

**DBS Chola Small Cap Fund**

A 3 years close ended equity fund with an automatic conversion into an open ended scheme on expiry of 3 years from the date of allotment

**New Scheme Offer Opens on : 20<sup>th</sup> November, 2007**

**New Scheme Offer Closes on : 20<sup>th</sup> December, 2007**

Initial issue of units at Rs.10/- per unit.

**DISTRIBUTOR INFORMATION** (Only empanelled Distributors / Brokers will be permitted to distribute Units)

**Application No.**

<b>Distributor / Broker ARN</b> ARN -	<b>Sub-Broker Code</b>	<b>Bank Serial No.</b>
--	------------------------	------------------------

**1 EXISTING UNITHOLDER INFORMATION** (Please fill in your Folio No. below. Please furnish PAN details in Section 2 & 3 and then proceed to section 4)

Please note that applicant details and mode of holding will be as per existing Folio Number.

<b>Folio No.</b>	<b>Name of Sole / First Unitholder</b>
------------------	--

**2 SOLE / FIRST APPLICANT'S PERSONAL DETAILS** (Please fill in Block Letters. Use one box for one alphabet leaving one box blank between two words)

**Name** Mr Ms M/s

**PAN \*\*** Date of Birth 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

 Gender (please  )  Male  Female

Enclosed copy (please  ) (refer instruction D)  PAN proof OR  Form 60  Form 61  Form 49A

**Guardian Name** (if Sole / First applicant is a Minor) **Contact Person** (in case of Non-individual Investors only) (PAN not required for contact person)

**Name** Mr Ms M/s

**PAN \*\*** Date of Birth 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

 Gender (please  )  Male  Female

Enclosed copy (please  ) (refer instruction D)  PAN proof OR  Form 60  Form 61  Form 49A

Nationality Country of Residence

**Address for correspondence** [P.O. Box Address is not sufficient]

City Pin Code

State Country

**Contact Details**

Phone O Extn. Fax

Phone R Mobile

I/We wish to receive updates via SMS on my mobile (Please  )

**e-mail**

**Overseas Address** (Mandatory in case of NRI / FII applicant in addition to mailing address)

State Country Zip Code

**Status** (please  )  Resident Individual  Minor  Partnership  Company  HUF  FII  NRI  Trust  Society  AOP / BOI  Others

**Occupation of Sole / First Applicant** (please  )  Private Sector  Service  Public Sector / Government Service  Business

Professional  Agriculturist  Retired  Housewife  Student  Forex Dealer  Others (Please specify)

**3 JOINT APPLICANTS' DETAILS**

**Second Applicant**

**Name** Mr Ms M/s

**PAN \*\*** Date of Birth 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

 Gender (please  )  Male  Female

Enclosed copy (please  ) (refer instruction D)  PAN proof OR  Form 60  Form 61  Form 49A

**Third Applicant**

**Name** Mr Ms M/s

**PAN \*\*** Date of Birth 

D	D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---	---

 Gender (please  )  Male  Female

Enclosed copy (please  ) (refer instruction D)  PAN proof OR  Form 60  Form 61  Form 49A

**Mode of Holding** (please  )  Single OR  Joint OR  Anyone or Survivor

\*\*PAN is mandatory for all investments. For more details refer to Instruction D.

**ACKNOWLEDGEMENT SLIP (To be filled by the Applicant)**

**Application No.:**

Received from Mr / Ms. / M/s .....

an application for Units of **DBS Chola Small Cap Fund Option** (please  )  Dividend Payout OR  Dividend Reinvestment<sup>#</sup> OR  Cumulative\*

alongwith Cheque/DD No. .... Dated ..... Drawn on (Bank) .....

..... Amount (Rs.)..... **Please Note** : All Purchases are subject to realisation of cheque

<sup>#</sup> Only after scheme becomes open ended \*Default Option, if not ticked

Signature, Stamp & Date

**4 PoA HOLDER DETAILS (if the investment is being made by a Constituted Attorney please furnish name of PoA holder)**

Name Mr Ms/Ms \_\_\_\_\_ Date of Birth           Gender (please  Male  Female  Female)

**5 BANK ACCOUNT DETAILS (MANDATORY as per SEBI Guidelines)**

A/c No. \_\_\_\_\_ A/c Type (pls  Resident:  Current  Savings Non-Resident :  NRO  NRE  FCNR  
 Bank Name \_\_\_\_\_  
 Branch Address \_\_\_\_\_ City \_\_\_\_\_  
 MICR Code \_\_\_\_\_ This is a 9 digit number next to your Cheque No. IFSC Code \_\_\_\_\_

**ELECTRONIC CLEARING SERVICES (ECS)\*** (\*Only in select cities) : I/We authorise DBS Chola Mutual Fund to credit my / our dividend through ECS (please )  
 The 9 digit MICR Code number of my / our Bank & Branch is \_\_\_\_\_  
 Account to Account transfer facility for redemptions available: (Please tick, any one)  HDFC Bank  ICICI Bank

**6 INVESTMENT DETAILS**

Scheme Name **DBS CHOLA SMALL CAP FUND** Option (please )  Cumulative\* OR  Dividend Payout OR  Dividend Reinvestment#  
\*Default Option, if not ticked # Only after scheme becomes open ended

**7 PAYMENT OPTIONS (Please ensure there is only one Cheque / DD per application form) (Refer instruction B)**

Investment Amount (Rs.) \_\_\_\_\_ DD charges (Rs.) \_\_\_\_\_ Net Amount (Cheque / DD amount) (Rs.) \_\_\_\_\_  
 Mode of Payment  Cheque / DD / Fund Transfer / \_\_\_\_\_ Cheque/DD\* No. \_\_\_\_\_ Dated \_\_\_\_\_  
 Drawn on Bank \_\_\_\_\_ Branch \_\_\_\_\_ City \_\_\_\_\_ For NRI Investors Only (please  NRO  NRE

\*Please mention the application No. on the reverse of the Cheque / DD.  
 Cheque/DD must be drawn in favour of **DBS Chola Small Cap Fund** and crossed 'account payee only'.  
 The details of the bank account provided above pertain to my / our own bank account in my / our name  Yes  No. If No, my relationship with the bank account holder is  Spouse  Child  Parent  Relative  Sibling  Friend  Others. **Application Form without this information may be rejected.**

**8 NOMINATION DETAILS (To be filled in by Individual(s) applying singly or jointly)**

I/We \_\_\_\_\_ and \_\_\_\_\_ \* do hereby nominate the undermentioned nominee to receive the units allotted to my/our credit in my Folio in the event of my/our death. (\*strike out which is not applicable)

Name and Address of Nominee	To be furnished in case Nominee is a Minor (delete if not applicable)
Name _____	Name of Guardian _____
Address _____	Address of Guardian _____
Date of Birth (in case Nominee is a minor) _____	Signature of Guardian _____

**9 OTHER SERVICES (Optional)**

**E-mail Service** (please )  
 I/We wish to receive the following documents via e-mail in lieu of physical document(s)  
 Account Statement\*  All other Statutory Communications  Marketing Updates  
 \* Will be send monthly - on the first day of the month  
**e-mail** \_\_\_\_\_

**Other E-mail Services** (please )  
 Daily NAV  Weekly Market Review  Event Updates  
**T-PIN Services** (please )  
 Would you like a T-PIN assigned?   
 (T-PIN : For Internet based Transactions)

