

ADDENDUM

This addendum sets out the changes to be made to the Scheme Information Document ('SID') and Key Information Document ('KIM') of **DSP Merrill Lynch FMP – 1M – Series 1, 2, 3, 4, 5; DSP Merrill Lynch FMP – 3M – Series 12, 13, 14, 15, 16, 17; DSP Merrill Lynch FMP – 6M – Series 7, 8; DSP Merrill Lynch FMP – 12M – Series 3, 4; DSP Merrill Lynch FMP – 15M – Series 1, 2; DSP Merrill Lynch FMP – 18M – Series 4, 5, DSP Merrill Lynch 36M – Series 1, 2** and Standard Offer Documents ('SODs') and KIMs of **DSP Merrill Lynch FMP – 3M – Series 6, 7, 8, 9, DSP Merrill Lynch FMP – 6M – Series 5, 6, DSP Merrill Lynch FMP – 121/2M – Series 1, DSP Merrill Lynch FMP – 13M – Series 1 and DSP Merrill Lynch FMP – 3M – Series 10, 11, DSP Merrill Lynch FMP – 12M - Series 1, 2 and DSP Merrill Lynch FMP – 18M – Series 3 and DSP Merrill Lynch FMP - 3M- Series 1, 2, 3, 4, 5, DSP Merrill Lynch FMP - 6M – Series 1, 2, 3, 4, DSP Merrill Lynch FMP - 15M – Series 1, 2, DSP Merrill Lynch FMP - 18M – Series 1, 2, 3 and DSP Merrill Lynch FMP - 24M – Series 1, 2, 3** (all schemes under the SID and SODs are collectively referred to as 'the Schemes') pursuant to Resolution passed by the Trustee. The change will be effective from November 03, 2008.

CHANGE IN ONE OF THE SPONSORS OF DSP MERRILL LYNCH MUTUAL FUND

In line with the restructuring of the investment management businesses of Merrill Lynch and BlackRock globally, DSP Merrill Lynch Ltd. ('DSPML'), one of the Sponsors of DSP Merrill Lynch Mutual Fund ('Fund'), has entered into a Share Purchase Agreement with BlackRock Advisors Singapore Pte Ltd., a wholly owned subsidiary of BlackRock Inc. ('BlackRock'), whereby the latter party to the Agreement has acquired from DSPML, the entire stake of DSPML in DSP Merrill Lynch Fund Managers Ltd. ('AMC') and DSP Merrill Lynch Trustee Company Pvt. Ltd. ('Trustee'), being 40% of the paid up capital of the AMC and 49% of the paid up capital of the Trustee respectively.

DSPML will, consequently, cease to be a Sponsor to the Fund and instead BlackRock will become a co-Sponsor to the Fund along with DSP HMK Holdings Pvt. Ltd. & DSP ADIKO Holdings Pvt. Ltd.

Consequent to the above, the following changes will accordingly be carried out in the SID, Standard Offer Documents and KIMs (collectively referred to as "Documents") of the Schemes.

1. Wherever the name, "DSP Merrill Lynch Fund Managers Limited" or DSPMLFM" appears in the Documents, it shall be read as if it were substituted with the name, "DSP BlackRock Investment Managers Limited" or "DSPBRIM". Accordingly, all references to the expressions, AMC, Asset Management Company and Investment Manager in the Documents shall be deemed to refer to DSP BlackRock Investment Managers Limited, unless the context requires otherwise.
2. Wherever the name "DSP Merrill Lynch Trustee Company Pvt. Ltd." appears in the Documents, it shall be read as if it were substituted with the name, "DSP BlackRock Trustee Company Pvt. Ltd." Accordingly, all references to the expressions, Trustee/s and Trustee Company in the Documents shall be deemed to refer to DSP BlackRock Trustee Company Pvt. Ltd., unless the context requires otherwise.
3. The name "DSP Merrill Lynch Mutual Fund", wherever it appears in the Documents, shall be substituted with the name, "DSP BlackRock Mutual Fund".
4. The name of each scheme of the Fund shall be read as if the words/expression, "Merrill Lynch/ML" forming part of the name of the scheme were substituted with the words/expression, "BlackRock/BR". For example, DSP Merrill Lynch FMP – 1M – Series 1/ DSPMLFMP – 1M – S1 will be read as DSP BlackRock FMP – 1M – Series 1/ DSPBRFMP – 1M – S1.
5. The expression, "Sponsor", wherever it appears in the Documents, shall be replaced with the word, "Sponsors". Also, all references and information pertaining to "DSP Merrill Lynch Ltd" or "DSPML" as a Sponsor to the Fund shall be deleted and replaced with "BlackRock" or "BR" and all references and information pertaining to "DSPML" will be replaced with that "BlackRock" or "BR". All provisions in the Documents shall be read accordingly, unless the context requires otherwise.
6. The website of the Fund, www.dspmlmutualfund.com, wherever it appears in the Documents, will be read as www.dspblackrock.com.
7. In the SOD, under Chapter IV, "Constitution of the Mutual Fund", the following changes will be carried out:
 - (i) In the section, "B) The Sponsor", the first sub-section pertaining to "DSP Merrill Lynch Limited" will be replaced by the following:

