



ABRIDGED ANNUAL REPORT
2013- 2014

DSP BLACKROCK
MUTUAL FUND

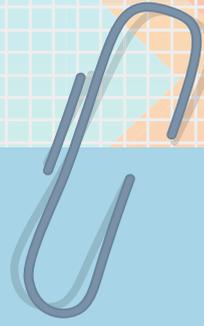
HYBRID FUNDS:

DSP BlackRock Balanced Fund (DSPBRBalF)

DSP BlackRock MIP Fund^ (DSPBRMIPF)

^Monthly income is not assured and is subject to availability of distributable surplus.

dspblackrock.com



Haven't updated your **E-mail ID** or **Mobile number** with us yet?

You may be missing out on critical account related information such as transaction alerts and updates!

Please update your contact details in the Common Transaction Form available on the last page of this annual report or **visit dspblackrock.com/update**, and then send it to any of our branches to always stay connected with us and in turn, also help us **go green!**

Did you know?

If you have registered your Email ID with us, you can also generate your own account statement instantly by visiting dspblackrock.com/statement

DSP BLACKROCK
MUTUAL FUND

SPONSOR

DSP HMK HOLDINGS PVT. LTD.
and
DSP ADIKO HOLDINGS PVT. LTD.
(Collectively)
Mafatlal Centre, 11th Floor,
Nariman Point,
Mumbai - 400 021.
Tel: 022-2272 2731
Fax: 022-2272 2732

TRUSTEE

DSP BLACKROCK
TRUSTEE COMPANY PRIVATE LIMITED

**DSP BlackRock Trustee
Company Pvt. Ltd.**
Mafatlal Centre, 10th Floor,
Nariman Point
Mumbai - 400 021
Tel: 022-6657 8000
Fax: 022-6657 8181

SPONSOR

BLACKROCK
BlackRock Inc.
40 East 52nd Street,
New York, NY 10022, USA.

CUSTODIAN



Citibank N.A.
Securities and Fund Services (SFS),
First International Financial Centre (FIFC),
11th Floor, Plot Nos. C 54 and C55,
G Block, Bandra Kurla Complex,
Bandra East, Mumbai 400051.
Tel: 022-61756908
Fax: 022-26532205

ASSET MANAGEMENT COMPANY

DSP BLACKROCK
INVESTMENT MANAGERS

**DSP BlackRock
Investment Managers Pvt. Ltd.**
Mafatlal Centre, 10th Floor,
Nariman Point
Mumbai - 400 021
Tel: 022-6657 8000
Fax: 022-6657 8181

REGISTRAR



**Computer Age Management
Services Pvt. Ltd.**
Unit : DSP BlackRock Mutual
Fund, VII Floor, Tower I,
Rayala Towers, 158, Anna Salai,
Chennai - 600 002.
Tel.: 044-28432771
Fax: 044-28432253

AUDITORS TO THE MUTUAL FUND

S.R. Batliboi & Co. LLP

12th Floor, The Ruby, 29 Senapati Bapat Marg, Dadar (West) Mumbai – 400 028, Tel: 022-6192 2268

UNITHOLDER INFORMATION REPORT

DSP BlackRock Mutual Fund

Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

The Directors of DSP BlackRock Trustee Company Pvt. Ltd. ('the Trustee Company' or 'Trustee') have the pleasure of presenting the 17th Annual Report of DSP BlackRock Mutual Fund for the financial year 2013-14 along with the audited financial statements for the schemes for the financial year ended on March 31, 2014.

I. BRIEF BACKGROUND OF THE TRUST, SPONSORS, TRUSTEE COMPANY AND ASSET MANAGEMENT COMPANY

a. DSP BLACKROCK MUTUAL FUND

DSP BlackRock Mutual Fund ('DSPBRMF' or 'the Fund') was set up as a Trust on December 16, 1996 in accordance with the provisions of the Indian Trusts Act, 1882, with DSP BlackRock Trustee Company Pvt. Ltd., as a Trustee and is duly registered under the Indian Registration Act, 1908.

b. SPONSORS

The Fund is sponsored by DSP ADIKO Holdings Pvt. Ltd. & DSP HMK Holdings Pvt. Ltd. (collectively) and BlackRock Inc. DSP ADIKO Holdings Pvt. Ltd. & DSP HMK Holdings Pvt. Ltd. (collectively) and BlackRock Inc. are the Settlers of the Mutual Fund trust. The Settlers have entrusted a sum of Rs. 1 lakh to the Trustee as the initial contribution towards the corpus of the Fund.

DSP ADIKO Holdings Pvt. Ltd. and DSP HMK Holdings Pvt. Ltd. are companies incorporated in 1983 under the Companies Act, 1956 and are also registered with the Reserve Bank of India as non-deposit taking Non-banking Finance Companies. These companies have been functioning as investment companies.

BlackRock is a truly global firm that combines the benefits of worldwide reach with local service and relationships. It has a deep presence in every major capital market in the world, which results in greater insights into increasingly interconnected financial markets. Managing assets for investors in North and South America, Europe, Asia, Australia, the Middle East and Africa, BlackRock as on March 31, 2014 employs more than 11,450 talented professionals and maintains offices in 26 countries around the world. BlackRock's investor base includes corporate, public, union and industry pension plans; governments; insurance companies; third-party mutual funds; endowments; foundations; charities; corporations; official institutions; sovereign wealth funds; banks; financial professionals; and individuals worldwide. As on March 31, 2014, BlackRock manages assets worth USD 4.401 trillion.

c. DSP BLACKROCK TRUSTEE COMPANY PVT. LTD.

The Trustee Company is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the unit holders. The Trustee Company has entered into an Investment Management Agreement dated December 16, 1996 with DSP BlackRock Investment Managers Pvt. Ltd. ('the AMC') appointing the AMC as the Investment Manager for all the schemes of DSPBRMF. DSPBRMF was registered with SEBI on January 30, 1997. The Trustee Company has been discharging its duties and carrying out the responsibilities as provided in the SEBI (Mutual Funds) Regulations, 1996 ('Regulations') and the Trust Deed. The Trustee Company seeks to ensure that the Fund and the schemes floated thereunder are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by the SEBI, the Stock Exchanges, the Association of Mutual Funds in India ('AMFI') and other regulatory agencies. The Trustee Company also acts as a Trustee to DSP BlackRock Alternative Investments Fund - Category III.

Directors of DSP BlackRock Trustee Company Pvt. Ltd.

- **Mr. Shitin D. Desai** - Mr. Desai served as Executive Vice Chairman of DSP Merrill Lynch Ltd. and is one of its Founding Directors and serves on Board of Directors of various other companies.
- **Mr. S. S. Thakur** - Mr. Thakur was Chairman of Central Depository Services (India) Ltd. and serves on Board of Directors of various other companies.
- **Ms. Tarjani Vakil** - Ms. Vakil was Chairperson and Managing Director of Export Import Bank of India from 1993 to 1996 and serves on Board of Directors of various other companies.
- **Mr. S. Doreswamy** - Mr. Doreswamy is a financial consultant, with an experience of about 35 years in commercial banking, preceded by practice as a High Court Advocate for about 3 years. Mr. Doreswamy was Chairman and Managing Director of Dena Bank and Central Bank of India and serves on Board of various other companies.
- **Mr. T. S. Krishnamurthy** - Mr. Krishnamurthy, former Chief Election Commissioner of India, has had a distinguished career in the Government of

India, spanning over 36 years. He served the Income Tax department in various capacities and was also appointed Secretary, Department of Company Affairs, Government of India.

- **Mr. S. S. N. Moorthy** - Mr. Moorthy was a member of Securities Appellate Tribunal in Mumbai during the period January 2011 to December 2012. He also served as Chairman of Board of Central Board of Direct Taxes, New Delhi during January 2009 to December 2010. He was also a member of Central Board of Direct Taxes, New Delhi and served as Director General of Income Tax (Investigation). During July 1997 to July 2006, he served as Commissioner at Income Tax, Tamil Nadu & Kerala.

d. DSP BLACKROCK INVESTMENT MANAGERS PVT. LTD.

DSP BlackRock Investment Managers Pvt. Ltd. ('the AMC') is a company registered under the Companies Act, 1956 and has been set up to act as the Asset Management Company to the Fund. In terms of the Investment Management Agreement ('IMA') dated December 16, 1996, entered into between the Trustee Company and the AMC, the AMC has been appointed as the Investment Manager to the Fund. BlackRock Advisors Singapore Pte. Ltd., a wholly owned subsidiary of BlackRock Inc. holds 40% of the shareholding of the AMC and the balance 60% shares are held by DSP ADIKO Holdings Pvt. Ltd. and DSP HMK Holdings Pvt. Ltd. The Investment Manager was approved by SEBI to act as the AMC for the Fund vide letter no. IIMARP/201/97 dated January 30, 1997. The AMC manages the schemes of the Fund in accordance with the provisions of the IMA, the Trust Deed, the Regulations, the objectives of each scheme, directions and guidelines issued by SEBI, the Stock Exchanges, the AMFI and other regulatory agencies. The AMC also provides non-binding advisory services to pooled offshore funds and manages schemes of DSP BlackRock Alternative Investments Fund - Category III. The AMC is a sponsor to DSP BlackRock Pension Funds Pvt. Ltd., which is registered as a Pension Fund Manager with the Pension Fund Regulatory & Development Authority of India ('PFRDA') to manage funds under National Pension Scheme for Private Sector.

Directors of DSP BlackRock Investment Managers Pvt. Ltd.

- **Mr. Hemendra Kothari** - Mr. Kothari was Chairman of DSP Merrill Lynch Limited and serves on Board of various other companies.
- **Mr. K. R. V. Subrahmanian** - Mr. Subrahmanian is a Management Consultant and is on Board of various well-known companies in India.
- **Dr. Omkar Goswami** - Dr. Goswami is the Founder and Chairman of CERG Advisory Pvt. Ltd. ('CERG'). CERG primarily provides corporate advisory services, consulting services and research for companies and industries in India and abroad.
- **Mr. Ranjan Pant** - Mr. Pant is a global Management Consultant advising CEOs/Boards on Strategy and Change Management.
- **Mr. Piyush Mankad** - Mr. Mankad is a retired civil servant with a distinguished career of over 40 years in the prestigious Indian Administrative Service.
- **Mr. Uday Khanna** - Mr. Khanna is former President of the Bombay Chamber of Commerce & Industry and is non-executive Chairman of Lafarge India Pvt. Ltd. and Bata India Ltd. He was Managing Director & CEO of Lafarge India Pvt. Ltd. from July 2005 to July 2011. He also serves on Board of Directors of various other companies.
- **Mr. Laurence Fink** - Mr. Fink has been Chairman and Chief Executive Officer of BlackRock since its formation in 1998 and of BlackRock's predecessor entities since 1988. Mr. Fink also leads BlackRock's Global Executive Committee.
- **Ms. Susan Wagner** - Ms. Wagner is a member of BlackRock's Board of Directors. Ms. Wagner retired as a Vice-Chairman of BlackRock in June 2012. In addition to serving as Vice-Chairman, Ms. Wagner also served as a member of BlackRock's Global Executive Committee and Global Operating Committee. Ms. Wagner previously served as BlackRock's Chief Operating Officer and Head of Corporate Strategy.
- **Mr. Mark McCombe** - Mr. McCombe is global head of BlackRock's Institutional Client Business and Chairman of BlackRock Alternative Investors. He is responsible for driving the growth of BlackRock's institutional business and alternatives presence globally. He is also BlackRock's Asia Pacific Chairman and a member of BlackRock's Global Executive and Global Operating Committee.
- **Mr. Michael Timothy Marquardt** [Appointed as Director w.e.f. May 1, 2014] - Mr. Marquardt, Managing Director, is the Chief Operating Officer of BlackRock's Asia-Pacific business.
- **Mr. Quintin Price** (Alternate Director to Mr. Laurence Fink) - Mr. Price, Senior

UNITHOLDER INFORMATION REPORT

DSP BlackRock Mutual Fund

Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

Managing Director, is global head of the Alpha Strategies Group and serves as a member of the Global Executive Committee and the Global Operating Committee.

- **Mr. John Richard Kushel** (Alternate Director to Ms. Susan Wagner) - Mr. Richard Kushel is Deputy Chief Operating Officer and Senior Managing Director of BlackRock. Mr. Richard Kushel is also a member of the Global Executive Committee of BlackRock. Previously, Mr. Richard Kushel was Head of the Portfolio Management Group of BlackRock from 2010 to 2012 and Chairman of BlackRock's International platform from 2009 to 2010. Prior to that, Mr. Kushel headed BlackRock's International Institutional platform and BlackRock's Alternatives and Wealth Management Groups.
- **Mr. David Graham** [Resigned as Director w.e.f. April 25, 2014] - Mr. Graham is currently Managing Director at BlackRock Investment Management (UK) Ltd. He is a member of BlackRock's Global Client Group and is the Head of BlackRock's Family Office, Charities and Endowments business in EMEA. He was previously responsible for BlackRock's joint ventures in India and China.

II. MARKET REVIEW

a. Bond Market: 2013 - 14

FY2014 began on a positive tone as the Reserve Bank of India reduced the Repo Rate by 25 basis points to 7.25% in response to a decline in headline inflation. The benchmark 10Y bond yield declined from 8% level on March 31, 2013 to touch a low of around 7.12% in the last week of May 2013, as market participants began to discount more rate cuts by the Reserve Bank of India.

However, bond market sentiment began to worsen from June 2013 onwards after the FOMC chairman surprised the market by discussing the probability of Fed Tapering by as early as September 2013. This not only led to sudden hardening of bond yields in the US but also in emerging markets. It also resulted in massive outflows from EM bonds, amid sharp weakness in EM currencies.

