

# Deutsche Mutual Fund

## STATEMENT OF ADDITIONAL INFORMATION (SAI)

This Statement of Additional Information (SAI) contains details of Deutsche Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference (is legally a part of the Scheme Information Document).

This SAI is dated June 27, 2011.



## **ADDENDUM dated 30<sup>th</sup> December, 2011 to the Statement of Additional Information**

### **Revision in Know Your Customer (KYC) Procedure**

Pursuant to SEBI Circular No. MIRSD/CIR-26/2011 Dated December 23, 2011, SEBI Circular No. MIRSD/SE/CIR-21/2011 dated October 5, 2011 and SEBI (KYC Registration Agency) Regulations, 2011, regarding uniformity in the Know Your Customer (KYC) process, avoiding duplication and developing a mechanism to centralize the KYC records & data in the securities market, it has been decided to make following changes in SAI/CKIM of the Schemes of DMF w.e.f January 1, 2012 ("Effective Date"):

- 1) SEBI has introduced a common KYC Application Form for all the SEBI registered intermediaries viz. Mutual Funds, Portfolio Managers, Depository Participants, Stock Brokers, Venture Capital Funds, Collective Investment Schemes etc. New Investors are therefore requested to use the Common KYC Application Form and carry out the KYC process including In-Person Verification ("**IPV**") with any SEBI registered intermediaries including mutual funds. The KYC Application Forms are available on our website [www.dws-india.com](http://www.dws-india.com).
- 2) The Mutual Fund/Register & Transfer Agents ("**RTA**") shall perform the initial KYC of its new investors. The Mutual Fund/RTA shall upload the details of the investors on the system of the KYC Registration Agency ("**KRA**") forthwith. KRA shall send a letter to investor within 10 working days of the receipt of initial/updated KYC documents from the Mutual Fund /RTA confirming the details thereof.
- 3) Once the investor has done KYC with a SEBI registered intermediary, the investor need not undergo the same process again with another intermediary including mutual funds. However, the Mutual Fund reserves the right to carry out fresh KYC of the investor.
- 4) It is mandatory for intermediaries including mutual funds to carry out IPV of its investors from the effective date. The IPV carried out by any SEBI registered intermediary can be relied upon by the Mutual Fund. Deutsche Asset Management (India) Private limited/RTA and NISM/AMFI certified distributors who are KYD compliant are authorized to carry out the IPV for Mutual Fund investors. Further, in case of any applications received directly (i.e without being routed through the distributors) from the investors, the Mutual Fund may rely upon the IPV (on the KYC Application Form) performed by the schedule commercial Banks.
- 5) Existing KYC compliant investors of the Mutual Fund can continue to invest as per the current practice. However, existing investors are also urged to comply with the new KYC requirements including IPV as mandate by SEBI.

This addendum shall form an integral part of the SAI / KIM(s) of Scheme(s) of Deutsche Mutual Fund as amended from time to time.

**ADDENDUM dated 29<sup>th</sup> March, 2012 to the Statement of Additional Information (“SAI”)**

**NOTICE** is hereby given that the following change shall be made to the SAI / CSIDs / CKIMs of the Schemes of DMF.

**Change in Fund Manager:**

Mr. Aniket Inamdar, Chief Investment Officer and the Fund Manager, has been designated as the Fund Manager for DWS Twin Advantage Fund and DWS Money Plus Advantage Fund for managing the equity portion of these funds w.e.f. March 30, 2012 in place of Mr. Jignesh Barsara. Accordingly, Mr. Barsara ceases to be key personnel of Deutsche Asset Management (India) Private Limited.

Further, Mr. Inamdar continues to be the Fund Manager for DWS Alpha Equity Fund, DWS Investment Opportunity Fund, DWS Tax Saving Fund, open ended equity schemes of DMF and Co-Fund Manager of DWS Global Thematic Offshore Fund and DWS Global Agribusiness Offshore Fund, open ended overseas fund of fund Schemes of DMF for managing investments in Indian Market.

**Notes:**

The addendum forms an integral part of the CSID/ SAI/CKIM of all Schemes of DMF. All other terms and conditions of the schemes remain unchanged. Investors are requested to take a note of these changes.