1) BlackRock

"BlackRock is a premier provider of global investment management services to institutional and retail clients around the world. Headquartered in New York, BlackRock serves clients from offices in 19 countries, maintaining a major presence in North America, Europe, Asia-Pacific, and the Middle East. With approximately 5,700 employees, including more than 700 investment professionals worldwide, BlackRock offers clients in-depth local knowledge and understanding, while leveraging the strength of their global presence and infrastructure to deliver focused investment solutions. Today, BlackRock services clients in over 60 countries.

Since its founding in 1988, BlackRock has sought to better serve clients by anticipating and responding to changes and advancements in the investment industry, while continually seeking to broaden and deepen our investment and risk management capabilities. BlackRock has assets under management of over USD 1.4 trillion. Its core business is in providing diversified investment management services to institutional and individual investors through various investment vehicles. Investment management services primarily consist of the active management of fixed income, cash management and equity client accounts, the management of a number of open-end and closed-end mutual fund families, and other non-U.S. equivalent retail products serving the institutional and retail markets, and the management of alternative funds developed to serve various customer needs. In addition, BlackRock provides risk management, strategic advisory and enterprise investment system services to a broad base of clients worldwide.”

Given below is a brief summary of BlackRock’s financials :

BlackRock

(Rs. in crore)

Description	Jan 07- Dec 07	Jan 06 – Dec 06	Jan 05 – Dec 05
Total Revenue	21,372.52	9572.81.	5564.00
Profit Before Tax	7183.34	2336.37	1693.53
Profit After Tax	5355.37	1498.38	1069.05
Free Reserves**	6672.35	4593.23	3648.67
Net Worth	45,703.60	47,688.26	4156.55
Earnings per Share (Rs.)	305.43	176.92	164.05
Book Value per Share (Rs.)	3552.02	3696.30	649.46
Dividend (%)	35.50%	42.10%	32.90%
Paid Up Capital (Equity)	39,031.25	43,095.03	507.88

**Free Reserves exclude revaluation reserves

(ii) the contents of “C) The Trustee Company (The Trustee)”, will be replaced with the following disclosure:

“DSP BlackRock Trustee Company Private Ltd. (the Trustee), a company incorporated under the Companies Act, 1956, is the trustee for the Fund vide Trust Deed dated December 16, 1996. The shareholding of the Trustee is as follows: Mr. Hemendra Kothari holds 51% and the balance 49% is held by BlackRock Advisors Singapore Pte Ltd.”

(iii) in the section, “D) 1) Constitution”, the first paragraph will be replaced with the following:

“In conformity with the Regulations, DSP BlackRock Investment Managers Ltd., formerly known as DSP Merrill Lynch Fund Managers Limited (a company registered under the Companies Act, 1956), has been set up to act as the Asset Management Company (AMC) to the Fund. In terms of the Investment Management Agreement (IMA) dated December 16, 1996, entered into between the Trustee and the AMC, the AMC has been appointed as the Investment Manager to the Fund. Mr. Hemendra Kothari along with DSP HMK Holdings Pvt. Ltd. and DSP ADIKO Holdings Pvt. Ltd. hold 60% of the shareholding of the AMC and the balance 40% shares are held by BlackRock Advisors Singapore Pte Ltd. The Investment Manager was approved by SEBI to act as the AMC for the Mutual 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 Investment Management Agreement, the Trust Deed, the Regulations and the objectives of each scheme. The AMC can be removed by the Trustee, subject to the Regulations.”

7. In Chapter X, “Other Matters”, under “3) Penalties and Pending Litigation”, in the section ‘Sponsor’, the disclosure on penalties of DSPML will be substituted with the following disclosure, about penalties imposed against BlackRock :

BlackRock :

1. Penalties awarded by SEBI under the SEBI Act or any of its regulations: *(The nature of the penalty must be disclosed)* – NONE
2. Penalties awarded by any financial regulatory body, including stock exchanges, for defaults in respect of shareholders, debentureholders and depositors (For Sponsor and its associates): NONE
3. Penalties awarded for any economic offence and violation of any securities laws: NONE
4. Any enquiry/adjudication proceedings under the SEBI Act and the Regulations made thereunder, that are in progress against the Sponsor of the Mutual Fund or any company associated with the Sponsor in any capacity including the AMC, Board of Trustees/Trustee Company or any of the Directors or key personnel of the Asset Management Company : NONE

