been included in the calculations of returns.

Dividend

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
25-Sep-07^	0.7340*	0.0734	11.0942
25-Sep-07^	0.7880\$	0.0788	11.0942
25-Sep-07^^	0.7340*	0.0734	11.0980
25-Sep-07^^	0.7880\$	0.0788	11.0980
25-Sep-07^^	4.0760*	0.4076	12.2125
25-Sep-07^^	4.3800\$	0.4380	12.2125

* Corporate \$ Individual # Semi Annual
^ DBSCFI-STF Regular ^^ DBSCFI-STF Institutional
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
280 days	7.28%



DBS Chola Triple Ace

as on Sept 28, 2007

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. 11.3941
 Semi Annual Dividend Option : Rs. 11.2104
 Cumulative Option : Rs. 24.1994
 Bonus Option : Rs. 13.4462

Benchmark Index

CRISIL Composite Bond Fund Index

Fund Size

Rs.10.66 crores

Fund Manager

Ashish Nigam

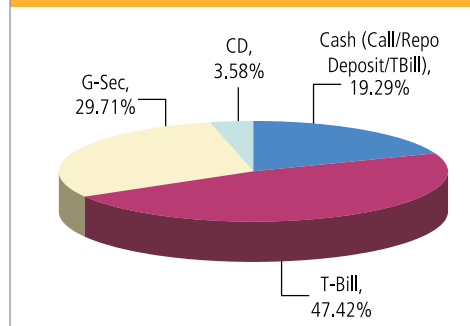
Investment Objective

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
182 DAYS TBILL 16 Nov 07	47.42%	Sov
CG - 2017 - 7.99 %	29.71%	Sov
State Bank of India - CD - 29 May 08	3.58%	P1+
Cash (Call/Repo Deposit/TBill)	19.29%	

Asset Profile



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.

Performance

	DBSCTA-Reg. Cum.	CRISIL Comp. Bond Index
1 Month (30 Days)#	0.37%	0.89%
3 Months (92 Days)#	0.94%	2.60%
6 Months (183 Days)#	-0.11%	4.46%
1 Year\$	1.63%	5.45%
3 Years\$	2.31%	4.53%
5 Years\$	4.07%	5.12%
Since Inception\$	8.78%	5.64%

Absolute Returns \$ Compounded Annualised Returns
 * Since Inception returns of Crisil Composite Bond Fund Index is from 30-Mar-02.
 Past performance may or may not be sustained in future. The distribution tax has been included in the calculations of returns.

Dividend

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
27-Sep-07#	4.0760*	0.4076	Rs.11.7081
27-Sep-07#	4.3800\$	0.438	Rs.11.7081
27-Sep-04#	0.6620*	0.0662	Rs.11.0367
27-Sep-04#	0.7080\$	0.0708	Rs.11.0367
27-Sep-04^	0.6620*	0.0662	Rs.10.7427
27-Sep-04^	0.7080\$	0.0708	Rs.10.7427

* 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/-

Avg Maturity

Avg Maturity	YTM
2.9 years	6.89%

DBS Chola GILT Investment Plan

as on Sept 28, 2007

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 / Redemption : 3 p.m.

Dividend Distribution Inception Date

Quarterly 29-Mar-00

NAV

Quarterly Dividend Option : Rs. 10.6022
Cumulative Option : Rs. 19.2761

Benchmark Index Fund Size

ISEC-Li-BEX Rs.2.07 crores

Fund Manager

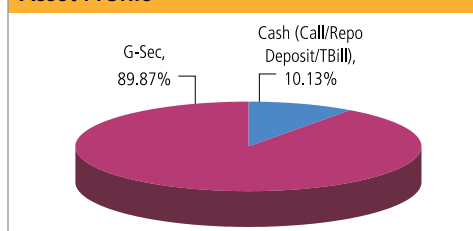
Ashish Nigam

Investment Objective

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

Portfolio		
Scrip	Weight	Rating
Sovereign		
CG - 2017 - 7.99 %	89.87%	Sov
Cash (Call/Repo Deposit/TBill)	10.13%	

Asset Profile



Fund Manager's Comments

The investment objective of the fund seeks to maximize returns by investing in GIL 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\$	4.88%	7.26%
3 Years\$	2.17%	5.71%
5 Years\$	5.86%	7.57%
Since Inception\$	9.14%	7.75%

\$ 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

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

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

Avg Maturity	YTM
9.8 years	7.00%

DBS Chola Monthly Income Plan

as on Sept 28, 2007

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 / Redemption : 3 p.m.