Indian bond yields hardened and the INR weakened sharply after the Reserve Bank of India took a series of steps in mid July in order to stem the decline in the rupee. However, the market was unmoved by these steps as market participants began to focus on India's worsening current account deficit and the prospects of a further widening of the fiscal deficit. The INR touched a peak of 68.85 against the dollar on Aug 28, 2013 while the benchmark 10Y government bond yield touched a high of 9.50% on August 20, 2013.

Global bond markets got some respite after the FOMC decided to delay their tapering decision amid political uncertainties. This development provided a window of opportunity to both the RBI and the government to address some market concerns and take corrective steps.

The government and the RBI without any delay announced a series of measures to attract FII flows into the country to contain current account deficit. The government announced further curbs on gold imports and initiated a monthly 1% increase in diesel price with the aim of reducing under-recoveries of oil marketing companies. The RBI, under the leadership of Dr. Raghuram Rajan, announced an ambitious deposit program which managed to collect around \$34 billion through the FCNR-B deposit program as well as Tier-1 bank capital borrowing. This amount was higher than market participants' expectations of around \$15 billion.

The last quarter of FY2014 was better for the rupee after the RBI reiterated its focus on containing consumer price inflation and raised the Repo Rate by 75 basis points to 8% and maintained a tight liquidity bias. The rupee closed FY2014 at around 60 per dollar while the benchmark 10Y government bond yield closed at around 8.80% on March 28, 2014.

b. Equity Market: 2013 - 14

The first 6 months of FY2014 were riddled with poor macro-economic data (weak rupee, stubborn inflation and widening current account deficit) and volatile equity markets. The second half of the year was much better with improvements on the economic and policy front, thanks to decisive action by the RBI and progress on the legislative front. On the policy front, some significant decisions announced over the last several months include increase in the subsidized price of diesel, as also the opening up of foreign direct investment limit in various sectors like telecom and defence.

The equity markets closed the year on a positive note with the BSE Sensex gaining 19.7%. This has in part helped by improving sentiments in the run up to the General Elections in May 2014. The rupee had a volatile year and saw a low of around

INR 69/USD in August before bouncing back to current levels thanks to various measures announced by the RBI.

III. INVESTMENT OBJECTIVES & PERFORMANCE OF THE SCHEMES

Investment Objectives of the Schemes, one year and since inception performance vis-à-vis its benchmarks, closing Assets under Management ('AuM') as on March 31, 2014 for all open ended schemes of the Fund and DSP BlackRock RGESS Fund - Series 1 are given in **Annexure I** to this Report.

IV. BRIEF COMMENTARY ON ONE YEAR AND SINCE INCEPTION SCHEME PERFORMANCE

EQUITY SCHEMES

- DSP BLACKROCK EQUITY FUND:** The scheme outperformed its benchmark (CNX 500 Index) over the last financial year. The outperformance was largely due to the scheme's stock selection. The sector positions which added to relative performance were underweight in financials and consumer staples and overweight in information technology and industrials. The scheme also outperformed its benchmark since inception.
- DSP BLACKROCK TECHNOLOGY.COM FUND:** The scheme underperformed its benchmark (S&P BSE TEcK Index) over the last financial year. The underperformance may be attributed to the scheme's underweight position in the telecom sector, and underweight in the media sector. However, the scheme has outperformed its benchmark since inception.
- DSP BLACKROCK OPPORTUNITIES FUND:** The scheme outperformed its benchmark (CNX 500 Index) over the last financial year. The outperformance was largely due to the scheme's stock selection. The sector positions which added to relative performance were underweight in financials and consumer discretionary and overweight in information technology and healthcare. The scheme also outperformed its benchmark since inception.
- DSP BLACKROCK TOP 100 EQUITY FUND:** The scheme underperformed its benchmark (S&P BSE 100 Index) over the last financial year. The underperformance was largely due to the scheme's stock selections within consumer discretionary and industrials. However, the scheme has outperformed its benchmark since inception.
- DSP BLACKROCK INDIA T.I.G.E.R. FUND (The Infrastructure Growth and Economic Reforms Fund):** The scheme underperformed its benchmark (S&P BSE 100 Index) over the last financial year. The underperformance was due to the scheme's stock selections within materials and consumer discretionary. Not owning benchmark positions in information technology, healthcare and consumer staples, as per mandate, also detracted from relative performance versus the benchmark. However, the scheme has outperformed its benchmark since inception.
- DSP BLACKROCK SMALL AND MID CAP FUND:** The scheme outperformed its benchmark (CNX Midcap Index) over the last financial year. The outperformance was largely due to the scheme's stock selection. The sector positions which added to relative performance were underweight in financials and healthcare and overweight in consumer discretionary and information technology. The scheme also outperformed its benchmark since inception.
- DSP BLACKROCK TAX SAVER FUND:** The scheme outperformed its benchmark (CNX 500 Index) over the last financial year. The outperformance was largely due to the scheme's stock selection. The sector positions which added to relative performance were underweight in financials and consumer discretionary and overweight in healthcare and information technology. The scheme also outperformed its benchmark since inception.
- DSP BLACKROCK MICRO CAP FUND:** The scheme outperformed its benchmark (S&P BSE Smallcap Index) over the last financial year. The outperformance was largely due to the scheme's stock selection within consumer discretionary, healthcare, information technology and financials. The scheme also outperformed its benchmark since inception.
- DSP BLACKROCK NATURAL RESOURCES AND NEW ENERGY FUND:** The scheme underperformed its benchmark (Composite Benchmark comprising 35% S&P BSE Oil & Gas Index, 30% S&P BSE Metals Index, 35% MSCI World Energy Index (net and expressed in INR)) over the last financial year. However, the scheme has outperformed its benchmark since inception.
- DSP BLACKROCK FOCUS 25 FUND:** The scheme underperformed its benchmark (S&P BSE 200 Index) over the last financial year. The underperformance was largely due to the scheme's stock selection within energy, industrials and telecom. The scheme also underperformed its benchmark since inception.

UNITHOLDER INFORMATION REPORT

DSP BlackRock Mutual Fund

Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

k. **DSP BLACKROCK RGESS FUND - SERIES 1:** The scheme underperformed its benchmark (S&P BSE 100) marginally. The underperformance was due to overweight positions in consumer discretionary and industrials, and underweight positions in materials.

FUND OF FUNDS SCHEMES

i. **DSP BLACKROCK WORLD GOLD FUND:** The scheme outperformed its benchmark (FTSE Gold Mines Index) over the last financial year. This outperformance by Underlying Fund can be attributed to off benchmark positions in royalty companies. Gold royalty companies have been comparatively good performers for some time as the market has shown itself willing to pay for high quality royalty exposure, given concerns over cost inflation and operational risk as well as its more defensive nature. The scheme has also outperformed its benchmark since inception. Given where valuations and margins currently stand, we can say that the beta (between gold equities and gold price) has returned. Moreover, with many new management teams in place, improving capital discipline and operational efficiency and a greater focus on shareholder returns are increasingly evident and should help to rebuild shareholder trust.

m. **DSP BLACKROCK WORLD ENERGY FUND:** The scheme underperformed its composite benchmark (Composite Benchmark comprising 70% MSCI World Energy (Net); 30% MSCI World (Net)) over the last financial year. The Underlying Fund's overweight to exploration and production companies hurt relative performance, with positions in Hurricane Energy and Cairn Energy among the top detractors over the period. The team became more positive on the outlook for large-capitalization, integrated oil stocks and as such reduced the Underlying Fund's underweight to the sub-sector. The Underlying Fund's underweight (albeit reduced underweight) weighed on relative performance as rhetoric from the integrated companies regarding improved capital discipline and increased focus on free-cash-flow helped drive unit price performance of the Underlying Fund. The scheme has also underperformed its benchmark since inception. The sector trades at a significant discount on both price-to-book and price-to-earnings multiples and the fund manager sees a potential for a rerating of certain stocks this year which should contribute to performance.

n. **DSP BLACKROCK WORLD MINING FUND:** The scheme outperformed its benchmark (HSBC Global Mining (cap) Index) over the last financial year. The Underlying Fund's outperformance can be primarily attributed to overweight positions in the copper and iron ore sub-sectors, with holdings in Freeport McMoran and iron ore producer Fortescue among the top relative performers. The Underlying Fund's exposure to nickel also aided relative performance as concerns over a potential future supply deficit buoyed the commodity price. However, the scheme has underperformed its benchmark since inception. The global economic backdrop is showing signs of synchronous growth and this has typically been supportive of commodity prices. Mining companies are trading on an undemanding valuation and an attractive dividend yield. With capital expenditure rolling off, management are guiding investors towards rising free cash flows.

o. **DSP BLACKROCK WORLD AGRICULTURE FUND:** The scheme outperformed its benchmark (DAX Global Agribusiness Index) over the last financial year. It was a difficult period for most agricultural commodities and as such the Underlying Fund's bias to midstream and downstream sub-sectors helped drive outperformance. The Underlying Fund's overweight to the livestock sub-sector aided relative returns, with a position in US livestock producer Tyson Foods the top-performer. An overweight to the agribusiness sub-sector also buoyed relative returns as the sub-sector enjoyed positive momentum following a recovery in grain volumes and utilization rates. However, the scheme has underperformed its benchmark since inception. Lower crop price levels present opportunities for downstream companies, such as in the livestock and agribusiness sub-sectors. Moreover, in time the market will absorb this volume as demand increases in the face of these lower prices, such that we should return to a scenario of rising commodity prices in order to incentivise supply growth once more.

p. **DSP BLACKROCK US FLEXIBLE EQUITY FUND:** The scheme underperformed its benchmark (Russell 1000 Index) over the last financial year. The Underlying Fund's overweight to IT and Financials and underweight to the defensive consumer staples, telecom and utilities were the drivers to the fund performance. The Underlying Fund's performance was helped by exposure to a few US companies that benefited from the recovery in the European economy. The scheme has also underperformed its benchmark since inception. The base case assumption is that US underlying corporate fundamentals in US remain constructive. This, coupled with an improving

economic outlook in Europe and stable growth trajectory for the US economy, should allow for further, if more measured, equity market appreciation.

q. **DSP BLACKROCK DYNAMIC ASSET ALLOCATION FUND:** The scheme was launched in the financial year ending March 31, 2014 (NFO period was from January 17, 2014 to January 31, 2014). The scheme uses the yield gap model to allocate assets between equity and debt. Based on this model, the asset allocation of the scheme (as of April 30, 2014) is as follows: Equity 10%, Debt: 90%. The equity allocation of the scheme has been invested in DSP BlackRock Equity Fund and DSP BlackRock Top 100 Equity Fund and the debt allocation of the scheme has been invested in DSP BlackRock Short Term Fund, DSP BlackRock Strategic Bond Fund and DSP BlackRock Money Manager Fund.

HYBRID SCHEMES

r. **DSP BLACKROCK BALANCED FUND:** The scheme has underperformed its benchmark (CRISIL Balanced Fund Index) during the financial year. The underperformance was largely on account of overweight positions in telecom and underweight positions in materials. The units under the scheme were allotted on May 27, 1999 and the benchmark of the scheme was introduced on April 1, 2002. As such, the performance of the scheme vis-a-vis benchmark since inception is not available. However, the scheme has outperformed its benchmark from the date of introduction of benchmark.

s. **DSP BLACKROCK MIP FUND (Monthly income is not assured and is subject to availability of distributable surplus):** The scheme has outperformed its benchmark (CRISIL MIP Blended Index) during the financial year. The underperformance was largely on account of stock selection in information technology and healthcare. The scheme also outperformed its benchmark since inception.

INCOME SCHEMES

t. **DSP BLACKROCK LIQUIDITY FUND:** The scheme outperformed its benchmark (CRISIL Liquid Fund Index) in the first-half during the rising interest rate environment but underperformed it in the second-half when money market rates fell sharply after the RBI took steps to ease systemic liquidity. The scheme's relatively lower average maturity helped mitigate downside risk in a volatile year. The scheme underperformed its benchmark over the last financial year. However, the scheme outperformed its benchmark since inception.

u. **DSP BLACKROCK MONEY MANAGER FUND:** The scheme outperformed its benchmark (CRISIL Liquid Fund Index) in the last financial year. Its outperformance can be attributed to its appropriate positioning on the money market yield curve. The scheme's conservative rating profile and relatively lower average maturity also contributed to its better performance. The scheme also outperformed its benchmark since inception.

v. **DSP BLACKROCK STRATEGIC BOND FUND:** The scheme outperformed its benchmark (CRISIL Composite Bond Fund Index) in the last financial year. The scheme's outperformance can be attributed to its active duration management and optimal asset allocation amid a volatile interest rate environment during the first-half of the year. The scheme also outperformed its benchmark since inception.

w. **DSP BLACKROCK INCOME OPPORTUNITIES FUND:** The scheme underperformed its benchmark (CRISIL Liquid Fund Index) in the last financial year. Its underperformance can be attributed to its relatively higher average maturity in the second-half of the year. However, the scheme has outperformed its benchmark since inception.

x. **DSP BLACKROCK SHORT TERM FUND:** The scheme underperformed its benchmark (CRISIL Liquid Fund Index) in the last financial year. Its underperformance can be attributed to its relatively higher average maturity in the second-half of the year. However, the scheme has outperformed its benchmark since inception.

y. **DSP BLACKROCK BOND FUND:** The scheme underperformed its benchmark (CRISIL Composite Bond Fund Index) in the last financial year. The scheme's underperformance can be attributed to its relatively higher average maturity amid a volatile interest rate environment during the first-half of the year. The scheme also underperformed its benchmark since inception.

z. **DSP BLACKROCK GOVERNMENT SECURITIES FUND:** The scheme underperformed its benchmark (Long ICICI Securities Sovereign Bond Index) in the last financial year. The scheme's underperformance can be attributed to its relatively conservative duration profile in the second-half of the financial year. The scheme also underperformed its benchmark since inception.