FOR DSP MERRILL LYNCH TRUSTEE COMPANY PVT. LTD.
TRUSTEE: DSP MERRILL LYNCH MUTUAL FUND

Place : Mumbai
Date : November 03, 2008

Shitin Desai
Chairman

S. S. Thakur
Director

Any pending material litigation proceedings incidental to the business of the Mutual Fund to which the Sponsor of the Mutual Fund or any company associated with the Sponsor in any capacity including the AMC, Board of Trustees /Trustee Company or any of the directors or key personnel is a party. Any pending criminal cases against the Sponsor or any company associated with the Sponsor in any capacity including the AMC, Board of Trustees/Trustee Company or any of the directors or key personnel should also be disclosed separately. NONE

5. Any deficiency in the systems and operations of the Sponsor or any company associated with the sponsor in any capacity including the AMC or the Trustee Company which SEBI has specifically advised to be disclosed in the offer document, or which has been notified by any other regulatory agency. -----

6. Any enquiry/adjudication proceedings under the SEBI Act and the Regulations made thereunder, that are in progress against the Sponsor of the Mutual Fund or any company associated with the Sponsor in any capacity including the AMC, Board of Trustees/Trustee Company or any of the Directors or key personnel of the Asset Management Company.-----

7. Top 10 monetary penalties in the last five years:-----

8. Penalties awarded for economic offence:-----

8. The contents under 'B. The Sponsor, 1) DSP Merrill Lynch Ltd. (DSPML)' under Section IV. Constitution of the Mutual Fund', will be replaced by the following disclosure :

"BlackRock is a premier provider of global investment management services to institutional and retail clients around the world. Headquartered in New York, BlackRock serves clients from offices in 19 countries, maintaining a major presence in North America, Europe, Asia-Pacific, and the Middle East. With approximately 5,700 employees, including more than 700 investment professionals worldwide, BlackRock offers clients in-depth local knowledge and understanding, while leveraging the strength of their global presence and infrastructure to deliver focused investment solutions. Today, BlackRock services clients in over 60 countries.

Since its founding in 1988, BlackRock has sought to better serve clients by anticipating and responding to changes and advancements in the investment industry, while continually seeking to broaden and deepen our investment and risk management capabilities. BlackRock has assets under management of over USD 1.4 trillion. Its core business is in providing diversified investment management services to institutional and individual investors through various investment vehicles. Investment management services primarily consist of the active management of fixed income, cash management and equity client accounts, the management of a number of open-end and closed-end mutual fund families, and other non-U.S. equivalent retail products serving the institutional and retail markets, and the management of alternative funds developed to serve various customer needs. In addition, BlackRock provides risk management, strategic advisory and enterprise investment system services to a broad base of clients worldwide."

Given below is a brief summary of BlackRock's financials :

BlackRock

(Rs. in crore)

Description	Period from 1st January, 2006 to 31st March, 2007	Year ended 31st December	
		2005	2004
Total Revenue	1,173.63	488.37	369.78
Profit Before Tax	563.37	260.85	205.08
Profit After Tax	385.19	169.98	132.33
Free Reserves**	912.81	529.65	385.33
Net Worth	1,610.31	552.15	407.83
Earnings per Share (Rs.)	170.70	75.54	58.82
Book Value per Share (Rs.)	415.69	245.40	181.26
Dividend (%)	—	100	240
Paid Up Capital (Equity)	22.50	22.50	22.50

** Free Reserves include General Reserve, Investment Allowance Reserve, Surplus in Profit and Loss Account, Share Premium, Capital Redemption reserve and Reserve under Section 451C of the RBI Act.

9. The contents under 'C. The Trustee Company (The Trustee)' under Section IV. Constitution of the Mutual Fund', will be replaced by the following disclosure :

"DSP BlackRock Trustee Company Private Ltd. (the Trustee), a company incorporated under the Companies Act, 1956, is the trustee for the Fund vide Trust Deed dated December 16, 1996. The shareholding of the Trustee is as follows: BlackRock holds 49% and the balance 51% is held by Mr. Hemendra Kothari."

10. The contents in the Section VIII, "Penalties and Pending Litigation", will be replaced with the following disclosure:

"1. Details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to share holders or debenture holders and depositors, or for economic offences, or for violation of securities law. Details of settlement, if any, arrived at with the aforesaid authorities during the last three years:

(a) Action – NONE.

(b) Penalty - NONE

2. Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party:

NONE.

3. Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party:

NONE.

4. Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency:

NONE."

FOR DSP MERRILL LYNCH TRUSTEE COMPANY PVT. LTD.
TRUSTEE: DSP MERRILL LYNCH MUTUAL FUND

Place : Mumbai
Date : -----, 2008

Shitin Desai
Chairman

S. S. Thakur
Director

