

DSP Merrill Lynch Fund Managers Limited
Balance Sheet as at 31st December, 2005

	Schedule No.	As at 31.12.2005 Rs. '000	As at 31.12.2004 Rs. '000
I. SOURCES OF FUNDS			
1. Shareholders' Funds			
(a) Share Capital	1	200,000	200,000
(b) Reserves & Surplus	2	19,978	11,239
2. Loan Funds			
Secured Loans	3	4,501	6,676
		224,479	217,915
II. APPLICATION OF FUNDS			
1. Fixed Assets			
Gross Block	4	80,009	65,380
Less : Depreciation / Amortisation		47,803	40,315
Net Block		32,206	25,065
2. Investments	5	170,951	191,844
3. Deferred Tax Asset (net)		3,818	4,759
4. Current Assets, Loans & Advances			
I. Current Assets			
(a) Sundry Debtors	6	188,812	68,541
(b) Cash & Bank Balances	7	4,840	9,867
II. Loans and Advances	8	98,659	72,260
	(A)	292,311	150,668
Less : Current Liabilities & Provisions			
(a) Current Liabilities	9	255,053	136,474
(b) Provisions	10	19,775	18,048
	(B)	274,828	154,522
Net Current Assets	(A - B)	17,483	(3,854)
5. Miscellaneous Expenditure (to the extent not written off or adjusted)			
Preliminary Expenses	11	21	101
		224,479	217,915
Significant accounting policies & notes on accounts	16		

Schedules 1 to 16 annexed hereto form part of these accounts

As per our attached report of even date

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors

N.P. Sarda
Partner
Membership no. 9544

Hemendra Kothari
Chairman

K.R.V. Subrahmanian
Director

Rashmi Poduval
Manager & Company
Secretary

Mumbai
23rd February, 2006

Mumbai
23rd February, 2006

DSP Merrill Lynch Fund Managers Limited
Profit & Loss Account for the year ended 31st December, 2005

	Schedule No.	Current Year Rs. '000	Previous Year Rs. '000
INCOME			
Investment / Portfolio Management / Advisory Fees [Tax Deducted at Source Rs. 20,031,045/- (Previous Year - Rs. 19,057,857/-)]		393,668	338,534
Dividend on Units (Current Investments)		6,356	7,309
Profit on Sale of Current Investments (net)		445	-
Profit on Fixed Assets Sold / Discarded (net)		357	39
Write Back of Provision for Diminution in Value of Investments		615	1,648
Foreign Exchange Fluctuation (net)		264	-
Interest Income	12	261	1,540
	(A)	401,966	349,070
EXPENDITURE			
Scheme Expenses (net)	13	88,371	125,602
Employee Costs	14	166,433	125,973
Administrative and Other Expenses	15	120,940	95,490
Depreciation / Amortisation		11,978	9,847
Interest Expenses on Fixed Loans		439	497
Preliminary Expenditure written off		80	80
	(B)	388,241	357,489
PROFIT / (LOSS) BEFORE TAXATION	(A - B)	13,725	(8,419)
Provision for Taxation			
- Current Tax		1,216	3,518
- Fringe Benefit Tax		2,073	-
- Deferred Tax expense / (credit) (net)		941	(210)
		4,230	3,308
PROFIT / (LOSS) AFTER TAX EXPENSE OF CURRENT YEAR		9,495	(11,727)
Provision for tax of earlier years		756	250
NET PROFIT / (LOSS)		8,739	(11,977)
BALANCE BROUGHT FORWARD		8,839	20,816
BALANCE CARRIED TO BALANCE SHEET		17,578	8,839
Weighted average number of equity shares outstanding during the year		20,000,000	20,000,000
Basic and Diluted Earnings per share of Rs. 10/- each (in Rs.)		0.44	(0.60)
Significant accounting policies & notes on accounts	16		

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