UNITHOLDER INFORMATION REPORT

DSP BlackRock Mutual Fund

Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

aa. DSP BLACKROCK TREASURY BILL FUND: The scheme outperformed its benchmark (Short ICICI Securities Sovereign Bond Index) in the last financial year. The scheme's outperformance can be attributed to its active duration management in the first-half of the financial year. However the scheme has underperformed its benchmark since inception.

ab. DSP BLACKROCK BANKING & PSU DEBT FUND: The scheme was launched in September 2013 when money market rates were quite high. The scheme has benefitted by taking advantage of higher money market yields. The scheme has performed reasonably well since its short time span. The direct plan of the scheme has outperformed its benchmark since inception.

FIXED MATURITY PLANS/ FIXED TERM PLANS/ DUAL ADVANTAGE FUNDS (CLOSED-ENDED SCHEMES):

ac. DSPBRMF launched 33 Fixed Maturity Plans (FMPs), 6 Fixed Term Plans (FTPs) and 6 Dual Advantage Funds (DAFs), during the Financial Year 2013-2014. Details of these Schemes are given as **Annexure II**. FMPs, FTPs, and DAFs performed well and in accordance with their expectations at the time of their launches. However, their performance comparison with their respective benchmarks may vary depending on their tenor, portfolio construction, rating profile as well as sector allocation.

V. FUTURE OUTLOOK

a. Bond Market

We are turning cautiously optimistic regarding our future outlook on interest rates. We believe that the interest rate cycle is closer to its peak. After remaining higher since 2011, we expect the benchmark 10Y government bond yield to gradually decline over the next 12 to 18 months. We expect the RBI to maintain its focus on bringing down inflation. We also expect the government to maintain a contractionary fiscal policy stance in the current fiscal year and focus on addressing supply-side constraints which will help mitigate inflationary pressures over the next two years. A stable inflationary environment as well as contractionary fiscal policies by the new government may pave the way for a sustained decline in interest rates in the long-term.

b. Equity Market

The election verdict has been a truly historic one and we expect economic growth momentum to accelerate in the coming months, we expect to see progress on the economic reforms front, as the new government focuses on critical areas like infrastructure development, enabling industrial growth and kick starting capital investments.

We are optimistic that equity markets will continue to react positively after this landmark event. We see a period of strong earnings growth for Indian companies which should benefit from operating leverage with the revival of economic growth. Valuations are at fair levels for the broad market, and there are attractive investment opportunities in cyclical sectors like energy, financials and industrials, and from a bottom-up perspective in mid and small cap companies with solid fundamentals.

We believe that Indian equity markets are at the cusp of a strong uptrend that should likely deliver attractive returns over the next 3-5 years.

VI. BUSINESS OPERATIONS

Average Assets under Management of the Fund for the quarter ended March 31, 2014 stood at Rs 31,966.12 crore. The Fund managed 27 open ended schemes and 58 closed ended schemes as on March 31, 2014.

The Fund launched DSP BlackRock Dynamic Asset Allocation Fund, an open ended Fund of Funds Scheme, in January 2014 which seeks to dynamically manage the asset allocation between the specified equity schemes and debt schemes of the Fund based on the relative valuation of equity and debt markets. The Scheme collected Rs. 488 crore in the New Fund Offer period and the assets under management of the Scheme as on June 15, 2014 had crossed Rs. 1,000 crore.

VII. INVESTOR SERVICES

The Fund services an investor base of more than 29 lakhs accounts through AMC Offices as well as offices of its Registrar and Transfer Agent, Computer Age Management Services Pvt. Ltd. (CAMS) in about 200 locations across India. Additionally, the AMC has three dedicated Call Centres at Mumbai, New Delhi and Ahmedabad to service investors and distributors.

The Fund continues to provide value added services to investors and distributors with a view to provide easier and better means of transacting, seeking information, etc.

For the convenience of its investors and distributors, the AMC initiated following key facilities during the year:

- Introduction of One Time Mandate (OTM) facility, which was the first of its kind in the industry. Through this facility the investor can register a debit mandate for a specified amount through a simple registration process. Thereafter the investor can subscribe into any scheme by sending a sms or through the mutual fund's website or Call Centre or even submit a physical purchase request without a cheque.
- Transacting with the Fund was made simpler for investors who have registered a One Time Mandate by offering facility to start new SIPs, submit redemption and switch request by sending an sms or through its website or Call Centre.
- Facility to register SIPs with multiple schemes, amount and dates through a simple SIP Registration Form for investors who have registered a one time mandate.
- The Fund now sends sms as well as emails on receipt of transactions i.e. 'Transaction Receipt Alerts' to acknowledge the receipt of transactions and also to alert the investor in case of any fraudulent transactions. This is in addition to the sms and emails which are sent after processing the transactions.
- The website of the Fund was enhanced for investors to generate their PIN without submitting a physical request and access their portfolio online.
- For the benefit of distributors, the Fund started daily automated emails to inform them about the list of all SIP/STP/SWP/OTM registrations / cancellations and help them to service their investors better.
- Monthly email reminders are sent to investors and distributors informing them about the FMP / FTP / DAF maturities in the following month which will help them plan their investments upon maturity.
- To assist investors awaiting their turn in front office counters, the AMC has put up an Insta Phone facility at most of the AMC Branches, for investors to instantly connect to the Call Centre for query resolutions.

VIII. INVESTOR COMPLAINTS

The Trustees were pleased to note that the grievances, complaints and queries of investors and distributors were resolved promptly by the Client Response Team of the AMC. There were 760 complaints received during the financial year 2013-14 which were all redressed within 30 days. The statement giving details of redressal of complaints received during the financial year is given in **Annexure III** attached to this Report.

We strongly advise investors to regularly check their account statements of the Fund and verify whether any redemptions or dividends have either not been received by them or not encashed. They can approach any of the AMC offices or contact the Call Centre for claiming the same.

We also advise investors to register their email address and mobile numbers to get alerts on their financial and non financial transactions.

We take this opportunity to encourage investors to provide their valuable feedback by email at service@dspblackrock.com or call us on 1800 200 4499.

IX. SIGNIFICANT ACCOUNTING POLICIES

Accounting policies for preparation of financial statements of all the schemes are in accordance with the Securities Exchange Board of India (Mutual Funds) Regulations, 1996.

X. DISTRIBUTION OF INCOME

DSPBRMF has declared dividends in various Schemes during the financial year 2013-2014. Details of dividend declared are available on the website.

XI. UNCLAIMED DIVIDENDS AND REDEMPTION AMOUNTS

The Fund sends regular reminders to alert investors and distributors on any unclaimed dividend and redemptions. The Fund also follows up with the investors and distributors for redemption payment instrument not encashed by the investor within 60 days of sending the instrument.

As on March 31, 2014 the Fund had 10,350 unclaimed Dividend warrants amounting to Rs.34,496,243/- and 1,719 unclaimed Redemption warrants

UNITHOLDER INFORMATION REPORT

DSP BlackRock Mutual Fund

Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

amounting to Rs.43,356,351/-. Scheme wise details of the same are given in **Annexure IV**.

Investors are requested to reconcile their bank account statements with the account statement sent by DSPBPMF and contact the AMC in case of any non-receipt of dividend / redemption proceeds.

XII. LARGE HOLDING IN THE SCHEMES (I.E. IN EXCESS OF 25% OF THE NET ASSETS) AS ON MARCH 31, 2014

Scheme	Percentage of Holding	No. of Investors
DSP BlackRock Government Securities Fund	26.92%	1(One)

XIII. PROXY VOTING POLICY

a. In terms of the SEBI circular dated March 15, 2010 and email dated June 23, 2011, the Fund has adopted the Proxy Voting Policy and Procedures ('the Policy') for exercising voting rights in respect of securities held by the Schemes. The Policy is attached as **Annexure V**.

b. During the FY 2013-2014, the proxy voting was exercised by DSP BlackRock Investment Managers Pvt. Ltd. for and on behalf of DSP BlackRock Mutual Fund in 1,457 general meetings (including postal ballots) of 186 companies.

The details of voting (resolutions) at general meetings (including postal ballots) are as follows:

- (i) Voted FOR - 1451
- (ii) Voted AGAINST - 4
- (iii) Abstained from Voting - 2

For complete voting details for the period 2013-14, unit holders can log on to the website (www.dspblackrock.com) of the Fund. Further the said details are also available in the Annual Report for the period 2013-2014. A copy thereof is available on the said website of the Fund and shall be sent / emailed to the unit holders free of cost on demand.

XIV. STATUTORY DETAILS

DSP BlackRock Mutual Fund was set up as a Trust and the settlers/sponsors are DSP ADIKO Holdings Pvt. Ltd. & DSP HMK Holdings Pvt. Ltd. (collectively)

and BlackRock Inc. The Trustee and Investment Manager to the Fund are DSP BlackRock Trustee Company Pvt. Ltd. and DSP BlackRock Investment Managers Pvt. Ltd. respectively. The Sponsors are not responsible or liable for any loss resulting from the operation of the Schemes of the Fund beyond their initial contribution (to the extent contributed) of ₹ 1 lakh for setting up the Fund, and such other accretions/additions to the same.

The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments in securities.

Full Annual Report shall be disclosed on the website (www.dspblackrock.com) and shall be available for inspection at the Head Office of the Mutual Fund. On written request, present and prospective unit holder/investor can obtain a copy of the trust deed and the full annual report of the Fund /AMC and the text of the relevant scheme.

XV. ACKNOWLEDGEMENTS

The Trustees wish to thank the Government of India, the Securities and Exchange Board of India (SEBI), the Reserve Bank of India (RBI) and the Association of Mutual Funds in India (AMFI) for their support and guidance.

The Trustees would also like to thank the Auditors, Custodian, Fund Accountant, Registrar & Transfer Agent, Bankers, Distributors, Brokers, Stock Exchanges, Depositories, KYC Registration Agencies and all other service providers for their valuable support.

The Trustees also wish to thank all the Unitholders for their continued faith in the Fund and their strong support.

For and on behalf of **DSP BlackRock Trustee Company Pvt. Ltd.**

Sd/-
Shitin D. Desai
Chairman
DIN No.: 00009905

Place: Mumbai
Date: June 19, 2014

Annexure I

INVESTMENT OBJECTIVES, ONE YEAR AND SINCE INCEPTION PERFORMANCE VIS-À-VIS BENCHMARKS, CLOSING ASSETS UNDER MANAGEMENT AS ON MARCH 31, 2014 OF ALL OPEN ENDED SCHEMES OF DSP BLACKROCK MUTUAL FUND AND DSP BLACKROCK RGESS FUND - SERIES 1

Sr. No.	Name & Nature of the Scheme	Investment Objectives	Benchmark	Inception Date/ Allotment	1 Year Performance		Since Inception performance		Net Assets as on March 31, 2014 (Rs. in Cr.)
					Scheme^*	Benchmark	Scheme^*	Benchmark	
1	DSP BlackRock Equity Fund, an open ended growth scheme.	To generate long term capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of issuers domiciled in India.	CNX 500 Index	29-Apr-97	17.75%	17.56%	20.66%	12.68%	1,788.45
2	DSP BlackRock Technology.com Fund, an open ended growth scheme.	To generate long term capital appreciation and the secondary objective is income generation and the distribution of dividend from a portfolio constituted of equity and equity related securities concentrating on the investment focus of the scheme.	S&P BSE TECK Index	16-May-00	23.73%	25.50%	10.54%	6.04%	44.36
3	DSP BlackRock Opportunities Fund, an open ended growth scheme.	To generate long term capital appreciation and whose secondary objective is income generation and the distribution of dividend from a portfolio constituted of equity and equity related securities concentrating on the investment focus of the scheme.	CNX 500 Index	16-May-00	20.26%	17.56%	18.13%	13.16%	489.72
4	DSP BlackRock Top 100 Equity Fund, an open ended growth scheme.	To generate capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of the 100 largest corporates, by market capitalisation, listed in India.	S&P BSE 100 Index	10-Mar-03	15.53%	17.95%	24.99%	19.94%	2,792.21
5	DSP BlackRock India T.I.G.E.R. Fund (The Infrastructure Growth and Economi Reforms Fund), an open ended diversified equity scheme.	To generate capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of corporates, which could benefit from structural changes brought about by continuing liberalization in economic policies by the Government and/or from continuing investments in infrastructure, both by the public and private sector.	S&P BSE 100 Index	11-Jun-04	13.61%	17.95%	16.67%	16.55%	1,049.99

UNITHOLDER INFORMATION REPORT
DSP BlackRock Mutual Fund
Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

