



December 30, 2009

## ICRA assigns mfAAA rating to DSP BlackRock Money Manager Fund

Scheme Name	Rating
DSP BlackRock Money Manager Fund	mfAAA

ICRA has assigned a credit risk rating of mfAAA (pronounced m f triple A) to DSP BlackRock Money Manager Fund. The rating indicates highest-credit-quality rating assigned by ICRA to debt funds. The rated debt fund carries the lowest credit risk, similar to that associated with long-term debt obligations rated in the highest-credit-quality category. The rating should, however, not be construed as an indication of the prospective performance of the Mutual Fund scheme or of volatility in its returns.

### Asset Management Company and Fund Details

The above scheme is one of the fixed income schemes of DSP BlackRock Mutual Fund ('Fund') which was established as a Trust under the Indian Trusts Act, 1882. DSP ADIKO Holdings Pvt. Ltd., DSP HMK Holdings Pvt. Ltd. and BlackRock Inc. are the Sponsors to the Fund and DSP BlackRock Investment Managers Private Ltd. is the Asset Management Company to the Fund. The AMC had average assets under management of Rs. 197.15 billion during the month of November 2009.

Launched in July 2006, DSP BlackRock Money Manager Fund is an open ended income scheme, which aims at generating reasonable returns commensurate with low risk and a high degree of liquidity from a portfolio constituted of money market securities and high quality debt securities. The scheme's assets under management stood at Rs. 11.20 billion as of December 21, 2009 and had an average residual maturity of around 3 months as on that date. The scheme maintains a high proportion of its investments rated at highest credit quality and an average residual maturity of around 4 months in the recent past.

### ICRA Credit Quality Rating Methodology for debt mutual fund schemes

ICRA's mutual fund rating methodology is based on evaluating the inherent credit quality of the funds portfolio. As a measure of the credit quality of a debt fund's assets, ICRA uses the concept of "credit scores". These scores are based on ICRA's estimates of credit risk associated with each exposure of the portfolio taking into account its maturity. To quantify the credit risk scores, ICRA uses its database of historical default rates for various rating categories for various maturity buckets. The credit risk ratings incorporate ICRA's assessment of a debt fund's published investment objectives and policies, its management characteristics, and the creditworthiness of its investment portfolio. ICRA reviews relevant fund information on an ongoing basis to support its published rating opinions. If the portfolio credit score meets the benchmark of the assigned rating during the review, the rating is retained. In an event that the benchmark credit score is breached, ICRA gives a month's time to the debt fund manager to bring the portfolio credit score within the benchmark credit score. If the debt fund manager is able to reduce the portfolio credit score within the benchmark credit score, the rating is retained. If the portfolio still continues to breach the benchmark credit score, the rating is revised to reflect the change in credit quality.

† For complete rating scale and definitions, please refer to ICRA's website [www.icra.in](http://www.icra.in) or other ICRA Rating Publications.

## PRESS RELEASE

**Disclaimer:** ICRA Ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA Ratings are subject to a process of surveillance, which may lead to revision in ratings. Please visit our website ([www.icra.in](http://www.icra.in)) or contact any ICRA office for the latest information on ICRA Ratings outstanding.



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**Disclosure:** A Member of the Board of Directors of ICRA Limited is also an Independent Director on the Board of Directors of DSP BlackRock Investment Managers Limited. This Director was not involved in any of the discussions and processes related to the Rating of the instrument(s) mentioned herein.

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [www.icra.in](http://www.icra.in)

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