**10 DECLARATION AND SIGNATURES**

I / We have read and understood the contents of the Offer Document of the Scheme of DBS Chola Mutual Fund. I / We hereby apply to the trustee of DBS Chola Mutual Fund for units of respective Scheme of DBS Chola Mutual Fund, as indicated above and agree to abide by the terms, conditions, rules and regulations of the relevant Scheme. I / We hereby declare and confirm that the amount invested in the scheme indicated above is in no way in contravention of any Act, rules, Regulations, Notifications or Directions of the provisions of the Income Tax Act, Anti Money Laundering Laws or any other applicable laws enacted by the Government of India from time to time. I / We have understood the details of the scheme and I / We have not received nor have been induced by any rebate or gifts, directly or indirectly in making this investment. I / We confirm that the funds invested in the Scheme, legally belong to me / us. If the fund is not satisfied with regard to the completion of the "Know Your Customer" process for me / us, I / We hereby authorize the Mutual Fund to redeem the funds invested in the Scheme at the applicable NAV prevailing on the date of such redemption and initiate such other action that may be required by the law.  
**Applicable to NRIs only** : I / We\* confirm that I am / we are\* Non-Resident of Indian Nationality / Origin and I/we\* hereby confirm that the funds for subscription have been remitted from abroad through normal banking channels or from funds in my / our\* Non-Resident External / Ordinary Account / FCNR Account.  
**Applicants other than Individuals/HUF**: I/We certify that as per the Memorandum and Articles of Association of the Company, byelaws, trust deed or Partnership Deed and resolutions passed by the Company / firm / trust I/we are authorized to enter into this transaction for and on behalf of the Company / firm / trust.  
 Please ( Yes  No If yes, ( Repatriation basis  Non-Repatriation basis)  
 \* to be deleted if not applicable Date : \_\_\_\_\_

**SIGNATURES**

Sole / First Applicant / Guardian \_\_\_\_\_

Second Applicant \_\_\_\_\_

Third Applicant \_\_\_\_\_

**DBS CHOLA MUTUAL FUND - BRANCHES**

• **Ahmedabad** : 101, First Floor, Chandan House, Above Kotak Mahindra Bank, Opp. Pantaloon, Mithakhali Six Roads, Ellisbridge, Ahmedabad-380 009 Tel.: 079-26561295/9898046210 • **Bangalore** : 28/1 Kensington Road, Diagonally Opp. Gurudwara, Ulsoor Road, Bangalore-560 042 Tel.: 080-41811050-55 • **Chandigarh** : SCO 23-24-25, 3rd Floor, Sector- 34A Chandigarh-160 022 Tel.: 0172-3208979/9878406940 • **Chennai** : Dare House, No. 2, NSC Bose Road, Parry's, Chennai-600 001 Tel.: 044-25307402/5 • **Coimbatore** : Fourth Floor, Sri Arthanari Towers, No.114, Race Course Road, Coimbatore-641 018 Tel.: 0422 - 4292471/9994997599 • **Delhi** : 907, 9th Floor, Kanchanjunga Bldg, Barakhamba Road, New Delhi- 110 001 Tel.: 011- 23353048, 23353049 • **Hyderabad** : 5th Floor, V. V. VintageBoulevard, 6-3-1093, Raj Bhavan Road, Somajiguda, Secunderabad-500 082 Tel.: 040-66737001/9849020815 • **Jaipur** : 224, Ganpati Plaza, MI Road, Opp. AIR, Jaipur-302 001 Tel.: 0141-5103275/7677/9829422699 • **Kanpur** : 32/16, ChowkChawal Mandi, Kanpur 208 001 Tel.: 9839296100 • **Kochi** : 39 / 4164, 1st Floor, Shema Building, Sreekanthath Road In., Ravipuram, M.G. Road, Kochi-682016 Tel.: 0484-6533130/9895553190 • **Kolkata** : Pradip Estates, 3rd Floor, Chabildas Towers, 6A Middleton Street, Kolkata 700 071 Tel.:033 -22837370 / 71 • **Lucknow** : Marigold Building, Door No. 4, 2nd Floor,Shahnajaf Road, Above Narulla's Restaurant, Lucknow - 226 001 Tel.: 0522-3258293/9839296100 • **Ludhiana** : 333, Model Gram, Ludhiana-141 001 Tel.: 9815947016 • **Madurai** : No. 4/5 Aaparna Annex Towers, 1st Floor, Bye Pass Road, Madurai-625 010 Tel.: 0452-2301378/4353551/9865966013 • **Mangalore** : 2 & 3, Second Floor, Trade Centre, Bunts Hostel Road, Mangalore -575 003 Tel.: 080 - 41811056 • **Mumbai**: H.O.: World Trade Centre, Centre 1, 27th Floor, Unit 1, Cuffe Parade, Colaba, Mumbai-400 005 Tel.: 022-66574000 • **Mumbai** (Branch) : Flat No. 10, 3rd Floor, Kasturji Bldg., Opp. H P House, Churchgate, Mumbai-400 020 Tel.: 022-66104940, 22029007 • **Pune** : Shrinath Plaza, Office No. 106/110, 5th Floor, Dnyaneshwar Paduka Chowk, Dnyaneshwar Mangal Karyalaya, Fergusson College Road, Shivaji Nagar, Pune 411 004 Tel.: 020-32912911/25510468 • **Salem** : New No. 9, Rajaji Road, Near Four Road, Peramanur, Salem-636 007 Tel.: 0427-6502660/9965540667 • **Trichy** : No.41, 2nd Floor, TAB Complex, Bharathiar Salai, Cantonment, Trichy-620 001 Tel.: 0431-2410427/9940868577 • **Vadodara** : 113/114, Centre Point, R. C. Dutt Road, Alkapuri, Vadodara-390 005 Tel.: 0265-2351740/9898598644

## DBS Chola Small Cap Fund

A 3 years close ended equity fund with an automatic conversion into an open ended scheme on expiry of 3 years from the date of allotment

**New Scheme Offer Opens on : 20<sup>th</sup> November, 2007**  
**New Scheme Offer Closes on : 20<sup>th</sup> December, 2007**

### INSTRUCTIONS

**(A) MINIMUM APPLICATION AMOUNT SHOULD BE: Rs. 5,000/- and in multiples of Re.1/- thereafter.**

**(B) PAYMENT PROCEDURE**

- Payment may be made by MICR cheque/DD drawn on/made payable at all those places where the **Collection Centres** are located. THE CHEQUE/DD MUST BE DRAWN IN FAVOUR OF "DBS CHOLA SMALL CAP FUND" AND CROSSED "ACCOUNT PAYEE & NOT NEGOTIABLE". No outstation cheques will be accepted.
- Default Option :  
The application will be taken in Cumulative Option in case the Option is not mentioned.
- Application forms duly completed in all respects may be submitted at :  
During the NFO: Only at AMC Offices and Banks Collection Centres as mentioned herein.
- The applicants are requested to note the following points before submitting the applications to any of the collection centres.
  - Cash, stockinvests, Post dated Cheques, Money Orders and Postal Orders will not be accepted and such applications will not be considered for allotment.
  - Cheques once returned in clearing will not be re-presented and the accompanying applications may not be considered for allotment.
- Applications which are incomplete are liable to be rejected and the Trustee Company of DBS Chola Mutual Fund shall not be responsible for any consequences thereof.
- Where an application is rejected in full or in part, application money will accordingly be refunded to the applicant. No interest will be paid on the amount so refunded. Letters of regret together with Refund Cheques/Orders if any, will be despatched by post. Refund will be made by cheques or pay order drawn on the Bankers of DBS Chola Mutual Fund.
- The right to accept or reject any application in whole or in part lies with the Trustee Company.