Sr. No.	Name & Nature of the Scheme	Investment Objectives	Benchmark	Inception Date/ Allotment	1 Year Performance		Since Inception performance		Net Assets as on March 31, 2014 (Rs. in Cr.)
					Scheme^*	Benchmark	Scheme^*	Benchmark	
6	DSP BlackRock Small and Mid Cap Fund, an open ended equity growth scheme.	To generate long term capital appreciation from a portfolio substantially constituted of equity and equity related securities, which are not part of the top 100 stocks by market capitalization. From time to time, the Investment Manager will also seek participation in other equity and equity related securities to achieve optimal portfolio construction.	CNX Midcap Index	14-Nov-06	26.10%	16.22%	11.15%	7.58%	1,008.75
7	DSP BlackRock Tax Saver Fund, an open ended equity linked savings scheme.	To generate medium to long-term capital appreciation from a diversified portfolio that is substantially constituted of equity and equity related securities of corporates, and to enable investors avail of a deduction from total income, as permitted under the Income Tax Act, 1961 from time to time.	CNX 500 Index	18-Jan-07	22.46%	17.56%	11.16%	6.08%	757.94
8	DSP BlackRock Micro Cap Fund, an open ended diversified equity growth scheme.	To generate long term capital appreciation from a portfolio that is substantially constituted of equity and equity related securities, which are not part of the top 300 companies by market capitalisation. From time to time, the Investment Manager will also seek participation in other equity and equity related securities to achieve optimal portfolio construction.	S&P BSE Small Cap Index	14-Jun-07	34.81%	21.64%	10.76%	-0.51%	380.81
9	DSP BlackRock Natural Resources and New Energy Fund, an open ended equity growth scheme.	To generate capital appreciation and provide long term growth opportunities by investing in equity and equity related securities of companies domiciled in India whose predominant economic activity is in the (a) discovery, development, production, or distribution of natural resources, viz., energy, mining etc; (b) alternative energy and energy technology sectors, with emphasis given to renewable energy, automotive and on-site power generation, energy storage and enabling energy technologies. The Scheme will also invest a certain portion of its corpus in the equity and equity related securities of companies domiciled overseas, which are principally engaged in the discovery, development, production or distribution of natural resources and alternative energy and/or the units/shares of BlackRock Global Funds - New Energy Fund (BGF - NEF), BlackRock Global Funds - World Energy Fund (BGF - WEF) and similar other overseas mutual fund schemes. The secondary objective of the scheme is to generate consistent returns by investing in debt and money market securities.	35% S&P BSE Oil & Gas Index, 30% S&P BSE Metal Index, 35% MSCI World Energy (net as expressed in INR)	25-Apr-08	18.54%	19.74%	5.38%	0.34%	60.22
10	DSP BlackRock Focus 25 Fund, an open ended equity growth scheme.	To generate long term capital growth from a portfolio of equity and equity-related securities including equity derivatives. The portfolio will largely consist of companies, which are amongst the top 200 companies by market capitalisation. The portfolio will limit exposure to companies beyond the top 200 companies by market capitalization to 20% of the net asset value. The Scheme will normally hold equity and equity related securities including equity derivatives, of upto 25 companies. Further, the Scheme will also have at least 95% of the invested amount (excluding investments in debt securities, money market securities and cash and cash equivalents) across the top 25 holdings in the portfolio. The Scheme may also invest in debt and money market securities, for defensive considerations and/or for managing liquidity requirements.	S&P BSE 200	10-Jun-10	12.84%	17.04%	3.47%	5.90%	233.06
11	DSP Black Rock RGESS Fund - Series 1, a close ended equity scheme which shall invest in eligible securities as per Rajiv Gandhi Equity Savings Scheme, 2012.	To generate capital appreciation, from a portfolio that is substantially constituted of equity securities which are specified as eligible securities for Rajiv Gandhi Equity Savings Scheme (RGESS). The Scheme may also invest a certain portion of its corpus in cash & cash equivalent and money market instruments from time to time.	S&P BSE 100 Index	20-Mar-13	17.31%	17.70%	13.00%	17.00%	47.56

UNITHOLDER INFORMATION REPORT

DSP BlackRock Mutual Fund

Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

Sr. No.	Name & Nature of the Scheme	Investment Objectives	Benchmark	Inception Date/ Allotment	1 Year Performance		Since Inception performance		Net Assets as on March 31, 2014 (Rs. in Cr.)
					Scheme^^	Benchmark	Scheme^^	Benchmark	
12	DSP BlackRock World Gold Fund, an open ended Fund of Funds scheme.	To generate capital appreciation by investing predominantly in units of BlackRock Global Funds - World Gold Fund (BGF-WGF). The scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus. The Scheme may also invest a certain portion of its corpus in money market securities and/or money market/liquid schemes of DSP BlackRock Mutual Fund, in order to meet liquidity requirements from time to time.	FTSE Gold Mines (cap) (in INR terms)	14-Sep-07	-21.94%	-29.93%	2.00%	-2.29%	321.31
13	DSP BlackRock World Energy Fund, an open ended Fund of Funds scheme.	To generate capital appreciation by investing predominantly in the units of BlackRock Global Funds – World Energy Fund (BGF-WEF) and BlackRock Global Funds-New Energy Fund (BGF-NEF). The Scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus. The Scheme may also invest a certain portion of its corpus in money market securities and/or money market/liquid schemes of DSP BlackRock Mutual Fund, in order to meet liquidity requirements from time to time.	70% MSCI World Energy (Net) 30% MSCI World (Net)	14-Aug-09	18.78%	26.69%	7.80%	16.09%	112.68
14	DSP BlackRock World Mining Fund, an open ended Fund of Funds scheme.	To seek to generate capital appreciation by investing predominantly in the units of BlackRock Global Funds - World Mining Fund (BGF - WMF). The scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus. The scheme may also invest a certain portion of its corpus in money market securities and/or money market/liquid schemes of DSP BlackRock Mutual Fund (Fund), in order to meet liquidity requirements from time to time.	HSBC Global Mining (cap) (in INR terms)	29-Dec-09	-2.12%	-4.60%	-3.22%	-2.92%	24.65
15	DSP BlackRock World Agriculture Fund, an open ended Fund of Funds scheme.	To generate capital appreciation by investing predominantly in the units of BlackRock Global Funds - World Agriculture Fund (BGF - WAF). The Scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus. The Scheme may also invest a certain portion of its corpus in money market securities and/or money market/liquid schemes of DSP BlackRock Mutual Fund, in order to meet liquidity requirements from time to time.	DAX Global Agribusiness Index	19-Oct-11	15.38%	12.41%	15.63%	17.67%	37.48
16	DSP BlackRock US Flexible* Equity Fund, an open ended Fund of Funds scheme.	The primary investment objective of the Scheme is to seek capital appreciation by investing predominantly in units of BlackRock Global Funds US Flexible Equity Fund (BGF - USFEF). The Scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus. The Scheme may also invest a certain portion of its corpus in money market securities and/or money market/liquid schemes of DSP BlackRock Mutual Fund, in order to meet liquidity requirements from time to time. It shall be noted 'similar overseas mutual fund schemes' shall have investment objective, investment strategy and risk profile/consideration similar to those of BGF - USFEF. *The term "Flexible" in the name of the Scheme signifies that the Investment Manager of the Underlying Fund can invest either in growth or value investment characteristic securities placing an emphasis as the market outlook warrants.	Russell 1000 Index	03-Aug-12	31.63%	33.40%	27.02%	28.76%	121.67

UNITHOLDER INFORMATION REPORT

DSP BlackRock Mutual Fund

Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

Sr. No.	Name & Nature of the Scheme	Investment Objectives	Benchmark	Inception Date/ Allotment	1 Year Performance		Since Inception performance		Net Assets as on March 31, 2014 (Rs. in Cr.)
					Scheme^^	Benchmark	Scheme^^	Benchmark	
17	DSP BlackRock Dynamic Asset Allocation Fund, an Open Ended Fund of Funds scheme.	To generate capital appreciation by managing the asset allocation between specified equity mutual funds schemes and debt mutual funds schemes of DSP BlackRock Mutual Fund. The Scheme will dynamically manage the asset allocation between the specified equity mutual funds schemes and debt mutual funds schemes of DSP BlackRock Mutual Fund based on the relative valuation of equity and debt markets. The Scheme may also invest a certain portion of its corpus in money market securities and/ or money market/liquid schemes of DSP BlackRock Mutual Fund, in order to meet liquidity requirements from time to time.	Crisil Balanced Fund Index	06-Feb-14	NA	NA	2.22%	7.50%	679.22
18	DSP BlackRock Balanced Fund is an open ended balanced scheme.	To seek to generate long term capital appreciation and current income from a portfolio constituted of equity and equity related securities as well as fixed income securities (debt and money market securities).	Crisil Balanced Fund Index	27-May-99	11.91%	13.29%	14.50%	NA	468.12
19	DSP BlackRock MIP Fund, an open ended income scheme.	To generate income, consistent with prudent risk, from a portfolio which is substantially constituted of quality debt securities. The Scheme will also seek to generate capital appreciation by investing a smaller portion of its corpus in equity and equity related securities of issuers domiciled in India.	Crisil MIP Blended Index	11-Jun-04	8.45%	6.44%	9.59%	7.53%	392.23
20	DSP BlackRock Liquidity Fund, an open ended income (liquid) scheme.	To generate a reasonable return commensurate with low risk and a high degree of liquidity, from a portfolio constituted of money market securities and high quality debt securities.	Crisil Liquid Fund Index	23-Nov-05	9.29%	9.46%	7.53%	7.24%	2,385.87
21	DSP BlackRock Money Manager Fund, an open ended income scheme.	To generate returns commensurate with risk from portfolio constituted of money market securities and/or debt securities.	Crisil Liquid Fund Index	31-Jul-06	9.39%	9.46%	7.48%	7.37%	1,847.53
22	DSP BlackRock Strategic Bond Fund, an open ended income scheme.	To generate optimal returns with high liquidity through active management of the portfolio by investing in high quality debt and money market securities.	Crisil Composite Bond Fund Index	12-Nov-08	6.21%	4.32%	7.15%\$	7.12%\$	2,034.51
23	DSP BlackRock Income Opportunities Fund, an open ended income scheme.	To generate returns commensurate with risk from a portfolio constituted of money market securities and/ or debt securities.	Crisil Liquid Fund Index	13-May-03	8.54%	9.46%	6.64%	6.54%	1,098.50
24	DSP BlackRock Short Term Fund, an open ended income scheme.	To generate returns commensurate with risk from a portfolio constituted of money market securities and/or debt securities.	Crisil Liquid Fund Index	09-Sep-02	8.19%	9.46%	6.88%	6.47%	888.06
25	DSP BlackRock Bond Fund, an open ended income scheme.	To generate an attractive return, consistent with prudent risk, from a portfolio which is substantially constituted of high quality debt securities, predominantly of issuers domiciled in India. As a secondary objective, the scheme will seek capital appreciation.	Crisil Composite Bond Fund Index	29-Apr-97	2.97%	4.32%	8.30%	NA	281.28
26	DSP BlackRock Government Securities Fund, an open ended income scheme.	To generate income through investment in Central Government Securities of various maturities.	Long ICICI Securities Sovereign Bond Index	30-Sep-99	0.65%	1.60%	9.76%	10.92%	230.61
27	DSP BlackRock Treasury Bill Fund, an open ended income scheme.	To generate income through investment in Treasury Bills and other Central Government Securities having maturities of less than or equal to 1 year.	Short ICICI Securities Sovereign Bond Index	30-Sep-99	10.11%	6.61%	6.81%	8.04%	335.08
28	DSP BlackRock Banking & PSU Debt Fund, an open ended income scheme.	To generate income and capital appreciation by primarily investing in a portfolio of high quality debt and money market securities that are issued by banks and public sector entities/undertakings.	CRISIL Short-Term Bond Fund Index	14-Sep-13	NA	NA	5.69%	5.81%	247.44

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

Above returns are compounded annualized (CAGR). 1 Year return are from March 28, 2013 to March 31, 2014.

Returns are calculated on Rs. 10/- / Rs. 1000/- (as applicable) (allotment price per Unit) invested at inception viz. date of allotment.

* Returns are for Regular Plan - Growth Option for all schemes except for DSP BlackRock Equity Fund where returns are for Regular Plan - Reinvestment Dividend Option, DSP BlackRock Liquidity Fund and DSP BlackRock Strategic Bond Fund where returns are for Institutional Plan - Growth Option.

\$ The Institutional Plan under DSP BlackRock Strategic Bond Fund was launched on May 9, 2007, however inception returns have been calculated from November 12, 2008 as there were no investors in the Institutional Plan for a significant period before this date.

N.A.: Not Available.

UNITHOLDER INFORMATION REPORT

DSP BlackRock Mutual Fund

Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

Annexure II

DETAILS OF CLOSED ENDED SCHEMES LAUNCHED DURING FY 2013-14

a. Fixed Maturity Plans (FMPs) launched during the Financial Year 2013-2014.

The primary investment objective of the FMPs is to seek to generate returns and capital appreciation by investing in a portfolio of debt and money market securities. The FMPs invests only in such securities which mature on or before the date of maturity of the FMP.