Dividend Distribution Inception Date

Monthly / Quarterly 31-Jul-03

NAV

Monthly Dividend Option : Rs. 10.4833
Quarterly Dividend Option : Rs. 10.4784
Cumulative Option : Rs. 13.6518

Benchmark Index Fund Size
CRISIL Blended MIP Index Rs.3.33 crores

Fund Manager

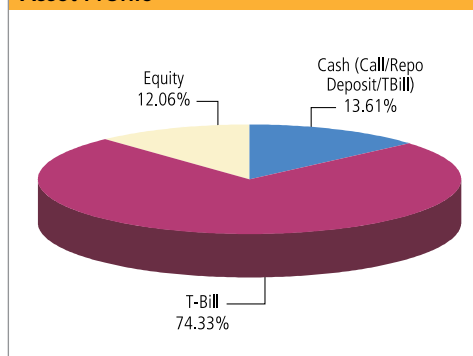
Ashish Nigam / R. Rajagopal

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		
182 Days TBILL 16 Nov 07	74.33%	Sov
Tata Motors Ltd.	6.52%	Eq
Infosys Technologies Ltd.	5.53%	Eq
Cash (Call/Repo Deposit/TBill)	13.61%	

Asset Profile



	Performance	
	DBSCMIP	CRISIL Blended MIP Index
1 Month (30 Days)#	1.35%	2.57%
3 Months (92 Days)#	2.16%	4.64%
6 Months (183 Days)#	2.88%	8.28%
1 Year\$	5.77%	10.34. %
3 Years\$	7.09%	9.70%
Since Inception\$	7.75%	9.19%

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

Date of Declaration	% Unit	Rs./Unit	NAV as on date of declaration
25-Sep-07^	1.6310*	0.1631	Rs. 10.6064
25-Sep-07^	1.7520\$	0.1752	Rs. 10.6064
29-Jun-07^	1.4670*	0.1467	Rs. 10.6353
29-Jun-07^	1.5770\$	0.1577	Rs. 10.6353

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

Fund Manager's Comments

In DBS Chola MIP, equity exposure is 12.06%.

Total AUM as on Sept 2007 : Rs. 3,829.35 crores



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 **DBS**  **Cholamandalam**
ASSET MANAGEMENT

DBS CHOLAMANDALAM ASSET MANAGEMENT LIMITED - BRANCHES: • Ahmedabad 9898046210 • Bangalore 41811050-55 • Baroda 2351740 • Chandigarh 3208979 • Chennai 25307402/5 • Cochin 66533130 • Coimbatore 4292471 • Hyderabad 66737001 • Jaipur 5103275/76/77 • Kanpur 9839296100 • Kolkata 22837370 / 71 • Lucknow 3258293 • Ludhiana 9815947016 • Madurai 2301378/435551 • Mangalore 080-41811056 • Mumbai 66574000/66104940/22029007 • New Delhi 23353048/49 • Pune 32912911/25510468 • Salem 6502660 • Trichy 2410427

Investment Objective: • **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 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 Opportunities 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 (liability restricted to the seed corpus of Rs. 1 lakh) with DBS Cholamandalam Trustees Limited as the Trustee and DBS Cholamandalam Asset Management Limited as the Investment Manager.

Disclaimer:

"The DBS Chola Contra Fund / 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 is not event shall IISL have any liability to any party for ant 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."

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The Value Research Fund Rating is determined by subtracting the fund's Risk score from it's Return score. The Resulting number is then rated according to the following:
***** - Top 10% **** - Next 22.5% *** - Middle 35% ** - Next 22.5% * - Bottom 10%

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

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For application forms and offer documents, please contact :

DBS CHOLAMANDALAM ASSET MANAGEMENT LIMITED - BRANCHES

- **Ahmedabad:** 9898046210 • **Bangalore:** 41811050-55 • **Baroda*:** 2351740 • **Chandigarh:** 3208979 • **Chennai:** 25307402/5
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- **Mumbai:** 66574000/66104940/22029007 • **New Delhi:** 23353048/49 • **Pune:** 32912911/25510468 • **Salem:** 6502660 • **Trichy:** 2410427