**(C) APPLICATION DETAILS**

- Please write the Applicant's Name & Application Serial Number on the reverse of the Cheque/Demand Draft.
- Please mention the Pin Code Number in the Address column.
- All communications and/or payments will be made to the sole/first applicant.
- Signatures should be in English or in any Indian language, thumb impressions must be attested by a Magistrate/Notary Public under his/her official seal. In case of HUF, the Karta should sign on behalf of the HUF. In case of Partnership Firms, the Partner should sign on behalf of the Partnership Firm. Similarly, for the Association of Persons (AoP), Company etc. the application must be signed by the Authorised Signatory/Signatories as applicable.
- Individual(s) as Applicant/unit holder only can make nomination. Nominee must be an individual and not a trust, society, body corporate partnership firm, Karta of Hindu Undivided Family or a power of Attorney Holder. Nomination stands rescinded upon transfer/Redemption/Switchover of Units.
- Where the units are held in the names of two or three persons, such persons shall be deemed to hold the units on first holder basis. In case of HUF/Partnership Firm/AoP/Company, etc. no joint holding will be considered. **All tax exemptions can be availed of only by the First holder in case of additional holdings.**
- In case of applications under Power of Attorney or by a Limited Company or by a Corporate Body or Eligible Institution or a Registered Society or a Trust or a Fund the original Power of Attorney or the certified copy thereof duly notarised and the relevant resolution or authority to make the application, as the case may be including authority granted in favour of the officials signing the application and their specimen signature etc., or duly certified copy thereof along with a certified copy of the Memorandum and Articles of Association and/or bye-laws and/or trust deed and/or partnership deed and certificate of registration must be lodged at the office of the Registrar, quoting the serial number of application simultaneously with the submission of the Application Form, failing which the application is liable to be rejected.
- In case of application with more than one holder, if the 'Mode of Holding/Option' is not ticked, the default option would be Joint.

**(D) PAN mandatory for all investors**

As per SEBI Circular dated April 27, 2007, Permanent Account Number (PAN) has been made the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction, effective July 02, 2007. SEBI has further clarified that the existing and potential investors who do not have PAN, should apply for PAN immediately and furnish evidence of having applied for PAN while transacting in securities market until December 31, 2007.

In view of the above, with effect from July 2, 2007, it is mandatory for all existing and prospective investors (including joint holders, guardians of minors and NRIs) investing any amount less than Rs. 50000 to enclose a copy of PAN card or a copy of the evidence of having applied for PAN Card (acknowledgement copy of Form 49A) to the application for investing in mutual fund schemes. In case the amount of investment is Rs. 50000 or more in case of non availability of PAN, acknowledgement copy of Form 49A (evidence of having applied for PAN) along with a declaration in Form 60/61 with address proof should be attached. The copy of the PAN card as required above shall be attested (with ARN No. and Seal) by the distributor/broker through whom transaction is done or by a bank manager or by judicial authority or if the transaction is done directly at the office of the DBS Chola Mutual Fund or at Investor Service Centers of /

Transaction points of CAMS (Registrar), the original PAN card may be produced for verification.

Transactions by unit holders/investors who fail to submit copy of PAN or evidence of having applied for PAN as explained above are liable to be rejected. **Furnishing copy of PAN Card is mandatory with effect from January 01, 2008 else application liable for rejection.**

**(E) Know Your Customer**

Know Your Customer (KYC) policy is applicable for the prevention of money laundering. As per the provisions of SEBI Guidelines, mutual funds have to follow enhanced Know Your Clients (KYC) procedure.

Investors investing Rs. 50000/- or more will have to obtain a letter from CVL (CDSL Ventures Limited) confirming that the KYC requirements have been complied with. The said letter will be issued by CVL based on the following:

- Photo, (ii) Proof of Identity, (iii) Proof of Address (iv) Copy of PAN Card (v) Information with regard to financial status and other demographic details (vi) Any other information and/or documentation to establish identity of any unit holder
- A common application form has been designed for this purpose. You may please obtain a copy of this form, from our website [www.dbscholamutualfund.com](http://www.dbscholamutualfund.com).

The AMC, under powers delegated by the Trustee, shall have absolute discretion to reject any application, prevent further transactions by a unit holder, if after due diligence, the investor / unit holder / a person making the payment on behalf of the investor does not fulfill the requirements of the KYC policy or the AMC believes that the transaction is suspicious in nature with regard to money laundering.

The Scheme will adhere to such guidelines / procedures as may be issued by AMFI / any other regulatory authority in this regard from time to time. **With effect from January 2, 2008 any application of Rs. 50,000 and above received without complying KYC formalities is liable for rejection.**

**(F) BANK ACCOUNT DETAILS**

It shall be mandatory for the Unitholders to mention their bank account numbers in their applications/requests for redemptions. Unitholders are requested to give the full particulars of their Bank Account i.e. nature of account, Account Number, Nine digit Bank Code Number (For Electronic Credit Facility), branch address of the bank at the appropriate space in the application form. To facilitate direct credit payments please enclose a cancelled cheque. Any application for subscription /request for redemption without Bank account details will be rejected by the mutual fund.

**For faster dissemination of information, Unitholders are requested to provide their e-mail IDs.**

### CHECKLIST

Please ensure that:

- Your name and address is given in full.
- Copy of PAN is given. Otherwise your application will be rejected.
- KYC formalities is completed in case your investment is Rs. 50,000 & more
- Your bank account details are entered completely and correctly. This is mandatory, if this is not included your application will be rejected.
- Your preferred option is selected.
- Your investment is not less than the minimum investment amount.
- Your application is completed and signed by all applicants.
- Cheques/DD are drawn in favour of DBS Chola Small Cap Fund dated and signed.
- On the reverse of each cheque/DD submitted write the First Applicant's name and the Application Form number.

**Accompanying documents**

Please submit the following documents with your application (where applicable). All documents should be original / true copies certified by a Director / Trustee / Company / Secretary / Authorised Signatory.

Documents	Companies	Societies	Partnership Firms	Investments through POA	Trusts	NRI	FIs
Copy of PAN	✓	✓	✓	✓	✓	✓	✓
KYC formalities is completed in case your investment is Rs. 50,000 & more	✓	✓	✓	✓	✓	✓	✓
Resolution/Authorisation to invest	✓	✓	✓		✓		✓
List of Authorised Signatories with Specimen signature(s)	✓	✓	✓	✓	✓		✓
Memorandum & Articles of Association	✓						
Trust Deed					✓		
Bye-laws		✓					
Partnership Deed			✓				
Overseas Auditors' Certificate							✓
Notarised Power of Attorney				✓			
Bank confirmation of Non-Resident Account Type/FIRC						✓	