## ADDENDUM dated 23rd April, 2012 to the Statement of Additional Information (“SAI”)

### Change in the Board of Directors of Deutsche Trustee Services (India) Private Limited (“Trustee Company”)

- a) With appointment of Mr. M. S. Verma on the Board of Directors of Deutsche Trustee Services (India) Private Limited (“Trustee Company”) w.e.f. April 17, 2012, his name will be added to the list of Board of Directors of the Trustee Company along with the following details:

Name & Age	Qualification	Brief Experience
Mr. M. S. Verma 73	MA, CIIB	Mr. Verma is the Chairman of International Asset Reconstruction Company Pvt.Ltd (IARC). He is one of the luminaries in the world of finance and banking, having spearheaded the country's largest bank, State Bank of India. Mr. Verma retired as the Chairman (1997 – 1998) of the State Bank of India, after 40 years of service. Widely traveled, Mr. Verma has worked within as well as outside the country and is highly experienced in different facets of banking encompassing commercial banking at national and international levels, development banking, investment banking and asset management. He has been Advisor to RBI (1998 - 2000), Chairman of the Board of Directors of IDBI Bank (2000-2003), Chairman, Telecom Regulatory Authority of India (2000 – 2003) and Chairman of the Advisory Panel on Financial Sector Supervision and Regulation, constituted by the Reserve Bank of India (2008-2009).  He is on the board of various companies, including, inter-alia, Asian Heart Institute and Research Centre, Shriram Transport Finance Company Limited etc.

- b) The statement appearing immediately after the table of name, address and other details of Board of Directors of the Trustee Company shall be replaced with the following:

*“Mr. Shrinath Bolloju is associated with the Sponsors, Mr. M. H. Kania, Mr. Y. B. Desai, Mr. Debabrata Bhadury and Mr. M. S. Verma are independent trustees.”*

#### **Notes:**

The addendum forms an integral part of the CSID/ SAI/CKIM of all Schemes of DMF. All other terms and conditions of the schemes remain unchanged. Investors are requested to take a note of these changes.

**ADDENDUM dated 30th April, 2012 to the Statement of Additional Information (“SAI”)**

**Change in the constitution of the Board of Directors of Deutsche Trustee Services (India) Private Limited (“the Company”) w.e.f. April 30, 2012**

- a) The name and other details of *Mr. M. H. Kania*, Independent Trustee / Director of the Company stands deleted from the list of board of directors consequent to his resignation from the board of Trustee with effect from April 30, 2012.
- b) The statement appearing immediately after the table of name, address and other details of Board of Directors of the Trustee Company shall be replaced with the following:

*“Mr. Shrinath Bolloju is associated with the Sponsors, Mr. Y. B. Desai, Mr. Debabrata Bhadury and Mr. M. S. Verma are independent trustees.”*

**Notes:**

The addendum forms an integral part of the CSID/ SAI/CKIM of all Schemes of DMF. All other terms and conditions of the schemes remain unchanged. Investors are requested to take a note of these changes.

**Addendum dated 14<sup>th</sup> May, 2012 to the Statement of Additional Information (“SAI”) of Deutsche Mutual Fund (“DMF”)**

**Change in the composition of Directors of Deutsche Asset Management (India) Private Limited (“the AMC”) w.e.f. May 12, 2012 consequent to sad demise of Mr. B. M. Bhide**

- a) The name and other details of *Mr. B.M Bhide*, Independent Director of the Company stands deleted from the list of board of directors consequent of his sad demise on May 12, 2012.
- b) The statement appearing immediately after the table of name, address and other details of Board of Directors of (“the AMC”) shall be replaced with the following:

*“Mr. Stephen Harris and Mr. Suresh Soni are associated with the sponsors. Mr. Kersi Gherda is independent director. Thus, 2 out of 3 directors are associate directors”.*

Notes: The addendum forms an integral part of the CSID/ SAI / CKIM of all the Schemes of DMF. All other terms and conditions of the schemes remain unchanged. Investors are requested to take note of these changes

**Notice-cum-addendum dated 7<sup>th</sup> June, 2012 to the Combined Scheme Information Documents ("CSIDs") / Scheme Information Document ("SID") / Statement of Additional Information ("SAI")/ Combined Key Information Memorandum ("CKIM") / Key Information Memorandum ("KIM") of Deutsche Mutual Fund ("DMF")**

**NOTICE** is hereby given that Deutsche Investor Services Private Limited (DISPL) will cease to be the Registrar and Transfer Agent ("RTA") in respect of all the Schemes of Deutsche Mutual Fund ("DMF") with effect from the close of business hours of June 15, 2012. Karvy Computershare Private Limited ("Karvy") will be the new RTA in respect of all the Schemes of DMF with effect from the start of business hours on June 18, 2012 (Effective Date). Consequently, 22 ISCs of DISPL will cease to be the official point of transactions for all the schemes of Deutsche Mutual Fund from the said effective date.

All communication from the above effective date with respect to investor services should be sent to Karvy Computershare Private Limited at 8-2-596 Karvy Plaza, Avenue 4, Street No.1, Banjara Hills, Hyderabad 500034.

The following Investor Service Centres (ISCs) of Karvy will be the official points of acceptance of transaction w.e.f. June 18, 2012.