Scheme Name	Date of Launch	Maturity Date
DSP BlackRock FMP - Series 95 -12M	04-Apr-13	15-Apr-14
DSP BlackRock FMP - Series 103 -12M	04-Jul-13	10-Jul-14
DSP BlackRock FMP - Series 104 -12M	19-Jul-13	28-Jul-14
DSP BlackRock FMP - Series 105 -12M	26-Jul-13	05-Aug-14
DSP BlackRock FMP - Series 106 -3M	29-Jul-13	05-Nov-13
DSP BlackRock FMP - Series 107 -12M	02-Aug-13	11-Aug-14
DSP BlackRock FMP - Series 108 -12M	07-Aug-13	19-Aug-14
DSP BlackRock FMP - Series 109 -12M	08-Aug-13	19-Aug-14
DSP BlackRock FMP - Series 110 -12M	16-Aug-13	27-Aug-14
DSP BlackRock FMP - Series 111 -12M	22-Aug-13	01-Sep-14
DSP BlackRock FMP - Series 112 -3M	26-Aug-13	28-Nov-13
DSP BlackRock FMP - Series 113 -12M	27-Aug-13	04-Sep-14
DSP BlackRock FMP - Series 114 -3M	29-Aug-13	03-Dec-13
DSP BlackRock FMP - Series 115 -12M	06-Sep-13	15-Sep-14
DSP BlackRock FMP - Series 116 -3M	06-Sep-13	11-Dec-13
DSP BlackRock FMP - Series 117 -12M	10-Sep-13	22-Sep-14
DSP BlackRock FMP - Series 118 -12M	12-Sep-13	25-Sep-14
DSP BlackRock FMP - Series 119 -12M	12-Sep-13	29-Sep-14
DSP BlackRock FMP - Series 126 -12M	05-Nov-13	26-Nov-14
DSP BlackRock FMP - Series 129 - 12M	05-Dec-13	18-Dec-14
DSP BlackRock FMP - Series 130 - 12M	12-Dec-13	29-Dec-14
DSP BlackRock FMP - Series 144 - 12M	24-Jan-14	09-Feb-15
DSP BlackRock FMP - Series 145 - 12M	06-Feb-14	16-Feb-15
DSP BlackRock FMP - Series 146 - 12M	12-Feb-14	26-Feb-15
DSP BlackRock FMP - Series 147 - 3M	14-Feb-14	19-May-14
DSP BlackRock FMP - Series 148 - 12M	21-Feb-14	03-Mar-15
DSP BlackRock FMP - Series 149 - 12M	26-Feb-14	09-Mar-15
DSP BlackRock FMP - Series 150 - 13M	03-Mar-14	06-Apr-15

Scheme Name	Date of Launch	Maturity Date
DSP BlackRock FMP - Series 151 - 12M	05-Mar-14	18-Mar-15
DSP BlackRock FMP - Series 152 - 12.5M	07-Mar-14	06-Apr-15
DSP BlackRock FMP - Series 153 - 12M	11-Mar-14	23-Mar-15
DSP BlackRock FMP - Series 154 - 12.5M	14-Mar-14	06-Apr-15
DSP BlackRock FMP - Series 155 - 12M	17-Mar-14	30-Mar-15

b. Fixed Term Plans (FTPs) launched during the Financial Year 2013-2014.

The primary investment objective of the FTPs is to seek to generate returns and capital appreciation by investing in a portfolio of debt and money market securities. The FTPs invests only in such securities which mature on or before the date of maturity of the FTP.

Scheme Name	Date of Launch	Maturity Date
DSP BlackRock FTP - Series 31 - 36M	07-Aug-13	23-Aug-16
DSP BlackRock FTP - Series 32 - 24M	06-Sep-13	21-Sep-15
DSP BlackRock FTP - Series 33 - 24M	21-Nov-13	01-Dec-15
DSP BlackRock FTP - Series 36 - 15M	08-Jan-14	20-Apr-15
DSP BlackRock FTP - Series 37 - 14M	07-Feb-14	20-Apr-15
DSP BlackRock FTP - Series 38 - 25M	21-Feb-14	14-Apr-16

c. Dual Advantage Funds (DAFs) launched during the Financial Year 2013-2014.

The primary investment objective of the DAFs is to generate returns and seek capital appreciation by investing in a portfolio of debt and money market securities. DAFs also seek to invest a portion of the portfolio in equity & equity related securities to achieve capital appreciation. As far as investments in debt and money market securities are concerned, the DAFs invests only in securities which mature on or before the date of maturity of the DAF.

Scheme Name	Date of Launch	Maturity Date
DSP BlackRock DAF - Series 14 - 33M	08-Apr-13	05-Jan-16
DSP BlackRock DAF - Series 15 - 36M	13-May-13	04-Jul-16
DSP BlackRock DAF - Series 16 - 36M	17-Jun-13	04-Jul-16
DSP BlackRock DAF - Series 17 - 35M	07-Aug-13	04-Jul-16
DSP BlackRock DAF - Series 18 - 34M	16-Sep-13	04-Jul-16
DSP BlackRock DAF - Series 19 - 36M	17-Oct-13	08-Nov-16

REDRESSAL OF INVESTOR COMPLAINTS DURING FY 2013-2014

Total Number of Folios: 28,92,620 (as on March 31, 2014)

ANNEXURE III

Complaint Code	Type of Complaint#	(a) No. of complaints pending at the beginning of the year	(b) No. of Complaints received during the year to date 2013-2014	Action on (a) and (b)								
				Resolved				Non Actionable*	Pending as on 31st March 2014			
				Within 30 days	30-60 days	60-180 days	Beyond 180 days		0-3 months	3-6 months	6-9 months	9-12 months
I A	Non receipt of Dividend on Units	0	2	2	0	0	0	0	0	0	0	0
I B	Interest on delayed payment of Dividend	0	0	0	0	0	0	0	0	0	0	0
I C	Non receipt of Redemption Proceeds	0	10	10	0	0	0	0	0	0	0	0
I D	Interest on delayed payment of Redemption	0	0	0	0	0	0	0	0	0	0	0
II A	Non receipt of Statement of Account/Unit Certificate	0	0	0	0	0	0	0	0	0	0	0
II B	Discrepancy in Statement of Account	0	26	26	0	0	0	0	0	0	0	0
II C	Data corrections in Investor details	0	626	626	0	0	0	0	0	0	0	0
II D	Non receipt of Annual Report/ Abridged Summary	0	0	0	0	0	0	0	0	0	0	0
III A	Wrong switch between Schemes	0	5	5	0	0	0	0	0	0	0	0
III B	Unauthorized switch between Schemes	0	0	0	0	0	0	0	0	0	0	0
III C	Deviation from Scheme attributes	0	0	0	0	0	0	0	0	0	0	0
III D	Wrong or excess charges/load	0	3	3	0	0	0	0	0	0	0	0

UNITHOLDER INFORMATION REPORT
DSP BlackRock Mutual Fund
Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

Complaint Code	Type of Complaint#	(a) No. of complaints pending at the beginning of the year	(b) No. of Complaints received during the year to date 2013-2014	Action on (a) and (b)								
				Resolved				Non Actionable*	Pending as on 31st March 2014			
				Within 30 days	30-60 days	60-180 days	Beyond 180 days		0-3 months	3-6 months	6-9 months	9-12 months
III E	Non updation of changes viz. address, PAN, bank details, nomination, etc	0	12	12	0	0	0	0	0	0	0	0
IV	Others (SIP related)	0	76	76	0	0	0	0	0	0	0	0
Total		0	760	760	0	0	0	0	0	0	0	0

- including against its authorized persons / distributors / employees etc.

* Non actionable - means the complaint that are incomplete / outside the scope of the Mutual Fund.

Annexure IV

UNCLAIMED DIVIDENDS AND REDEMPTION AMOUNTS

Based on the information received from the bankers to the dividend / redemption account, the amount of dividends / redemption declared and remaining unclaimed (for more than six months) as on the balance sheet date is given in the table below:

Apart from the above, a further sum of Rs. 1,504,730/- pertaining to 188 cases is outstanding for more than 3 years and is in the Investor Protection Fund.

Scheme Name	Unclaimed Dividend		Unclaimed Redemption	
	Amount (₹)	No. of Unclaimed Drafts/ Warrants/ Credits	Amount (₹)	No. of Unclaimed Drafts/ Warrants/ Credits
DSP BlackRock Balanced Fund	958,102	158	710,451	31
DSP BlackRock Bond Fund	1,071,014	520	139,849	9
DSP BlackRock Equity Fund	6,196,513	944	2,264,833	96
DSP BlackRock Income Opportunities Fund	128,371	18	33,461	20
DSP BlackRock Focus 25 Fund	-	-	297,781	31
DSP BlackRock Government Securities Fund	30,072	12	225	1
DSP BlackRock India T.I.G.E.R. Fund	6,342,932	2,333	13,550,233	554
DSP BlackRock Liquidity Fund	30,837	2	2,871	11
DSP BlackRock Micro Cap Fund	-	-	849,475	39
DSP BlackRock MIP Fund	714,755	976	126,034	62
DSP BlackRock Money Manager Fund	-	-	180,698	17
DSP BlackRock Natural Resources and New Energy Fund	285,942	152	484,542	32
DSP BlackRock Opportunities Fund	5,056,169	818	4,919,865	89
DSP BlackRock Short Term Fund	1,240,689	39	715	4
DSP BlackRock Small and Mid Cap Fund	3,010,816	1,140	3,864,414	186
DSP BlackRock Strategic Bond Fund	-	-	1,910	2
DSP BlackRock Tax Saver Fund	3,506,454	1,756	4,418,806	224
DSP BlackRock Technology.com Fund	970,627	164	451,665	30
DSP BlackRock Top 100 Equity Fund	4,036,227	1,189	7,250,763	155
DSP BlackRock Treasury Bill Fund	-	-	602	1
DSP BlackRock World Energy Fund	-	-	188,384	9
DSP BlackRock World Gold Fund	895,294	125	3,356,659	108
DSP BlackRock World Mining Fund	-	-	92,211	4
DSP BlackRock World Agriculture Fund	-	-	1,471	1
DSP BlackRock Banking & PSU Debt Fund	-	-	103,233	1
DSP BlackRock FMP - Series 12 - 12M	304	1	12,047	1
DSP BlackRock FMP - Series 4 - 13M	-	-	53,153	1
DSP BlackRock FMP - Series 16 - 12M	6,803	2	-	-
DSP BlackRock FMP - Series 28 - 3M	14,322	1	-	-
Grand Total:	34,496,243	10,350	43,356,351	1,719

Annexure V

PROXY VOTING POLICY

I. INTRODUCTION

The Corporate Governance Committee ('the Committee') of DSP BlackRock Investment Manager Pvt. Ltd. ('DSPBRIM'), Asset Management Company to DSP BlackRock Mutual Fund ('Fund'), inter alia addresses proxy voting issues on behalf of all the Schemes of the Fund. The Committee comprises of the President & Chief Investment Officer, Senior Fund Managers from the Investment team, Head of

Risk, Chief Administrative Officer and the Compliance Officer. In keeping with its fiduciary responsibilities, the Committee reviews all proposals put up for voting even though they may be considered to be routine matters and exercises the votes in the best interest of its unitholders. Each proposal is considered based on the relevant facts and circumstances. From time to time, the Committee can avail/ engage professional Proxy Voting advisory firms to obtain research and voting recommendations on resolutions proposed by investee companies. The Committee

UNITHOLDER INFORMATION REPORT

DSP BlackRock Mutual Fund

Mafatlal Center, 10th Floor, Nariman Point, Mumbai – 400 021

shall not be bound by the recommendations and shall act at its discretion keeping unitholders interest paramount. The Committee may deviate from the general policies and procedures when it determines the particular facts and circumstances that warrant such deviation to protect the interest of the unitholders.

II. PROXY VOTING POLICY**A. Corporate Governance**

Matters (including changes in the state of incorporation, merger, acquisitions and other corporate restructuring and anti-takeover provisions) will be subject to careful review by the research analyst to determine whether they would be beneficial to shareholders. DSPBRIM will analyze various economic and strategic factors in making the final decision on a merger or acquisition resolution. Corporate restructuring proposals are also subject to a thorough examination on a case-by-case basis.

B. Capital Structure

These proposals relate to various requests, principally from management, for approval of amendments that would alter the capital structure of the Company, such as an increase in authorized shares. As a general matter, DSPBRIM will support requests that it believes enhance the rights of common shareholders and oppose requests that appear to be unreasonably dilutive.

C. Compensation and Benefits

We generally support proposals for employee equity compensation plans and other employee ownership plans provided our research does not indicate that approval of the plan would be against shareholder interest. These proposals concern those issues submitted to shareholders related to management compensation and employee benefits. As a general matter, we favor disclosure of a Company's compensation and benefit policies and oppose excessive compensation, but believe that compensation matters are normally best determined by a corporation's Board of Directors, rather than shareholders. Proposals to "micro-manage" a Company's compensation practices or to set arbitrary restrictions on compensation or benefits would therefore generally not be supported.

D. Social and Corporate Social Responsibilities

These are shareholder proposals addressing either corporate social and environmental policies or requesting specific reporting on these issues. We generally do not support proposals on social issues that lack a demonstrable economic benefit to the issuer and the Fund investing in such issuer. DSPBRIM seeks to make proxy voting decisions in the manner most likely to protect and promote the long term economic value of the securities held in the scheme's accounts. We intend to support economically advantageous corporate practices while leaving direct oversight of the Company management and strategy to the Board of Directors. We seek to avoid micromanagement of Companies, as we believe that the Company's Board of Directors is best positioned to represent shareholders and oversee management on shareholders behalf. Issues of corporate social and environmental responsibility are evaluated on a case-by-case basis within the framework.

E. Board of Directors

DSPBRIM generally supports the Board's nominees in the election of Directors and generally supports proposals that strengthen the independence of the Board of Directors. As a general matter, we believe that a Company's Board of Directors (rather than shareholders) is most likely to have access to important, non-public information regarding a Company's business and prospects, and is therefore best-

positioned to set corporate policy and oversee management. We therefore believe that the foundation of good corporate governance is the selection of responsible, qualified, independent corporate Directors who are likely to diligently represent the interest of the shareholders and oversee management of the corporation in the manner that will seek to maximize shareholder value over time. In individual cases, consideration may be given to a Director nominee's history of representing shareholder interests as a Director of the company issuing the proxy or other companies, or other factors to the extent deemed relevant by the Committee.

F. Other issues**(a) Auditors:**

These proposals concern those issues submitted to shareholders related to the selection of the auditors. As a general matter, we believe that corporate auditors have a responsibility to represent the interest of shareholders and provide an independent view on the propriety of financial reporting decisions of corporate management. While we will generally defer to a corporation's choice of auditor, in individual cases, consideration may be given to an auditors' history of representing shareholder interests as auditor of the Company issuing the proxy or other Companies, to the extent deemed relevant.

(b) Corporate Charter and By-Laws:

These proposals relate to various requests for approval of amendments to a corporation's charter or by-laws. We generally vote against anti-takeover proposals and proposals that would create additional barriers and costs to corporate transactions that are likely to deliver premiums to shareholders.