## HDFC BANK - COLLECTION CENTRES (FOR NFO ONLY)

**Aligarh** : 3-316 Ramghat Road, Near Devi Tray Hospital, Aligarh 202 001. **Agra** : Shop No F3,F3-A, 1st Floor, Friend's Plaza , Sanjay Place, Agra 282 002. **Ahmedabad** : HDFC Bank House, Near MithakaliSix Roads, Navrangpura 380 009. **Ahmednagar** : Amber Plaza, Station Road, Opp. ADCC Bank Sahakar Gruh, Ahmednagar 414 001. **Ajmer** : AMC No - 13/10 & 14/10, Near Suchma Kendra, Adajest ToSwami Complex, Ajmer 305 001. **Akola** : Sethi Heights, Opp. To Collector Office, Z. P. Road, Akola 444 001. **Allahabad** : 54/1 S.P. Marg Civil Lines, Allahabad 211 003. **Alwar** : Bhagat Singh Circle, RoadNo.2, Alwar 301 001. **Ambala** : Shingar Palace Complex, Nicholson Road, Ambala Cantt 133 001. **Amravati** : C/o. Rasik Plaza, Jaistambh Chowk, Morshi Road, Amravati 444 601. **Amritsar** : 1st Floor, R.S.Towers, Hall Bazar, Amritsar 143 001. Anand : 1st Floor, Sanket Towers, Opp. Anand Arts College, Grid Road, Anand 388 001. **Ankleshwar** : S. A. Motors Building, S. A. Motors Building, Ankleshwar 395002. **Asansol** : CMS Dept, P.C. Chatterjee Market , G.T. Road, Rambhandar Tala, Asansol 713 303. **Aurangabad** : Shivani Chambers, Manjeet Nagar, Jalna Road, Opp. Akashwani, Aurangabad 431 001. **Balasoer** : C/o. Bharat Motors, F.M. Circle, Balasoer 756 001. **Bangalore** : No. 8 / 24 Salco Centre, Richmond Road, Bangalore 560 025. **Bardoli** : Shree Ambika Niketan Temple, Shree Ambika Niketan Temple, Bardoli 394 601. **Barielly** : 154 , Krishna Palace, Civil Lines, Bareilly 243 001. **Baroda** : 5th Floor, Midway Heights, Next To Panchmukhi Hanuman Temple, Lokmanya Tilak Road, Kirti Mandir, NearKala Ghoda, Raopura, Baroda - 390 001. **Belgaum** : 3 RD Floor , Khimjibhai Complex 0 Belgaum 590 006. **Bharuch** : Near Octroi Naka, Link Road, Bharuch 392 001. **Bhatinda** : 3027- B Guru Kanshi Marg, Bhatinda 151 001. **Bhavnagar** : Gopi Arcade, Opp. Takhteshwar Post Office, Bhavnagar. **Bhilwara** : 2-3-4 , S.K. Plaza Complex, Pur Road, Bhilwara. **Bhiwadi** : SP 54 Ashiana Arcade,Riico Industrial Area, Bhiwadi 301 019. **Bhopal** : E - 1/57, Arera Colony, Bhopal 462 016. **Bhubaneswar** : Junction of Janpath & Gandhi Marg, Hotal Jajati Complex, Kharvelanagar, Unit - III, MasterCanteen Square, Bhubaneswar 751 001. **Bhuj** : 101 & 102 Sunrise Tower, 11 - Vijaynagar Society, Hospital Road, Bhuj 370 001. **Bokaro** : B-9 City Centre, Sector IV, B - 9, City Center, Sector IV, Bokaro SteelCity, Bokaro 827 004. **Burdwan** : 45 G.T. Road, Birhata, Burdwan 713 001. **Calicut** : Malabar Palace, G.H. Road, Calicut 673 001. **Chalakudy** : Police Station Road, Chalakudy 680 307. **Chandigarh** : SCO 371/372, Sector 35 - B, Chandigarh 160 034. **Changanachery** : CMS Dept, Golden Tower, Golden Tower , M.C. Road,Vezhakattiuchira, Changanachery 686 101. **Chengannur** : Govt Hospital Junction, Chengannur 689 121. **Chennai** : 751 - B Anna Salai, Mariam Centre, Chennai 600 002. **Cochin** : 1st Floor, SI Plaza Palarivattom Cochin 682 025. **Coimbatore** : 1635 Classic Tower, Trichy Road, Coimbatore 641 018. **Curchorem** : CMS Dept Mopkar Chamunda, Ground Floor, Near Post Office, Curchorem -Sanguem Road, Curchorem 403 706. **Cuttack** : Bajrakbati Road, Cuttack 753 001. **Dahanu** : Matruashish Building, Irani Road, Dahanu Road, Dahanu Daman : ARC Shopping Mall, Dilip Nagar, Teen Batti,Daman 396 210. **Davangere** : No 621, BHM Enclave, Binny Co Road, Mandipet, Davangere. **Dehradun** : 56, Rajpur Road, Uttaranchal, Dehradun 248 001. **Delhi** : Figops, 1st Floor, Kailash Building, 26 K.G.Marg, New Delhi 110 001. **Dhanbad** : Sri Ram Plaza, 1st Floor, Bank More Dhanbad, Jharkhand 826 001. **Durgapur** : A102 & 103, City Centre, Bengal Shristi Complex, City Center, Durgapur Road,Durgapur 713 216. **Erode** : 456 Brough Road, Erode 638 001. **Ferozepur** : CMS Dept, Building 307 / 7, The Mall, Ferozpur City, Haryana 152 002. **Gandhidham** : Plot No 1, Sector 8, Rabindranath TagoreRoad, Near Gopu, Gandhidham, 370 201. **Gaya** : Near Ganta Ghar, K.P. Road, Gaya, 823 001. **Gorakhpur** : CMS Dept, Prahlad Rai Trade Centre, Ayodhya Crossing, Bank Road, Gorakhpur 273 001. **Guntur** : 87-90, Main Road, Lakshimpuram, Guntur 52 2007. **Gurdaspur** : CMS Dept, SCF-1 & 2 Shopping Complex, Improvement Trust Market, Hanuman Chowk, Gurdaspur 143 521. **Guwahati** : Fancy Bazar Branch - Wbo Mishra Complex Jail Road Guwahati 781 001. **Gwalior** : Block G1, Plot No. 43, Anand Deep Building, City Centre, Gwalior 474 011. **Hajipur** : Vimal Complex, Dak Banglow Complex, Opp.T.V.S. Showroom, Hajipur 844 101. **Himatnagar** : G.F. Shop No 5-8 & First Floor 4 - 9, Kumar House, Durga Oil Mill Compound, Himmatnagar 383 001. **Hisar** : SCO 170 A Commercial Building, Red SquareMarket, Station Road, Hissar 125 001. **Hoshirapur** : SCO 1-2-3, Scheme No. 11, Improvement Trust Market Chandigarh Road, Hoshirapur 146 001. **Hosur** : No. 24 & 25, Maruthi Nagar, Near Dharga, Sijcotp0, Hosur 635 126. **Hubli** : T B Revankar Complex, Vivekanand Hospital Road, Hubli 580 029. **Hyderabad** : 6-1-73 3rd Floor Saeed Plaza, Lakadikapal, Hyderabad 500 004. **Indore** : 3 Rd Floor, 9/1A, U.V. House, South Tukonj, Indore 452 001. **Inrinjalakuda** : Ushus Complex, Main Road West Tana PO, Inrinjalakuda 680 121. **Jabalpur** : 1702, Naiper Town, Model Road, Jabalpur 482 002. **Jagraon** : 368 B,Kapoor Building, Tehsil Road, Jagraon 142 026. **Jaipur** : 1st Floor, O - 10, Ashok Marg, Ahimsa Circle, C Scheme, Jaipur, 302 001. **Jalandhar** : 911, Near Narinder Cinema, G.T. Road, Jalandhar 144001. **Jalgaon** : Plot No. 134 / 135, DSP Chowk, Facing Mahal Road, Jalgaon 425 001. **Jammu** : CB 13, Railhead Complex, Gandhi Nagar, Jammu Tawi, Jammu 180 001. **Jamnagar** : Plot No. 6, Park Colony,St Ann's School, Bedi Bunder Road, Jamnagar 361 008. **Jamshedpur** : C/o. Mithila Motors Ltd., Near Ram Mandir, Bistupur, Jamshedpur 831 001. **Jodhpur** : Plot No 57 / B, 9th Chopasani Road, Jodhpur342 003. **Junagadh** : Moti Palace, Ground Floor, Opp Rajainnagar, Junagadh 362 001. **Kadi** : Radhaswami Complex, R.S. No. 242, Nr N.C. Desai Petrol Pump, Highway Char Rastha, Kadi 382 715. **Kalyani** : B-7/40 & 41(s) Central Avenue West, Central Park, B-7/40 & 41(s), Central Avenue West, Central Park, Kalyani 741 325. **Kannur** : CMS Dept, K V R Towers, South Bazar Road, Kannur 670 002. **Kanpur** : Navin Market Branch, 15/46 Civil Lines, Kanpur 280 001. **Kapurthala** : MGN School, Mall Road, Kapurthala. **Karad** : Near Hotal Sangam, Pune Bangalore Highway, Karad 415 110. **Karnal** : SCO778-779, Opp Mahabir Dal Hospital, Kanjipura Road, Karnal. **Khanna** : Opp Bus Stand, G.T. Road, Khanna 141 401. **Kolhapur** : Gem Stone, Raosaheb Vichare Complex, 517, E