* Application will not be accepted

CAMS - INVESTOR SERVICE CENTRES / TRANSACTION POINTS

- **Agra:** 0562 - 324 0202 • **Ahmedabad:** 079 - 3008 2468 • **Ajmer:** 0145 - 329 2040 • **Akola :** 724 - 3203830 • **Aligarh:** 571 - 3200301 • **Allahabad:** 0532 - 329 1273 • **Alwar:** 0144 - 3200451 • **Amaravati :** 0721 - 329 1965 • **Amritsar:** 0183 - 325 7404 • **Anand:** 02692 - 325071 • **Ankleshwar :** 02646 - 310206 • **Asansol:** 0341 - 329 5235 • **Aurangabad :** 0240 - 329 5202 • **Balasore:** 06782 - 326808 • **Bangalore:** 080 - 3057 4709 • **Bareilly :** 581 - 3243172 • **Belgaum:** 0831 - 329 9598 • **Bellary:** 08392 - 326848 • **Berhampur:** 0680 - 320923 • **Bhagalpur:** 641 - 3209093 • **Bhavnagar:** 0278 - 3208387 • **Bhilai:** 0788 - 3299 040 • **Bhilwara:** 01482 - 320809 • **Bhopal:** 0755 - 329 5878 • **Bhubaneswar:** 0674 - 325 3307 • **Bhuj:** 02832 - 320762 • **Bokaro:** 06542 - 324 881 • **Burdwan:** 0342 - 320 7001 • **Calicut:** 0495 - 325 5984 • **Chandigarh:** 0172 - 304 8720 • **Chennai:** 044 - 3911 5563 • **Cochin:** 0484 - 323 4658 • **Coimbatore:** 0422 - 301 8000 • **Cuttack:** 0671 - 329 9572 • **Davenegere:** 08192 - 326226 • **Dehradun:** 0135 - 325 1357 • **Dhanbad:** 0326 - 329 0217 • **Dhule :** 2562 - 329902 • **Durgapur:** 0343 - 329 8890 • **Erode:** 0424 - 320 7730 • **Faridhabad:** 0129 - 3241148 • **Ghaziabad:** 0120 - 3266917 • **Goa:** 0832 - 325 1755 • **Goarakhpur:** 0551 - 329 4771 • **Guntur:** 0863 - 325 2671 • **Gurgoan:** 0124 - 326 3763 • **Guwahati:** 0361 - 260 7771 • **Gwalior:** 0751 - 320 2873 • **Hosur:** 04344 - 321002 • **Hubli:** 0836 - 329 3374 • **Hyderabad:** 040 - 3918 2471 • **Indore:** 0731 - 325 3692 • **Jabalpur:** 0761 - 329 1921 • **Jaipur:** 0141 - 326 9126 • **Jalandhar:** 0181 - 3254883 • **Jalgaon:** 0257 - 3207118 • **Jammu:** 0191 - 9906082698 • **Jamnagar:** 0288 - 329 9737 • **Jamshedpur:** 0657 - 329 4594 • **Jhansi:** 510 - 3202399 • **Jodhpur:** 0291 - 325 1357 • **Junagadh:** 0285 - 3200909 • **Kalyani:** 033 - 32422712 • **Kanpur:** 0512 - 3918003 • **Kestopur:** 033 - 32415332 • **Kolhapur:** 0231 - 3209 732 • **Kolkata:** 033 - 32550760 • **Kollam:** 474 - 3248376 • **Kota:** 0744 - 329 3202 • **Kottayam:** 0481 - 3207 011 • **Kumbakonam:** 435 - 320133 • **Lucknow:** 0522 - 391 8000 • **Ludhiana:** 0161 - 301 8000 • **Madurai:** 0452 - 325 1357 • **Mangalore:** 0824 - 325 1357 • **Manipal:** 0820 - 325 5827 • **Mathura:** 0565 - 3207007 • **Meerut:** 0121 - 325 7278 • **Moradabad:** 0591 - 329 7202 • **Mumbai:** 022 - 30282468 • **Muzzafarpur:** 0621 - 3207504 • **Mysore:** 0821 - 3206991 • **Nagpur:** 0712 - 325 8275 • **Nasik:** 0253 - 329 7084 • **Navsari:** 02637 - 327709 • **Nellore:** 0861 - 329 8154 • **New Delhi :** 011 - 3048 2471 • **Panipat:** 0180 - 325 0525 • **Patiala:** 0175 - 329 8926 • **Patna:** 0612 - 325 5284 • **Pondicherry:** 0413 - 3205581 • **Pune:** 020 - 3028 3005 • **Raipur:** 0771 - 3296 404 • **Rajahmundry:** 0883 - 325 1357 • **Rajkot:** 0281 - 329 8158 • **Ranchi:** 0651 - 329 6202 • **Ratlam:** 07412 - 324829 • **Rohtak:** 01262 - 318687 • **Rourkela:** 0661 - 329 0575 • **Salem:** 0427 - 325 2271 • **Sambalpur:** 0663 - 329 0591 • **Satara:** 2162 - 320926 • **Siliguri:** 0353 - 329 1103 • **Solapur:** 0217 - 3204201 • **Surat:** 0261 - 326 2267 • **Thiruppur:** 0421 - 3201271 • **Tirunelveli:** 0462 - 320 0308 • **Tirupathi:** 0877 - 3206887 • **Trichur:** 0487 - 325 1564 • **Trichy:** 0431 - 329 6906 • **Trivandrum:** 0471 - 324 0202 • **Udaipur:** 0294 - 329 3202 • **Vadodara:** 0265 - 301 8032 • **Valsad:** 02632 - 324 202 • **Varanasi:** 0542 - 325 3264 • **Vashi:** 022 - 32598154 • **Vellore:** 0416 - 3209017 • **Vijayawada:** 0866 - 329 9181 • **Visakhapatnam:** 0891 - 329 8397 • **Warangal:** 0870 - 320 2063

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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 Hedged Equity 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 Gilt, DBS Chola Treasury Management Fund 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.

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