(c) Conflict of Interest and governance measures for investment in group companies of AMC and investment in companies that have subscribed to the units of any scheme of DSP BlackRock Mutual Fund (Fund):

DSPBRIM is an affiliate of a large, diverse financial services firm with many affiliates and makes its best efforts to avoid conflicts of interest. However, conflict of interest can arise in certain situations. Few examples of such situations are:

- Investee Company is a client of DSPBRIM or its affiliates
- Investee Company is an entity participating to a material extent in the distribution of products managed or advised by DSPBRIM
- Investee Company has subscribed to the units of any of the schemes of Fund.

None of the schemes of the Fund shall invest in group companies of DSPBRIM. Further, DSPBRIM shall endeavour to resolve conflicts of interest in the interest of the unitholders. Nonetheless, even though a potential conflict of interest exists, DSPBRIM may vote in opposition to the recommendations of an investee company's management.

(d) Internal Control Mechanism:

Internal controls and checks are in place at various key steps in the process of exercise of votes as considered relevant/material by DSPBRIM. The Committee, periodically reviews the implementation of the policy and disclosure requirements.

III. REPORTS TO THE BOARD

DSPBRIM will report to the Trustee Company on proxy votes it has made on behalf of the Fund at least annually.

REPORT OF THE INDEPENDENT AUDITOR ON THE ABRIDGED FINANCIAL STATEMENTS

To the Trustees of
DSP BlackRock Mutual Fund

The accompanying abridged financial statements, which comprise of the abridged balance sheet as at 31 March 2014 and the abridged revenue account for the period 01 April 2013 to 31 March 2014, and related notes for the following schemes of DSP BlackRock Mutual Fund:

- DSP BlackRock Balanced Fund, and
- DSP BlackRock MIP Fund

(collectively referred to as 'DSP BlackRock Mutual Fund Schemes') are derived from the audited financial statements of the above Schemes of DSP BlackRock Mutual Fund as at 31 March 2014 and for the period 01 April 2013 to 31 March 2014. We expressed an unmodified audit opinion on those financial statements in our report dated 19 June 2014.

These abridged financial statements have been prepared by DSP BlackRock Investment Managers Private Limited, the Schemes' Asset Manager ('the AMC') pursuant to Regulation 56 (1) of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 ('the SEBI Regulations') and as per the format prescribed by SEBI vide circular number SEBI/IMD/CIR No.8/132968/2008 dated 24 July 2008 and are derived from the audited financial statements of DSP BlackRock Mutual Fund Schemes as at 31 March 2014 and for the period 01 April 2013 till 31 March 2014, prepared in accordance with the accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations and Generally Accepted Accounting Principles in India to the extent applicable and covered by our report of even date to the Trustees of DSP BlackRock Mutual Fund.

The abridged financial statements do not contain all the disclosures required by the accounting principles generally accepted in India, including the accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations. Reading the abridged financial statements, therefore, is not a substitute for reading the audited financial statements of DSP BlackRock Mutual Fund Schemes.

Management's Responsibility for the Abridged Financial Statements

Management of the AMC is responsible for the preparation of the abridged financial

statements from the audited financial statements of DSP BlackRock Mutual Fund Schemes pursuant to Regulation 56 (1) of the SEBI Regulations, and in accordance with the format prescribed by SEBI vide circular number SEBI/IMD/CIR No.8/132968/2008 dated 24 July 2008.

Auditor's Responsibility

Our responsibility is to express an opinion on the abridged financial statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

Opinion

In our opinion, the abridged financial statements, derived from the audited financial statements of DSP BlackRock Mutual Fund Schemes [DSP BlackRock Balanced Fund and DSP BlackRock MIP Fund] as at 31 March 2014 and for the period 01 April 2013 till 31 March 2014 are a fair summary of those financial statements, and are in accordance with the accounting policies and standards specified in the Ninth Schedule to the SEBI Regulations and Generally Accepted Accounting Principles in India to the extent applicable and as per the format prescribed by SEBI circular number SEBI/IMD/CIR No.8/132968/2008 dated 24 July 2008.

For S. R. Batliboi & Co. LLP

ICAI Firm registration number: 301003E

Chartered Accountants

Sd/-

per **Shrawan Jalan**

Partner

Membership No.: 102102

Mumbai

Dated: 19 June 2014

**DSP BLACKROCK MUTUAL FUND
ABRIDGED BALANCE SHEET AS AT MARCH 31, 2014**

	DSP BlackRock Balanced Fund (DSPBRBalF)		DSP BlackRock MIP Fund (DSPBRMIPF)	
	As at 31.03.14	As at 31.03.13	As at 31.03.14	As at 31.03.13
LIABILITIES				
1 Unit Capital	14,443.75	18,973.43	21,254.62	33,250.12
2 Reserves & Surplus				
2.1 Unit Premium Reserve	(439.05)	466.22	346.75	607.39
2.2 Unrealised Appreciation Reserve	5,731.70	3,301.68	1,040.00	246.75
2.3 Other Reserves	27,075.83	35,105.02	16,581.93	19,839.50
3 Loans & Borrowings	-	-	-	-
4 Current Liabilities & Provisions				
4.1 Provision for doubtful Income/Deposits	-	-	-	-
4.2 Other Current Liabilities & Provisions	1,140.29	427.72	449.61	243.02
TOTAL	47,952.52	58,274.07	39,672.91	54,186.78
ASSETS				
1 Investments				
1.1 Listed Securities:				
1.1.1 Equity Shares	33,825.55	40,156.63	9,604.06	11,511.26
1.1.2 Preference Shares	12.97	-	-	-
1.1.3 Equity Linked Debentures	-	-	-	-
1.1.4 Other Debentures & Bonds	8,695.87	2,603.04	22,691.50	9,040.31
1.1.5 Securitised Debt securities	-	-	-	-
1.2 Securities Awaited Listing:				
1.2.1 Equity Shares	-	-	-	-
1.2.2 Preference Shares	-	-	-	-
1.2.3 Equity Linked Debentures	-	-	-	-
1.2.4 Other Debentures & Bonds	-	-	-	-
1.2.5 Securitised Debt securities	-	-	-	-
1.3 Unlisted Securities:				
1.3.1 Equity Shares	-	-	-	-
1.3.2 Preference Shares	-	-	-	-
1.3.3 Equity Linked Debentures	-	-	-	-
1.3.4 Other Debentures & Bonds	-	-	-	-
1.3.5 Securitised Debt Securities	-	-	-	-
1.4 Government Securities	2,716.45	7,115.65	5,488.93	23,315.10
1.5 Treasury Bills	-	-	-	7.60
1.6 Commercial Paper	-	3,463.94	-	2,969.09
1.7 Certificate of Deposits	493.37	-	493.37	2,025.07
1.8 Bill Rediscounting	-	-	-	-
1.9 Units of Domestic Mutual Fund	-	-	-	-
1.10 Foreign Securities	-	-	-	-
Total Investments	45,744.21	53,339.26	38,277.86	48,868.43
2 Deposits	232.85	226.64	28.07	282.37
3 Other Current Assets				
3.1 Cash & Bank Balance	316.56	48.50	142.67	95.80
3.2 CBLO/ Reverse Repo Lending	59.90	4,184.69	33.96	3,592.86
3.3 Others	1,599.00	474.98	1,190.35	1,347.32
4 Deferred Revenue Expenditure (to the extent not written off)	-	-	-	-
TOTAL	47,952.52	58,274.07	39,672.91	54,186.78

The notes to accounts form an integral part of the accounts - Annexure I.

For S.R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E

For and on behalf of Board of DSP
BlackRock Trustee Company Private
Limited

For and on behalf of Board of DSP BlackRock Investment Managers Private Limited

Sd/-
per Shrawan Jalan
Partner
Membership No.: 102102

Sd/-
Shitin D. Desai
Chairman

Sd/-
S. S. Thakur
Director

Sd/-
Hemendra Kothari
Chairman

Sd/-
K. R. V. Subrahmanian
Director

Sd/-
Naganath Sundaresan*
President & Chief Investment Officer

Sd/-
Apoorva Shah*
Fund Manager

Sd/-
Vinit Sambre
Fund Manager

Sd/-
Dhawal Dalal**
Fund Manager

Mumbai, 19 June 2014

Mumbai, 19 June 2014

Mumbai, 13 June 2014 * Signed on June 11, 2014

** Signed on June 05, 2014

DSP BLACKROCK MUTUAL FUND
ABRIDGED REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

		DSP BlackRock Balanced Fund (DSPBRBalF)		DSP BlackRock MIP Fund (DSPBRMIPF)	
		Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.14	Year ended 31.03.13
1	INCOME				
1.1	Dividend	493.91	591.89	179.03	118.28
1.2	Interest	1,317.92	1,549.73	3,273.84	2,461.92
1.3	Realised gain / (loss) on foreign exchange transactions	-	-	-	-
1.4	Realised gains / (losses) on interscheme sale of investments	(49.33)	(1.25)	(50.57)	(0.89)
1.5	Realised gains / (losses) on external sale / redemption of investments	2,748.41	2,375.06	817.54	892.71
1.6	Realised gains / (losses) on derivative transactions	80.22	(513.75)	-	(263.55)
1.7	Other income	11.45	8.85	79.43	52.21
	(A)	4,602.58	4,010.53	4,299.27	3,260.68
2	EXPENSES				
2.1	Management fees	913.65	954.70	780.45	250.01
2.2	Service tax on management fees	112.93	118.00	96.46	30.90
2.3	Transfer agents fees and expenses	68.79	74.85	48.15	38.47
2.4	Custodian fees	4.20	5.90	2.62	1.99
2.5	Trusteeship fees	1.37	1.74	1.31	0.88
2.6	Commission to agents	285.33	352.34	280.40	516.71
2.7	Marketing & distribution expenses	-	-	-	-
2.8	Audit fees	1.76	2.25	1.67	1.12
2.9	Other operating expenses	20.02	19.49	20.37	17.73
	(B)	1,408.05	1,529.27	1,231.43	857.81
3	NET REALISED GAINS / (LOSSES) FOR THE YEAR	(A - B = C)	3,194.53	2,481.26	3,067.84
4	Change in unrealised depreciation in value of investments (D)		(33.99)	287.56	83.78
5	NET GAINS / (LOSSES) FOR THE YEAR	(E = (C + D))	3,160.54	2,768.82	3,151.62
6	Change in unrealised appreciation in the value of investments (F)		2,430.03	(1,210.41)	793.25
7	NET SURPLUS / (DEFICIT) FOR THE YEAR	(E + F = G)	5,590.57	1,558.41	3,944.87
7.1	Add: Balance transfer from Unrealised Appreciation Reserve		3,301.67	4,512.08	246.76
7.2	Less: Balance transfer to Unrealised Appreciation Reserve		(5,731.70)	(3,301.67)	(1,040.01)
7.3	Add / (Less): Equalisation		(8,774.37)	(5,385.03)	(5,060.61)
8	Total		(5,613.83)	(2,616.21)	(1,908.99)
9	Dividend appropriation				
9.1	Income distributed during the year		2,415.35	777.65	1,097.50
9.2	Tax on income distributed during the year		-	-	251.08
10	Retained Surplus / (Deficit) carried forward to Balance sheet		(8,029.18)	(3,393.86)	(3,257.57)
			12,859.18		

The notes to accounts form an integral part of the accounts - Annexure I.

For S.R. BATLIBOI & CO. LLP
 Chartered Accountants
 ICAI Firm Registration No.: 301003E

**For and on behalf of Board of DSP
 BlackRock Trustee Company Private
 Limited**
For and on behalf of Board of DSP BlackRock Investment Managers Private Limited

 Sd/-
per Shrawan Jalan
 Partner
 Membership No.: 102102

 Sd/-
Shitin D. Desai
 Chairman

 Sd/-
S. S. Thakur
 Director

 Sd/-
Hemendra Kothari
 Chairman

 Sd/-
K. R. V. Subrahmanian
 Director

 Sd/-
Naganath Sundaresan*
 President & Chief Investment Officer

 Sd/-
Apoorva Shah*
 Fund Manager

 Sd/-
Vinit Sambre
 Fund Manager

 Sd/-
Dhawal Dalal**
 Fund Manager

Mumbai, 19 June 2014

Mumbai, 19 June 2014

Mumbai, 13 June 2014 * Signed on June 11, 2014

** Signed on June 05, 2014

DSP BLACKROCK MUTUAL FUND
NOTES TO ACCOUNTS – ANNEXURE I TO THE ABRIDGED BALANCE SHEET AND
ABRIDGED REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

ABRIDGED NOTES TO ACCOUNTS

1. Organisation:

DSP BlackRock Mutual Fund ('Fund') has been constituted as a trust on December 16, 1996 in accordance with the provisions of the Indian Trusts Act, 1882. DSP ADIKO Holdings Private Limited & DSP HMK Holdings Private Limited (collectively) and BlackRock Inc. (BlackRock) are the Sponsors, and DSP BlackRock Trustee Company Private Limited ('Trustee') is the Trustee to the Fund. The Trust Deed has been registered under the Indian Registration Act, 1908. The Fund was registered with SEBI on January 30, 1997 under the Registration Code MF/036/97/7.

DSP BlackRock Investment Managers Private Limited ('AMC') has been appointed as the asset management company to the Fund by the Trustee, vide Investment Management Agreement (IMA) dated December 16, 1996, as amended from time to time executed between the Trustee and the AMC.

2. As per the Securities & Exchange Board of India (SEBI) (Mutual Funds) (Amendment) Regulations, 2012, issued on February 21, 2012, the Eighth schedule to the regulations was amended to include "Principles of Fair Valuation" which required the mutual funds to value their investments in accordance with the specified overarching principles so as to ensure fair treatment to all investors including existing investors as well as investors seeking to purchase or redeem units of mutual funds in all schemes at all points of time.