Ward, New Shahupuri, NearCentral Bus Stand and Parikh Pool, Kolhapur 416 001. **Kolkata** : Abhilasha II ,6 1st Floor, 6 Royd Street, Kolkata 700 016. **Kota** : Show Room No 13 - 14, Main Jhalawar Road, Kota 324 007. **Kottayam** : Unity Building, Opp Midc Centre, K K Road, Kottayam 686 002. **Kurukshetra** : CMS Dept, Shop No. 1 To 5, Kalawati Market, Railway Road, Kurukshetra 136 118. **Latur** : Shri Prudha Arcade, Shop No 3-6, M.G. Road, Near Nagar Parishad, Opp Town Hall, Latur 413 512. **Lucknow** : Pranay Tower, Darbari Lal Sharma Marg, Beside Pratibha Cinema, Lucknow 226 001. **Ludhiana** : CMS Dept, 5th Floor, Mall Road, Ludhiana 141 001. **Madurai** : Nitya Kalyani Towers, No 34 Krishnayar Tank, Street No.8, North Veli Street, Madurai 625 001. **Mandi** : **Gobindgarh** : Hukum Chand Bansal Building, Main Post Office Roda, Mandi Gobindgarh 147 301. **Mangalore** : M.N. Towers, Kadri, Mangalore 575 002. **Manjeri** : CMS Dept, Kurikal Plaza, Bldg #20/1245 Kacheripady, Malapurram Road, Manjeri 676 121. **Margoa** : Ranghavi Building, Opp Municipality Garden, Dr George Barette Road, Margoa 403 601. **Mathura** : CMS Dept, OPS BSA College, Gaushalda Road, Mathura 281 001. **Meerut** : 381 Western Kachery Road, Meerut 250 001. **Mehsana** : Prabhu Complex, Near Raj Kamal Petrol Pump, AbhuHighway, Mehsana 384 002. **Moga** : G.T. Road, Opp D.C. Office, Moga 141 001. **Moradabad** : Chaddha Shopping Complex, GMD Road, Moradabad 244 001. **Morvi** : Om Shopping Centre, Revapur MainRoad, Morvi 363 641. **Mpauca** : S 1 / 2 Ground Floor, Cosmos Towers, Near Govt Bldg Complex, Mapusa 403 507. **Mumbai** : Maneckjiwadia Building, Nanik Motwani Marg, Mumbai 400 023. **Muzaffarpur** : Above Maruti Showroom, Choti Saria Ganj, Muzaffarpur 842 001. **Mysore** : Mythiri Arcade 1st Main , Saraswathipuram Mysore 570 009. **Nabha** : SCO 14-15,Patiala Gate, Nabha 147 201. **Nadiad** : Shoot Out Building, Nadiad Ice Factory Compound, College Road, Nadiad 387 001. **Nagpur** : 303 & 304 3rdfloor, Wardh Road, 12, Milestone, Near Lokmat Square,Nagpur 440 010. **Nasik** : Archit Centre, 3rd Floor, Chandak Circle Link Road, Opp Sandeep Hotel, Near Mahamarg Bus Stand, Nasik 422 002. **Navsari** : Nandini Complex, Ground Floor, Station Road, Sandhikuva, Navsari 396 445. **Nawanshahar** : B 1 / 48, Banga Road, Nawanshahar 144 514. **Nellore** : G.T. Road, Nellore 524 001. **Palakkad** : 8 / 246, Chandra Nagar, Palakkad 678 007. **Palanpur** : ParthComplex, Near Cozy Tower, Opp Joravar Palace, Palanpur 385 001. **Panipat** : 801 / 4 , G.T. Road, Panipat 132 103. **Panjim** : Swami Vivekanand Road, 301, Milroc Lar Menezes, Opp. Gomantak MarathaSamaz, Panjim 403 001. **Pathanamthitta** : CMS Dept, Aban Arcade Ward # 9/1128, Pathanathittakumbazha Road, Pathanathitta 689 645. **Patiala** : SCO 70 - 73, Leela Bhawan Market, Patiala 147 001. **Patna** : Rajendra Ram Plaza, Exhibition Road, Patna 800 001. **Perinthalmanna** : Calicut Road, Perinthalmanna, Malappura Dist, Perinthalmanna 679 322. **Phagwara** : Kalra Road, Opp Hanuman GarhiMandir, G.T. Road, Phagwara 144 401. **Ponda** : Royal Chambers, GD1 - GD4, Tisk, Ponda 403 401. **Pondicherry** : TS No 6, 100 Feet Road, Ellaipillaichavady, Pondicherry 605 005. **Porbandar** : Om ShivSakthi, R.D. Chamber, Porbander 360 575. **Pune** : 5 Th Floor Millennium Tower, Bhandarkar Road, Shivaji Nagar, Pune 411 004. **Quilon** : Vgp Buildings, Door No XVI / 1539 (1320A), Vadakumbhagom Ward,Irumpupalam, Kollam 691 001. **Raipur** : Chawla Complex, Near Vanija Bhawan, Sai Nagar, Devendra Nagar Road, Raipur 492 009. **Rajamundry** : H.No : 46-17-20, Main Road, Danavaipet, Rajahmundry 533 103. **Rajkot** : Opp Alfred High School, 2nd Floor, Panchratna Bldg, Jawahar Road, Rajkot 360 001. **Rajpura** : 11 - 12 Block B, Chandigarh Patiala Road, Rajpura 140 401. **Ranchi** : Rohini 1st Floor 56 Circular Road Ranchi 834 001. **Rewari** : L-203, Old Court Road, Model Town, Rewari 123 401. **Rohatka** : 401-402, D. Park, Model Town, Main Delhi Road, Rohtak 124 001. **Ropar** : Sohana Chandigarh Rd, College Road, Ropar 141 001. **Rourkela** : Bisra Road, Dwivedi Bhawan, Dwivedi Square, Rourkela 769 001. **Rudrapur** : Plot No1&2,Nanital Road, Plot No 1 & 2, Nanital Road, Rudrapur 263 153. **Saharanpur** : Mission Compound, Court Road, Adjoining Top Shop, Saharanpur 247 001. **Salem** : 5 / 241 - F, Rathna Arcade, Omalur Main Road, Salem 636 004. **Sangli** : 640, VenkateshSenate, Miraj Road, Sangli 414 416. **Sangrur** : Shop No. 1-2-3 Kaula Park Market, Shop No. 1-2-3 Kaula Park Market, Sangrur. **Shimla** : Jankidas Building, 3, The Mall, Shimla 171 001. **Siliguri** : 3 No, RamkrishnaSamity Building, Sevoke Road, Pani Tanki More, Siliguri 734 401. **Silvassa** : 1-16 Jaypee House, Opp Patel Petrol Pump, Vapi Silvassa Road, Silvassa 396 230. **Solan** : Anand Bhavan, Near DC Office, RajgarhRoad, Solan 173 212. **Surat** : 7th Floor, Kashi Plaza, Next To Dr Bipin Desai Children Hospital, Majura Gate, Surat 395 002. **Thalassery** : AVK Nair Road, Thalassery 670 001. **Thiruvalla** : Illampallil Buildings,26/149(1&2), MC Road, Thiruvalla 689 101. **Tirupathi** : H.No 10 - 14 - 575 / A3, Mosque Road, V.V. Mahal Road, Tirupathi 517 501. **Trichur** : Global Centre M G Road Trichur 680 004. **Trichy** : A - 10, Lakshmi Arcade, 11th Cross Main Road, Thillainagar, Trichy 620 018. **Trivandrum** : Kenton Towers, Vazhuthacaud, Trivandrum 695 014. **Udaipur** : 358 Post Office Road, Chetak Circle,Adjacent To Chetak Cinema, Udaipur 313 001. **Unjha** : Suidhi Complex, 1st Floor, Nr. Radha Krishna Temple, Station Road, Unjha 382 170. **Valsad** : 1st Floor, Ekta Aptt, Near R.J.J High School, ThithalRoad, Valsad 396 001. **Vapi** : Lower Ground, Emperor Arcade, Chala Road, Vapi 396 191. **Varanasi** : D 58/2 Kuber Complex, Rathyatra Crossing, Varanasi 221 010. **Vasco** : Ground Floor, Damodar Building,Swatantra Path, Vasco Da Gama 403 802. **Veraval** : Amrutdeep, Opp Public Garden, Rajamahar Road, Veraval 362 265. **Vijaywada** : 40 - 1 -48/2, M.G. Road, Labbipet, Vijaywada 520 010. **Vishakapatnam** : 1st Floor, Poduri Castle, Above Rayomond Showroom Dwarika Nagar, Vishakapatnam 530 016. **Warangal** : No 1-8-605 / 1 Nakkalgutta, Hanamkonda, Warangal 506 002. **Yamunagar** : 103, Model Town, Nehru Park Road, Yamunanagar 135 003. **Udupi** : Panduran Towers, Court Road, Diana Circle, Udupi 576 101. **Tirupur** : 160, Chidambaram Complex, Kumaran Road,Tiruppur 641 604. **Sambalpur** : Nayapara, Golbazar Chowk, Sambalpur 768 001. **Srinagar** : M.S. Shopping Mall, Residency Road, Srinagar, 190 001. **Haldwani** : 8/6, Nainital Road, Bhotia Prao,Haldwani 263 141. **Muzaffarnagar** : 53/4-A Bhag Kambal Wala, Jansat Road, New Mandi, Muzaffarnagar 251 001.