In compliance with the said amendments and based upon the valuation methodology suggested by AMFI Committee on Valuation (as a guiding principle) for valuing Debt and Money Market instruments, the Fund has changed the basis of determination of market price for valuation of debt and money market securities, effective April 26, 2012.

3. Investments:

3.1 Investments of the schemes, except for Government Securities, are registered in the name of the Schemes/Trustees for the benefits of the schemes' unit holders.
Investments in Government Securities are held in the name of the fund.

3.2 List of DSP BlackRock Mutual Fund Schemes (Hybrid):

DSPBRBaIF - DSP BlackRock Balanced Fund and DSPBRMIPF - DSP BlackRock MIP Fund.

3.3 Investments made in securities of associates and group companies of the Sponsor or the AMC for the year:

a) Investments made in securities of associates companies of the Sponsor or the AMC for the year:

2013-2014

(₹ in Lacs)

Issuer	Nature of instrument	DSPBRBaIF	DSPBRMIPF	Total
Bajaj Finance Limited	EQUITY	245.76	140.06	385.82
	NCD	-	2,500.00	2,500.00
Cairn India Limited	EQUITY	290.58	-	290.58
Dr. Reddy's Laboratories Limited	EQUITY	1,477.17	530.13	2,007.30
IDFC Limited	EQUITY	672.66	44.92	717.58
	NCD	2,406.48	600.02	3,006.50
Infosys Limited	EQUITY	11,324.82	466.68	11,791.50
Mahindra & Mahindra Financial Services Limited	EQUITY	284.86	-	284.86

2012-2013

(₹ in Lacs)

Issuer	Nature of instrument	DSPBRBaIF	DSPBRMIPF	Total
Ambuja Cements Limited	EQUITY	290.58	-	290.58
Bajaj Finance Limited	EQUITY	108.57	-	108.57
Cairn India Limited	EQUITY	98.39	603.58	701.97
Crompton Greaves Limited	EQUITY	784.20	407.00	1,191.19
Dr. Reddy's Laboratories Limited	EQUITY	737.82	1,431.52	2,169.33
IDFC Limited	NCD	-	100.68	100.68
Infosys Limited	EQUITY	4,535.80	1,353.08	5,888.88
Mahindra & Mahindra Financial Services Limited	EQUITY	955.71	-	955.71
Max India Limited	EQUITY	671.58	270.40	941.98
Nestle India Limited	EQUITY	-	515.38	515.38
Tata Power Company Limited	EQUITY	481.18	820.43	1,301.61

b) Investments made in securities of group companies of the Sponsor or the AMC for the year:

2013-2014: NIL

2012-2013: NIL

3.4 Open position of securities borrowed and / or lent by the schemes:

As at March 31, 2014 : NIL

As at March 31, 2013 : NIL

3.5 Details of non-performing assets:

As at March 31, 2014 : NIL

As at March 31, 2013 : NIL

3.6 Aggregate unrealised gain / loss and percentage to net assets:

(₹ in Lacs)

Scheme	Unrealised gain/(loss) (Other than derivatives) (A)	Unrealised gain/(loss) (Derivatives) (B)	Total unrealised gain/loss C=A+B	% to Net assets	Unrealised gain/(loss) (Other than derivatives) (A)	Unrealised gain/(loss) (Derivatives) (B)	Total unrealised gain/loss C=A+B	% to Net assets
	As at March 31, 2014				As at March 31, 2013			
DSPBRBaIF	5,552.42	-	5,552.42	11.86%	3,155.26	1.13	3,156.38	5.46%
DSPBRMIPF	932.96	-	932.96	2.38%	55.94	-	55.94	0.10%

DSP BLACKROCK MUTUAL FUND
NOTES TO ACCOUNTS – ANNEXURE I TO THE ABRIDGED BALANCE SHEET AND
ABRIDGED REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

3.7 The aggregate value of investments purchased and sold (including redeemed) during the year and these amounts as a percentage of average daily net assets:

Scheme	Purchase (₹ in Lacs)		Sale (₹ in Lacs)		Purchase as a % to average daily net assets		Sale as % to average daily net assets	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
DSPBRBalF	120,345.78	121,806.70	133,266.42	135,156.92	228.27%	190.82%	252.78%	211.74%
DSPBRMIPF	127,455.32	137,341.33	140,055.02	107,660.41	256.02%	380.47%	281.33%	298.24%

Note: Purchase / sale does not include term deposits and derivative transactions.

3.8 Non-traded securities in the portfolio:

(₹ in Lacs)

Scheme	As at March 31, 2014						As at March 31, 2013					
	Equity	% to Net assets	Debt	% to Net assets	Money Market Instrument	% to Net assets	Equity	% to Net assets	Debt	% to Net assets	Money Market Instrument	% to Net assets
DSPBRBalF	-	-	8,695.87	18.58%	493.37	1.05%	1.76	0.00%	2,603.04	4.50%	3,463.94	5.99%
DSPBRMIPF	-	-	22,691.50	57.85%	493.37	1.26%	-	-	9,040.31	16.76%	4,994.17	9.26%

4. Details of transactions with associates in terms of regulation 25(8):

a) Disclosure regarding payment of commission for distribution of units and payment of brokerage for securities transactions pursuant to SEBI Circular No. SEBI/IMD/CIR No. 18/198647/2010 dated March 15, 2010 :

i) Brokerage paid to associates/related parties/group companies of Sponsor/Asset Management Company (AMC)

Name of associate/related parties/group companies of Sponsor/AMC	Nature of Association / Nature of Relation	April 01, 2013/Launch Date to March 31, 2014		April 01, 2012/Launch Date to March 31, 2013	
		Value of transaction (in ₹ Crore & % of total value of transaction of the fund)	Brokerage (₹ Crore & % of total brokerage paid by the fund)	Value of transaction (in ₹ Crore & % of total value of transaction of the fund)	Brokerage (₹ Crore & % of total brokerage paid by the fund)
Nil					

ii) Commission paid to associates/related parties/group companies of Sponsor/ Asset Management Company (AMC)

Name of associate/related parties/group companies of Sponsor/AMC	Nature of Association / Nature of Relation	April 01, 2013/Launch Date to March 31, 2014		April 01, 2012/Launch Date to March 31, 2013	
		Business given (₹ Crore & % of total business received by the fund)	Commission paid (₹ Crore & % of total commission paid by the fund)	Business given (₹ Crore & % of total business received by the fund)	Commission paid (₹ Crore & % of total commission paid by the fund)
Mahindra & Mahindra Financial Services Limited	Associate	452.61(0.18%)	0.05(0.04%)	775.54(0.4%)	0.07(0.05%)
Bajaj Finance Limited	Associate	0.00*(0.00%)	0.00(0.00%)	-	-

*amount is less than ₹ 50,000

Note: Commission on distribution and sale of units paid / payable represents the amount paid / payable for the year / period and does not necessarily reflect the amount charged to the scheme's revenue account.

b) Underwriting obligations undertaken by the Schemes with respect to issue of securities by associate companies during the year / period: Nil

c) Develvement during the year / period: Nil

d) Subscription by the Schemes in the issues lead managed by associate companies during the year / period: Nil

e) Subscription to any issue of equity or debt on private placement basis where the sponsor or its associate companies have acted as arranger or manager during the year period: Nil

5. Details of large holdings in the schemes (i.e. over 25% of the net assets of the schemes):

As at March 31, 2014 : NIL

As at March 31, 2013 : NIL

6. Unit capital movement during the year:

2013-2014

Scheme	Plan	Face value	Opening units	Units sold / switch in / NFO allotment	Redemption / switch out	Closing units
DSPBRBalF	Regular	10	189,567,418.016	12,678,047.859	58,311,116.442	143,934,349.433
DSPBRBalF	Direct	10	166,913.171	415,746.002	79,535.281	503,123.892
DSPBRMIPF	Regular	10	332,138,150.759	85,276,050.305	208,631,988.684	208,782,212.380
DSPBRMIPF	Direct	10	363,004.608	4,267,191.685	866,181.117	3,764,015.176

2012-2013

Scheme	Plan	Face value	Opening units	Units sold / switch in / NFO allotment	Redemption / switch out	Closing units
DSPBRBalF	Regular	10	224,011,773.116	21,846,357.001	56,290,712.101	189,567,418.016
DSPBRBalF	Direct	10	0.000	167,860.635	947.464	166,913.171
DSPBRMIPF	Regular	10	129,990,145.973	302,333,244.911	100,185,240.125	332,138,150.759
DSPBRMIPF	Direct	10	0.000	436,222.874	73,218.266	363,004.608

7. Contingent liability:

As at March 31, 2014 : NIL

As at March 31, 2013 : NIL

DSP BLACKROCK MUTUAL FUND
NOTES TO ACCOUNTS – ANNEXURE I TO THE ABRIDGED BALANCE SHEET AND
ABRIDGED REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

8. Details of Investments in Derivative Instruments:

2013-2014

Hedging Positions through Futures as on 31st March 2014 : Nil

For the period 01st April 2013 to 31st March 2014, following hedging transactions through futures have been squared off/expired : Nil

Other than Hedging Positions through Futures as on 31st March 2014 : Nil

For the period 01st April 2013 to 31st March 2014, following non-hedging transactions through futures have been squared off/expired :

Scheme	Total Number of contracts where futures were bought (opening balance)	Total Number of contracts where futures were bought	Total Number of contracts where futures were sold	Gross Notional Value of contracts where futures were bought	Gross Notional Value of contracts where futures were sold	Net Profit/Loss value on all contracts combined
DSP BlackRock Balanced Fund	46	4,155	4,201	1,381,934,866	1,407,491,307	25,556,440

Hedging Positions through Put Options as on 31st March 2014 : Nil

For the period 01st April 2013 to 31st March 2014, hedging transactions through options which have been squared off/expired : Nil

Other than Hedging Positions through Options as on 31st March 2014 : Nil

For the period 01st April 2013 to 31st March 2014, following non-hedging transactions through options have been squared off/expired :

Scheme	Underlying	Call/Put	Total Number of contracts entered into	Gross Notional Value of contracts entered into	Net Profit/Loss value on all contracts (treat premium paid as loss)
DSP BlackRock Balanced Fund	NIFTY	Put	8,969	52,309,181	(16,480,314)

Hedging Positions through swaps as on 31st March 2014 : Nil

Note : In case of derivative transactions, end of the day position on the date of such transaction is considered as the basis to assess the nature of transaction as hedge / non-hedge

Hedging Positions through Futures as on 31st March 2013 : Nil

For the period 01st April 2012 to 31st March 2013, following hedging transactions through futures have been squared off/expired :

₹ in Lacs

Scheme	Total Number of contracts where futures were bought	Total Number of contracts where futures were sold	Gross Notional Value of contracts where futures were bought	Gross Notional Value of contracts where futures were sold	Net Profit/Loss value on all contracts combined
DSP BlackRock MIP Fund	311	311	828.95	826.38	(2.57)

Other than Hedging Positions through Futures as on 31st March 2013

Scheme	Underlying	Long / Short	Futures Price when purchased	Current price of the contract	Margin maintained in ₹ Lakhs	Total exposure due to futures (non-hedging positions) as a percentage of net assets
DSP BlackRock Balanced Fund	INFOSYS LTD	Long	2,906.13	2,905.40	26.23	0.29%

For the period 01st April 2012 to 31st March 2013, following non-hedging transactions through futures have been squared off/expired :

Scheme	Total Number of contracts where futures were bought (opening balance)	Total Number of contracts where futures were bought	Total Number of contracts where futures were sold	Gross Notional Value of contracts where futures were bought	Gross Notional Value of contracts where futures were sold	Net Profit/Loss value on all contracts combined
DSP BlackRock Balanced Fund	282	2,077	2,359	6,034.35	5,997.25	(37.10)
DSP BlackRock MIP Fund	-	1,336	1,336	3,932.11	3,898.89	(33.22)

Hedging Positions through Put Options as on 31st March 2013 : Nil

For the period 01st April 2012 to 31st March 2013, hedging transactions through options which have been squared off/expired : Nil

Other than Hedging Positions through Options as on 31st March 2013 : Nil

Scheme	Underlying	Call/Put	Number of Contracts	Option Price when purchased	Current Option Price	Total exposure through options as a percentage of net assets
DSP BlackRock Balanced Fund	NIFTY	Put	436	78.60	83.95	0.03%

For the period 01st April 2012 to 31st March 2013, following non-hedging transactions through options have been squared off/expired :

Scheme	Underlying	Call/Put	Total Number of contracts entered into	Gross Notional Value of contracts entered into	Net Profit/Loss value on all contracts (treat premium paid as loss)
DSP BlackRock Balanced Fund	NIFTY	Call	850	25.46	(25.46)
DSP BlackRock MIP Fund	NIFTY	Call	393	11.65	(11.65)
DSP BlackRock Balanced Fund	NIFTY	Put	18,321	474.60	(443.25)
DSP BlackRock MIP Fund	NIFTY	Put	9,882	236.91	(210.65)

DSP BLACKROCK MUTUAL FUND
NOTES TO ACCOUNTS – ANNEXURE I TO THE ABRIDGED BALANCE SHEET AND
ABRIDGED REVENUE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2014

Hedging Positions through swaps as on 31st March 2013 : Nil

Note : In case of derivative transactions, end of the day position on the date of such transaction is considered as the basis to assess the nature of transaction as hedge / non-hedge

9. Prior period comparatives:

Prior period/year figures have been reclassified wherever necessary to conform to current year's presentation.

10. Details of significant item in Other income:

₹ in Lacs

Scheme Nature	2013 - 2014				2012 - 2013			
	Load Income	Missed Transaction	Miscellaneous Income	Total	Load Income	Missed Transaction	Miscellaneous Income	Total
DSPBRBalF	11.44	-	0.02	11.45	8.85	-	0.00*	8.85
DSPBRMIPF	79.43	-	0.00*	79.43	52.21	-	-	52.21

Note: * Amount is less than ₹ 500.