## ICICI BANK - COLLECTION CENTRES (FOR NFO ONLY)

**Ahmedabad** : JMC House, Opp. Parimal Gardens, Opp Parimal Garden, Ambawadi, Ahmedabad 380 006. **Bangalore** : ICICI Bank Towers, 1, Commissariat Road, Ground Floor, Bangalore 560 025. **Bhilai** : Plot no. 96, Shiv Nath Complex, Near Maurya Theatre, G.E. Road, Supela, Bhilai, District Durg Chattisgarh 490 023. **Bikaner** : Silver Square, Opposite Income Tax Office, Rani Bazar, Bikaner 334 001. **Chennai** : 110, Prakash Presidium, Uthamar Gandhi Salai, (Nungambakkam High Road), Chennai 600 034. **Coimbatore** : Cheran Plaza, 1090, Trichy Road, Coimbatore 641 018. **Ernakulam (Cochin)** : EmgeeSquare, M.G. Road, Ernakulam, Kochi 682 035. **Faridabad-Sector 15** : SCF No. 58, Sector - 15, Faridabad, Haryana 121 007. **Ghaziabad** : ICICI Bank Ltd., R-1/88, Raj Nagar, Ghaziabad, Uttar Pradesh 201001. **Gurgaon** : ICICI Bank Ltd., SCO 18 & 19, HUDA Shopping Centre, Sector-14, Market Complex, Gurgaon 122 001. **Hyderabad** : 6-2-1012, TGV Mansions, Opp. Institution of Engineers, Khairatabad,Hyderabad 500 004. **Indore** : malav parisar, 4 chhoti Khajrani, A B Road Indore 452008. **Karaikudi** : P.B. No.7, 76, Sekkalai Road, Karaikudi 630 001. **Kasaragod** : City Centre, Bank Road, Kasaragod, Kerala 671 121. **Kolkata** : 22, R. N. Mukherjee Road, Kolkata 700 001. **Kozhikode (Calicut)** : Shafeer Complex, Opp. YMCA, Kannur Road, Kozhikode, Kerala 673 001. **Lucknow** : 11, M.G. Road, Hazarat Gunj,Lucknow 226 001. **Madurai** : 33, North Chitrai Street, Madurai 625 001. **Mumbai** : Capital Market Division, 30, Mumbai Samachar Marg, Fort, Mumbai 400 023. **Nashik** : U-1, Crown CommercialComplex, Opp. Rajiv Gandhi Bhavan (NMC), Utility Centre, Sharanpur Road, Nashik 422 002. **New Delhi** : 9A, Phelps Building, Inner Circle,Connaught Place, New Delhi 110 001. **Noida** : Sector 18 K-1, Senior Mall, Sector 18, Noida, Uttar Pradesh - 201301. **Pune** : A-Wing, Shangrila Gardens, Bund Garden Road, Pune 411 001. **Thiruvananthapuram** : TC No: 2491, No. 1, M. G. Road, Thiruvananthapuram 695 001. **Tirunelveli Junction** : ICICI Bank Ltd, Ground floor, Lion Arcade. Office 1 A, Sindupoondurai West Street, Madurai road, Tirunelveli, Tamilnadu. 627001. **Tiruppur** : Aepc Building, Ground Floor, 3/1,3rd Street, Indira Nagar, Avinashi Road, Tiruppur 641 603. **Trichy** : New no - 58, West Boulevard Road, Trichy 620 002. **Vadodara** : Landmark Building, Race Course Circle, Alkapuri, Vadodara 390 007. **Vellore** : ICICI Bank Ltd. No. 19A, Officers Line, Vellore 632 001. **Vijaywada** : D-40-1-52/5, Sainag Complex, M.G. Road, Vijaywada 520 010.

# DBS Chola Small Cap Fund

A 3 years close ended equity fund with an automatic conversion into an open ended scheme on expiry of 3 years from the date of allotment

**NFO Opens : 20<sup>th</sup> November, 2007**

**Closes : 20<sup>th</sup> December, 2007**

## Offer for Units of Rs. 10 per Unit

### SPONSOR

Cholamandalam DBS Finance Limited  
R.O.: 'Dare House', No. 2,  
N S C Bose Road, Chennai - 600 001

### INVESTMENT MANAGER

**DBS Cholamandalam Asset Management Ltd.**  
R.O.: 'Dare House', No. 2, N S C Bose Road,  
Chennai - 600 001  
H.O.: World Trade Centre, Centre 1, 27th Floor,  
Unit 1, Cuffe Parade, Mumbai 400 005.

### TRUSTEE

**DBS Cholamandalam Trustees Ltd**  
R. O.: 'Dare House', No. 2,  
N S C Bose Road,  
Chennai - 600 001.

## KEY INFORMATION MEMORANDUM

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/ the Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations, associate transactions, etc. investors should, before investment, refer to the Offer Document available free of cost at any of the investor service centers or distributors or from the website [www.dbscholamutualfund.com](http://www.dbscholamutualfund.com)

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM.

Investors are advised to consult their Legal, Tax, Finance and other Professional Advisors before making decision to invest in or redeem the units, in regard to tax / legal issues relating to their investments in the scheme.

This Key Information Memorandum is dated October 22, 2007

### NAME OF SCHEME

DBS CHOLA SMALL CAP FUND

### SCHEME TYPE

A 3 years close ended equity fund with an automatic conversion into an open ended scheme on expiry of 3 years from the date of allotment

### INVESTMENT OBJECTIVE

The scheme seeks to generate long term capital appreciation by investing predominantly in equity and equity related instruments of companies with "small market capitalization".

"Small-cap companies for the purpose of the Fund, are companies whose market capitalization is in between the highest and lowest market capitalization of small-cap companies on BSE Small Cap Index at the time of investment."

### OPTIONS UNDER EACH PLAN

There are two options available under each plan:

1) Dividend (with payout and re-investment facility) 2) Cumulative

\*If no option is specified at the time of application, the default option is Cumulative Option.

### ASSET ALLOCATION PATTERN OF THE SCHEME

Instruments	Risk Profile	Min% - Max%
Equity & equity related instruments of small-cap companies	High	65% - 100%
Equity & equity related instruments of any other companies	High	0-35%
Debt Securities and money market instruments	Low to Medium	0-35%

Investment in Securitised debt, if undertaken, would not exceed 35% of the net assets of the scheme.

### RISK PROFILE OF THE SCHEME

Mutual Funds and securities investments are subject to market risks and there is no assurance that the objective of the Scheme will be achieved.

### **APPLICABLE NAV (After the scheme opens for repurchase)**

The applicable NAV for redemption/switch out of units or switch out will be based on the time of the Business day on which the application is accepted.

**Purchase/Switch-ins** : Not applicable till the maturity of the scheme

### **Redemption including Switch-outs:**

In respect of valid applications received upto 3 p.m., same day's closing NAV shall be applicable.

In respect of valid applications received after 3 p.m., the closing NAV of the next business day shall be applicable.

The Scheme, after the New Fund Offer Period and during close ended tenure on a continuous basis will offer Redemption/switch out of Units at NAV related price (subject to applicable load) at quarterly interval. Redemption/switch out will be offered on last Wednesday of each quarter end. In case of that Wednesday is not a business day, then the immediately following business day will be the applicable date for redemption.

### **MINIMUM APPLICATION AMOUNT :**

Dividend :Rs. 5000/- and in multiples of Re 1/- thereafter

Cumulative: Rs. 5000/- and in multiples of Re 1/- thereafter.

### **DESPATCH OF REPURCHASE (REDEMPTION) REQUEST**

Within 10 working days of the receipt of the redemption request at the official points of acceptance of DBS Chola Mutual Fund.

### **BENCHMARK INDEX**

BSE Small Cap Index

### **DIVIDEND POLICY**

The Trustees may approve the distribution of dividend by AMC out of net surplus under the plan. The remaining net surplus after considering the dividend tax, if any, payable thereon will be ploughed back in the Scheme and will be reflected in the NAV. It should however be noted that actual distribution of dividends and the frequency of distribution in the fund are provisional and will be entirely at the discretion of the Trustee.

### **Effect of Dividends**

When dividends are paid, the NAV will stand reduced by the amount of dividend and dividend tax (if applicable) paid. To the extent, the entire net income and realized gains are not distributed; the same will remain invested in the scheme and will be reflected in the NAV. The NAV of the Cumulative plan will not be affected by the payment of such dividend.

### **Despatch of Dividend**

Wherever dividend is declared, the dividend warrants shall be dispatched to the unit holders within 30 days of the declaration of the Dividend. However, all efforts will be made to dispatch the dividend warrants earlier. Dividends will be paid by cheque/DD, net of taxes as may be applicable. Please note that it is

mandatory for Unitholders to mention their bank account numbers in their application. To safeguard the interest of unitholders from loss or theft of cheques, the name of their bank, branch and account number as provided in the application form will be incorporated in the cheque.

### **Dividend payable only to first holder**

Dividend will be paid only in favour of the first named holder of the units. In case of joint holding of units by two or more investors, the first holder shall receive the dividend as and when declared.

### **Unclaimed Dividend Amount**

Investors who claim their unclaimed dividend amount within three years from the due date for payment of the dividend, it will be paid at the then prevailing NAV. Subsequently, it will be paid at the NAV prevailing at the end of three years from due date for payment of dividend.

There is no assurance or guarantee to unitholders as to the rate of dividend distribution nor that dividends will be paid regularly. On payment of dividends, the NAV will stand reduced by the amount of dividend and dividend tax (if applicable) paid.

### **NAME OF THE FUND MANAGER**

Mr. R. Rajagopal

### **NAME OF THE TRUSTEE COMPANY**

DBS Cholamandalam Trustees Ltd.

### **PERFORMANCE OF SIMILAR SCHEMES**

#### **DBS Chola Infrastructure Fund**

Returns data**		
Absolute Returns	Scheme Returns %	Benchmark Returns %*
Returns since inception (27/09/07)	8.60	11.17

\* S&P CNX Nifty is the Benchmark index for the scheme.

\*\* Units allotted on September 27, 2007 and the last NAV declared on 17<sup>th</sup> October 2007. Hence returns data has been compiled on 17.10.07.

The returns for 1, 3 and 5 years are not available.

### **EXPENSES OF THE SCHEME**

#### **I) LOAD STRUCTURE**

During New Fund Offer Period

**Entry Load** - NIL

**Exit Load** - NIL

#### **Exit Charge**

\*Redemption before expiry of 3 years from the date of allotment will be subject to an early exit charge. An early exit charge equivalent to the unamortized new fund offer expenses will be recovered from the investor in case of redemption before expiry of 3 years from the date of allotment. As per the SEBI (Mutual Funds) Regulations, 1996 the new fund offer expenses upto 6% of the amount mobilized during new fund offer period (NFO) can be charged to the scheme.

**Load Structure (after the Scheme is converted into open ended)**

Investment	Entry Load	Exit Load
<b>Other than SIP/STP</b>		
For Each Investment amount < Rs.1 crore	2.25%	0.5% if redeemed within 6 months
For Each Investment amount >= Rs.1 crore < Rs.5 crore	NIL	0.5% if redeemed within 6 months
For Each Investment amount >= Rs.5 crore	NIL	NIL
<b>Under SIP/STP</b>		
For Each Investment amount < Rs.1 crore	2.25%	0.5% if redeemed within 6 months
For Each Investment amount >= Rs.1 crore < Rs.5 crore	NIL	0.5% if redeemed within 6 months
For Each Investment amount >= Rs.5 crore	NIL	NIL
<b>Fund of Funds Schemes</b>	NIL	NIL

**II) RECURRING EXPENSES (% OF WEEKLY AVERAGE NET ASSETS)**

First Rs. 100 crores	2.50
Next Rs. 300 crores	2.25
Next Rs. 300 crores	2.00
Balance	1.75

**TAX TREATMENT FOR THE INVESTORS**

The Income-tax benefits described in this document are as available under the present Income-tax Act, 1961 (the Act) as amended by the provisions contained in the Finance Act, 2007 and are available subject to relevant conditions. The information given is included only for general purpose and is based on advise received by the AMC regarding the law and practice currently in force in India and the Investors / Unit holders should be aware that the relevant fiscal rules or their interpretation may change. As is the case with any investment, there can be no guarantee that the tax position or the proposed tax position prevailing at the time of an investment in the Scheme will endure indefinitely. In view of the individual nature of tax consequences, each Investor / Unitholder is advised to consult his / her own professional tax advisor.

**I) TAX IMPLICATIONS TO UNITHOLDERS:****A) Tax on income in respect of units**

As per the provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act is exempt from income tax in the hands of the recipient unitholders

**B) Tax on capital gains**

As per section 2(42A) of the Act, units of the scheme held as a capital asset, for a period of more than 12 months immediately preceding the date of transfer, will be treated as long-term capital assets for the computation of capital gains; in all other cases, they would be treated as short-term capital assets.

Long-term and short-term capital gains arising to unit holders from the transfer of units of the Scheme, will be taxable at the following rates depending on whether the units are long term capital assets or short term capital assets:

Nature of income	Tax rate
Short-term capital gains on sale of units in an equity oriented mutual fund, either to the Mutual Fund or on a recognized stock exchange	Capital gains tax payable at 10 percent*. Additionally, securities transaction tax payable at 0.25 percent of the redemption price.
Other short-term capital gains	30 percent in case of Foreign Institutional Investors ('FII') and normal rate applicable as per the Income Tax Act in case of all other investors (including Foreign Companies). Additionally, securities transaction tax payable at applicable rate on the redemption/sale price.
Long-term capital gains on sale of units in an equity oriented mutual fund, either to the Mutual Fund or on a recognized stock exchange	No capital gains tax payable. However, securities transaction tax payable at 0.25 percent of the redemption price.
Other long-term capital gains	20 percent* with the cost inflation index benefit or 10 percent* without the cost inflation index benefit, whichever is beneficial to the unitholder; 10 percent in case of FIIs, without the cost inflation index benefit. Additionally, securities transaction tax payable at applicable rate on the redemption/sale price.