11. Expenses other than management fee are inclusive of service tax wherever applicable.

12. Signatories to financial statements in capacity as fund managers are as under:

Fund Managers	Scheme Name
Apoorva Shah & Dhawal Dalal	DSP BlackRock Balanced Fund
Dhawal Dalal & Vinit Sambre	DSP BlackRock MIP Fund

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E

**For and on behalf of Board of DSP
BlackRock Trustee Company Private
Limited**

For and on behalf of Board of DSP BlackRock Investment Managers Private Limited

Sd/-
per Shrawan Jalan
Partner
Membership No.: 102102

Sd/-
Shitin D. Desai
Chairman

Sd/-
S. S. Thakur
Director

Sd/-
Hemendra Kothari
Chairman

Sd/-
K. R. V. Subrahmanian
Director

Sd/-
Naganath Sundaresan*
President & Chief Investment Officer

Sd/-
Apoorva Shah*
Fund Manager

Sd/-
Dhawal Dalal**
Fund Manager

Sd/-
Vinit Sambre
Fund Manager

Mumbai, 19 June 2014

Mumbai, 19 June 2014

Mumbai, 13 June 2014

* Signed on June 11, 2014

** Signed on June 05, 2014

DSP BLACKROCK MUTUAL FUND
ABRIDGED CASHFLOW STATEMENT FOR THE YEAR APRIL 1, 2013 TO MARCH 31, 2014

₹ in Lacs

		DSP BlackRock Balanced Fund (DSPBRBalF)	
		Year ended 31.03.14	Year ended 31.03.13
A.	Cashflow from Operating Activity		
	Net income as per Revenue Account	5,590.57	1,558.42
	Add / (Less): Unrealised Appreciation reversed / (provided)	(2,430.03)	1,210.41
	Add / (Less): Unrealised loss provided / (written back)	33.99	(287.56)
	Net marked to market on outstanding derivatives	(1.17)	(14.89)
	Operating Profit Before Working Capital Changes	3,193.36	2,466.38
	Adjustments for:-		
	(Increase)/decrease in other current assets	(68.45)	196.94
	(Increase)/decrease in money market lending (deposits)	(12.48)	136.99
	(Increase)/decrease in investments	9,731.80	11,308.15
	Increase/(decrease) in current liabilities & provisions	(70.85)	(53.22)
	Net Cash Generated From / (used in) Operating Activities	12,773.38	14,055.24
B	Cashflow from Financing Activities		
	Increase/(decrease) in unit corpus	(4,529.69)	(3,427.74)
	Increase/(decrease) in unit premium	(9,679.65)	(6,379.05)
	Outstanding (receivable)/payables for unit corpus	(1.36)	307.91
	Dividend paid during the year/period (including dividend tax paid)	(2,417.95)	(773.73)
	Net Cash from / (Used in) Financing Activities	(16,628.65)	(10,272.61)
	Net Increase / (Decrease) in Cash & Cash Equivalents	(3,855.27)	3,782.63
	Cash and cash equivalents as at the beginning of the year / period	4,230.49	447.86
	Cash and cash equivalents as at the close of the year / period	375.22	4,230.49
	Net Increase / (Decrease) in Cash & Cash Equivalents	(3,855.27)	3,782.63
	Components in cash and cash equivalents		
	With banks - on current account	315.32	45.80
	With banks - fixed deposits	-	-
	Collateralised lending (reverse repurchase transactions) (Reverse Repo) / Collateralised Borrowing and Lending Obligations (CBLO)	59.90	4,184.69
		375.22	4,230.49

Note: The above cashflow statement has been prepared under the indirect method set out in Accounting Standard 3 - Cash Flow Statement, issued by the Institute of Chartered Accountants of India.

As per our attached report of even date

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration No.: 301003E

**For and on behalf of Board of DSP
BlackRock Trustee Company Private
Limited**

For and on behalf of Board of DSP BlackRock Investment Managers Private Limited

Sd/-
per Shrawan Jalan
Partner
Membership No.: 102102

Sd/-
Shitin D. Desai
Chairman

Sd/-
S. S. Thakur
Director

Sd/-
Hemendra Kothari
Chairman

Sd/-
K. R. V. Subrahmanian
Director

Sd/-
Naganath Sundaresan*
President & Chief Investment Officer

Sd/-
Apoorva Shah*
Fund Manager

Sd/-
Vinit Sambre
Fund Manager

Sd/-
Dhawal Dalal**
Fund Manager

Mumbai, 19 June 2014

Mumbai, 19 June 2014

Mumbai, 13 June 2014

* Signed on June 11, 2014

** Signed on June 05, 2014

DSP BLACKROCK MUTUAL FUND
KEY STATISTICS FOR THE YEAR ENDED MARCH 31, 2014

	DSPBRBaF				DSPBRMIPF			
	Year ended 31.03.14		Year ended 31.03.13		Year ended 31.03.14		Year ended 31.03.13	
	Regular	Direct	Regular	Direct	Regular	Direct	Regular	Direct
1. NAV per unit (₹):								
Open								
G	**66.693	**66.787	**65.342	^^	**22.6250	**22.6879	**21.0670	^^
DD	NA	NA	NA	NA	NA	NA	NA	NA
WD	NA	NA	NA	NA	NA	NA	NA	NA
MD	NA	NA	NA	NA	**11.3241	**11.3429	**11.2634	^^
QD	NA	NA	NA	NA	**12.1840	**12.2043	**11.9312	^^
D	**20.437	**20.471	**20.480	^^	NA	NA	NA	NA
High								
G	74.701	75.212	73.592	73.599	**24.5834	**24.7889	23.1004	23.1053
DD	NA	NA	NA	NA	NA	NA	NA	NA
WD	NA	NA	NA	NA	NA	NA	NA	NA
MD	NA	NA	NA	NA	11.7091	11.7390	11.7003	11.7028
QD	NA	NA	NA	NA	12.5382	12.5691	12.4400	12.4427
D	22.356	23.053	22.551	22.553	NA	NA	NA	NA
Low								
G	61.500	61.727	61.714	66.390	22.4285	22.5524	20.9732	22.5791
DD	NA	NA	NA	NA	NA	NA	NA	NA
WD	NA	NA	NA	NA	NA	NA	NA	NA
MD	NA	NA	NA	NA	10.8480	11.0027	11.0786	11.2885
QD	NA	NA	NA	NA	11.6813	11.7349	11.7984	12.1458
D	18.846	18.920	19.343	20.349	NA	NA	NA	NA
End								
G	74.701	75.212	**66.693	**66.787	**24.5834	**24.7889	**22.6250	**22.6879
DD	NA	NA	NA	NA	NA	NA	NA	NA
WD	NA	NA	NA	NA	NA	NA	NA	NA
MD	NA	NA	NA	NA	**11.3594	**11.6141	**11.3241	**11.3429
QD	NA	NA	NA	NA	**12.3206	**12.4146	**12.1840	**12.2043
D	20.622	23.053	**20.437	**20.471	NA	NA	NA	NA
** Refers to computed NAV								
2. Closing Assets Under Management (₹ in Lacs)								
End	46,812.23		57,846.34		39,223.30		53,943.76	
Average (AAuM)	52,719.85		63,801.98		49,783.38		36,068.86	
3. Gross income as % of AAuM¹	8.73%		6.29%		8.64%		9.04%	
4. Expense Ratio:								
a. Total Expense as % of AAuM (plan wise)	2.67%	2.14%	2.40%	2.09%	2.48%	1.92%	2.38%	1.89%
b. Management Fee as % of AAuM (plan wise)	1.73%	1.74%	1.50%	1.88%	1.57%	1.58%	0.69%	1.44%
5. Net Income as a percentage of AAuM²	6.06%		3.89%		6.16%		6.66%	
6. Portfolio turnover ratio³	2.28		1.91		2.56		2.98	
7. Total Dividend per unit distributed during the year								
Individuals & Hindu Undivided Family								
DD	NA	NA	NA	NA	NA	NA	NA	NA
WD	NA	NA	NA	NA	NA	NA	NA	NA
MD	NA	NA	NA	NA	0.719661	0.599661	0.660000	0.120000
QD	NA	NA	NA	NA	0.718986	0.718986	0.540001	-
D	2.200000	-	0.500000	-	NA	NA	NA	NA
Other Investors								
DD	NA	NA	NA	NA	-	-	-	-
WD	NA	NA	NA	NA	-	-	-	-
MD	NA	NA	NA	NA	0.670244	0.555318	0.565686	0.102852
QD	NA	NA	NA	NA	0.650645	0.650645	0.462837	-
D	2.200000	-	0.500000	-	-	-	-	-
8. Returns:								
a. Last One Year								
Scheme	11.91%	12.51%	2.07%	NA	8.45%	9.07%	7.42%	NA
Benchmark	13.29%	13.29%	8.23%	NA	6.44%	6.44%	9.12%	NA
b. Since Inception								
Scheme	14.50%	2.48%	14.69%	*(8.46)%	9.59%	6.35%	9.72%	*(1.08)%
Benchmark	NA	8.58%	NA	*(2.32)%	7.53%	5.74%	7.66%	* 0.65%
Benchmark Index	Crisil Balanced Fund Index				Crisil MIP Blended Index			

¹ Gross Income = amount against (A) in the Revenue account i.e. Income

² Net income = amount against (C) in the Revenue account i.e. NET REALISED GAINS/(LOSSES) FOR THE YEAR

³ Portfolio Turnover = Lower of Sales or Purchase divided by the Average AUM for the year.

⁴ AAuM = Average daily net assets

G- Growth, D- Dividend, DD- Daily Dividend, WD- Weekly Dividend, MD- Monthly Dividend, QD- Quarterly Dividend

^^ Since the scheme/plan has been launched in current year there is no opening NAV.

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

This Page is left Blank

Fill in this form to update your details
CUSTOMER DETAILS UPDATION FORM

1. APPLICANT'S DETAILS

Folio No	Name of Sole/First Applicant (First / Middle / Surname)	Title <input type="checkbox"/> Mr. <input type="checkbox"/> Ms. <input type="checkbox"/> M/s
<input type="text"/>	<input type="text"/>	<input type="text"/>

2. CONTACT DETAILS

Email ID (in capital)	<input type="text"/>
Mobile No.	+ 9 1 <input type="text"/> Tel.: <input type="text"/> STD (CODE) <input type="text"/> TELEPHONE NO. <input type="text"/>

3. DECLARATION & SIGNATURES (as existing in records)

I/we hereby request DSP BlackRock Mutual Fund and Registrar to update the details in the folio/s as mentioned above.

Sole/First Holder	Second Holder	Third Holder
-------------------	---------------	--------------

Please fill the below form to register for the OTM facility. Mention your bank account details, folio number, your daily limit for investment amount, email id/mobile number, name/s and signature.

Broker ARN Code	Sub Broker ARN Code	Branch/RM/Internal Code	EUIN	For Office use only
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

The following Mandate needs to be submitted only once for registration with or without SIP form. Once the mandate is registered, investor need not submit mandate again and can do lump sum investments, start new SIP registrations, using Physical Forms, Call, SMS or Online.

DSP BLACKROCK
MUTUAL FUND

Debit Mandate Form NACH/ECS/DIRECT DEBIT
[Applicable for Lumpsum Additional Purchases as well as SIP Registrations]

Date

UMRN Office use only

Tick(✓)	Sponsor Bank Code	Office use only <input type="text"/>	Utility Code	Office use only <input type="text"/>
<input type="checkbox"/> CREATE <input type="checkbox"/> MODIFY <input type="checkbox"/> CANCEL	I/We hereby authorize:	<input type="text"/> DSP BLACKROCK MUTUAL FUND Schemes	to debit (tick✓)	<input type="text"/> SB / CA / CC / SB-NRE / SB-NRO / Other

Bank A/c No.:

With Bank: Bank Name & Branch IFSC OR MICR

an amount of Rupees ₹

FREQUENCY Mthly Qtrly H. Yrly Yrly As & when presented DEBIT TYPE Fixed Amount Maximum Amount

Reference 1 Folio No: Mobile

Reference 2 Appln No: Email id

PERIOD

From

to

or Until Cancelled

1. Sign
Name (mandatory):

2. Sign
Name (mandatory):

3. Sign
Name (mandatory):

Declaration: I/We hereby declare that the particulars given on this mandate are correct and complete and express my willingness and authorize to make payments referred above through participation in NACH/ECS/Direct Debit/Standing Instructions. I/We hereby confirm adherence to the terms of OTM Facility offered by DSP BlackRock Mutual Fund and as amended from time to time and of NACH/ECS (Debits)/Direct Debits /Standing Instructions.
Authorisation to Bank: This is to inform that I/We have registered for ECS / NACH (Debit Clearing) / Direct Debit / Standing Instructions facility and that my/our payment towards my/our investment in DSP BlackRock Mutual Fund shall be made from my/our above mentioned bank account with your Bank. I/We authorize the representatives of DSP BlackRock Mutual Fund carrying this mandate form to get it verified and executed. I/We authorize the bank to debit my account for any charges towards mandate verification, registration, transactions, returns, etc., as applicable.

Please attach a cancelled cheque/cheque copy

Acknowledgement

Investor Name:

DEBIT MANDATE FORM SIP FORM

DSP BlackRock Mutual Fund

Folio No/Application No.

ISC Stamp

OTM ONE TIME MANDATE

Now, you can invest by just using a simple tick mark (✓).

Register for the **One Time Mandate (OTM)** facility by filling the above form and invest with us without the need to sign a cheque!
Visit dspblackrock.com/otm to know more.