\* plus surcharge @ 10% of the tax as applicable and education cess @ 2% of tax plus surcharge and secondary and higher education cess @ 1% of tax plus surcharge as per the Income Tax Act. Additionally, in the case of non-resident investors, the above rates would be subject to relief under the applicable Double Tax Avoidance Agreement/Treaty.

**Note:** "Equity oriented fund" is defined as -

- a mutual fund where the assets are invested in the equity shares of domestic companies to the extent of more than sixty five percent of the total proceeds of such fund; and
- which has been set up under a scheme of a Mutual Fund specified in section 10 (23D) of the Act

The percentage of equity holding of such fund would be calculated as the annual average of the monthly averages of the opening and closing figures.

**C) Disallowance of losses**

- Sub-section 7 of section 94 of the Act provides that losses, if any, arising from the sale/transfer of units (including redemption) purchased up to 3 months prior to the record date (for entitlement of dividends) and sold within 9 months after such date, will be disallowed to the extent of income distribution (excluding redemptions) on such units claimed as tax exempt by the unitholder.
- Additionally, sub-section 8 of section 94 of the Act provides that in case of units purchased within a period of 3 months prior to the record date (for entitlement of bonus) and sold/transferred (including redeemed) within 9 months after such date, the loss arising on transfer of original units shall be ignored for the purpose of computing the income chargeable to tax if all or any of the bonus units are continued to be held by the unitholder. The loss so ignored shall be treated as cost of acquisition of such bonus units.

## D) Tax deducted at source

### Income in respect of units

As per the proviso to Section 196A(1) of the Act, no tax shall be deducted at source from any income credited or paid to non-resident unitholders in respect of units of a mutual fund specified under Section 10(23D) of the Act.

### Capital gains

1. As per the provisions of Section 194K of the Act, no tax should be withheld or deducted at source, where any income is credited or paid by a mutual fund.
2. Further, no tax is required to be deducted at source from capital gains arising at the time of repurchase or redemption of the units.
3. As per the provisions of Section 195 of the Act, tax is required to be deducted at source from the redemption proceeds paid to investors; this withholding is in addition to the securities transaction tax payable, if any, by the investor.
4. The rate of withholding for short-term capital gains would be 30 percent (plus surcharge and education cess as applicable) and for long-term capital gains would be 20 percent (plus surcharge and education cess as applicable) if the payee is an Non-Resident Indian ('NRI') / Person of Indian origin ('PIO') or a foreign company. However, no capital gains tax would be withheld from proceeds paid to NRIs/PIOs from long-term capital gains arising out of redemption of units held in an equity oriented mutual fund. The rate of withholding tax for short-term capital gains earned by an NRI/PIO on redemption of units held in an equity oriented mutual fund would be 10 percent (plus surcharge and education cess as applicable). The rate of withholding tax for short-term capital gains earned by a Foreign Company would be 40 percent (plus surcharge and education cess as applicable).
5. No tax would be deductible at source from the capital gains (whether long-term or short-term) arising to an FII on repurchase/redemption of units in view of the provisions of Section 196D (2) of the Act.
6. The above rates would be subject to relief under the applicable Double Tax Avoidance Agreement/Treaty in case of non-resident unit holders.

### Rebate of securities transaction tax paid

- No deduction shall be allowed for securities transaction tax paid, for the purpose of computation of business income or capital gains.
- However, as per Section 88E of the Act, a rebate in respect of the securities transaction tax paid would be available to tax payers whose income from redemption of units in an equity oriented mutual fund is charged to tax as their business income. Such rebate would be reduced from the tax payable on such business income.
- The tax payable on such business income would be calculated by applying the average rate of tax to such business income. This rebate will be allowed only where the taxpayer furnishes the evidence of payment of securities transaction tax in the prescribed form, alongwith his tax return.

## II) TAX IMPLICATIONS TO MUTUAL FUND

DBS Chola Mutual Fund is registered with SEBI and as such, the entire income of the Fund is exempt from income tax under Section 10(23D) of the Act. In view of the provisions of Section 196(iv) of the Act, no income tax is deductible at source on the income earned by the mutual fund.

### Securities Transaction Tax

DBS Chola Mutual Fund, is liable to recover/pay a securities transaction tax as follows:

Taxable securities transaction	Rate (per cent)
Purchase of an equity share in a company or a unit of an equity oriented fund, where a. the transaction of such purchase is entered into in a recognized stock exchange; and b. the contract for the purchase of such share or unit is settled by the actual delivery or transfer of such share or unit	0.125
Sale of an equity share in a company or a unit of an equity oriented fund, where - a. the transaction of such sale is entered into in a recognized stock exchange; and b. the contract for the sale of such share or unit is settled by the actual delivery or transfer of such share or unit	0.125
Sale of a derivative, where the transaction of such sale is entered into in a recognized stock exchange	0.017
Sale of unit of an equity oriented fund to the Mutual Fund	0.25

The value of a taxable securities transaction will be as follows:

- in the case of a taxable securities transaction relating to "option in securities", the aggregate of the strike price and the option premium of such "option in securities";
- in the case of taxable securities transaction relating to "futures", the price at which such "futures" are traded; and
- in the case of any other taxable securities transaction, the price at which such securities are purchased or sold.

"Taxable securities transaction" has been defined as a purchase or sale of an equity share in a company or a derivative or a unit of an equity oriented fund, entered into in a recognized stock exchange; or sale of a unit of an equity oriented fund to the Mutual Fund.

### III) GIFT TAX

The Gift-tax Act, 1958, has ceased to apply to gifts made on or after 1st October 1998. Gifts of Units, purchased under the Scheme, would therefore, be exempt from gift-tax.

### IV) WEALTH TAX BENEFITS

Units of a mutual fund are not to be treated as assets as defined under Section 2(ea) of the Wealth-Tax Act, 1957 and hence will not be liable to wealth-tax.

### Net Asset Value (NAV) Publication

The NAV will be declared every Wednesday and will be published in 2 newspapers. NAV can also be viewed on [www.dbscholamutualfund.com](http://www.dbscholamutualfund.com) and [www.amfiindia.com](http://www.amfiindia.com). Investors may also contact any of the Investor Service Centres of DBS Chola Mutual Fund.

### For Investor Grievances, Please Contact

#### Name and Address of the Registrar

COMPUTER AGE MANAGEMENT SERVICES PVT. LTD.  
Unit : DBS Chola Mutual Fund  
1st Floor, 178/10, Kodambakkam High Road,  
Opposite Hotel Palmgrove, Chennai - 600 034  
Tel: 044-28285501/502/663, Fax: 044-28283614

#### DBS Chola Mutual Fund

##### B. John Vijayan

##### Investor Grievance Officer

Flat No. 10, 3rd Floor, Kasturi Bldg., Jamshedji Tata Road, Opp. H. P. House, Churchgate - 400 020.

Tel. 66104941 Fax : (022) 6657 4003 / 2202 1123

Website: [www.dbscholamutualfund.com](http://www.dbscholamutualfund.com) OR any of the Investor Service Centres of DBS Chola Mutual Fund.

### Unit holder's Information

Account statement(s) for each transaction and annual financial results shall be provided to investors by post or by e-mail (on receipt of the unit holder's consent). Half yearly Scheme portfolio will be either sent to the unit holders or published in the newspapers as prescribed under the SEBI (Mutual Funds) Regulations, 1996.