**Agra:** Deepak Wasan Plaza, Behind Holiday Inn, Opp Megdoot Furnitures, Sanjay Place, Agra 282002 (U.P). **Ahmedabad:** 201, Shail Building, Opp Madhusudhan House, Nr. Navrangpura Telephone Exchange, Navrangpura, Ahmedabad 380006. **Ajmer:** 1-2, II Floor, Ajmer Tower, Kutchary Road, Ajmer 305001. **Allahabad:** RSA Towers, 2nd Floor, Above Sony TV Showroom, 57, S P Marg, Civil Lines, Allahabad 211001. **Alwar:** 101, 1st Floor, Saurabh Towers, Opp. UTI, Road No # 2, Bhagat Singh Circle, Alwar 301001. **Ambala:** 6349, Nicholson Road, Adjacent Kos Hospital, Ambala Cantt, Ambala 133001. **Amritsar:** 72-A, Taylor's Road, Aga Heritage Gandhi Ground, Amritsar 143001. **Ananthapur:** # 15-149, 1st Floor, S.R.Towers, Opp Lalithakala Parishat, Subash Road, Anantapur 515001. **Aurangabad:** Ramkunj, Railway Station Road, Near Osmanpura Circle, Aurangabad 431005. **Bangalore:** No. 51/25, 1st Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore 560025. **Bareilly:** 1st Floor, 165, Civil Lines, Opp. Hotel Bareilly Palace, Near Rly Station Road, Bareilly 243001. **Baroda:** SB-4&5, Mangaldeep Complex, Opposite Mesonic Hall, Productivity Road, Alkapuri, Vadodara 390007. **Bhilai:** Shop No. 1, First Floor, Plot No. 1, Old Sada Office Block, Commercial Complex, Near HDFC ATM, Nehru Nagar- East, Bhilai 490020. **Bhilwara:** 27-28, 1st Floor, Hira-Panna Complex, Pur Road, Bhilwara 311001. **Bhubaneswar:** Plot No. 104/105(P), Jaydev Vihar, Besides Hotel Pal Heights, Bhubaneswar 751013. **Bikaner:** 2nd Floor, Plot No 70 & 71, Panchshati Circle, Sardul Gunj Scheme, Bikaner 334003. **Calicut:** Sowbhagya Shopping Complex, Areyadathupalam, Mavoor Road, Calicut 673004. **Chandigarh:** SCO-371-372, First Floor, Above HDFC Bank, Sector 35B, Chandigarh 160022. **Chennai:** Flat No F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp Chief City Metropolitan Court, # 108, Adhithanar Salai, Egmore, Chennai 600002. **Cochin:** Building No. 39 Ali Arcade, 1st floor, Near Atlantis Junction, Kizhvana Road, Panampili Nagar, Cochin 682036. **Coimbatore:** 1057/1058, Jaya Enclave, Avanashi Road, Coimbatore 641018. **Cuttack:** Dargha Bazar, Opp. Dargha Bazar Police Station, Buxibazar, Cuttack 753001. **Dehradun:** Kaulagarh Road, Near Sirmour Marg, Above Reliance Webworld, Dehradun 248001. **Durgapur:** MWAV-16 Bengal Ambuja, 2nd Floor, City Centre, Durgapur 713216. **Faridabad:** A-2B, 1st Floor, Nehru Ground, Neelam Bata Road, Nit, Faridabad 121001. **Ghaziabad:** 1st Floor, C-7, Lohia Nagar, Ghaziabad 201001. **Gorakhpur:** Above V.I.P. House, Ajdacent A.D. Girls Inter College, Bank Road, Gorakhpur 273001. **Guntur:** Door No. 6-10-18, Sai House, 10/1, Arundelpet, Guntur 522002. **Gurgaon:** Shop No. 18, Ground Floor, Sector-14, Opp. AKD Tower, Near Huda Office, Gurgaon 122001. **Guwahati:** 54 Sagarika Bhawan, R G Baruah Road, (AIDC Bus Stop),

Guwahati 781024. **Haridwar:** 8, Govind Puri, Opp. LIC - 2, Above Vijay Bank, Main Road, Ranipur More, Haridwar 249401. **Hissar:** SCO 71, 1st Floor, Red Square Market, Hissar 125001. **Hubli:** 22 & 23, 3rd Floor, Eureka Junction, T B Road, Hubli 580029. **Hyderabad:** 8-2-596 Karvy Plaza, Avenue 4, Street No.1, Banjara Hills, Hyderabad 500034. **Indore:** G-7, Royal Ratan Building, M.G Road, Opp. Kotak Mahindra Bank, Indore 452010. **Jaipur:** S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, CScheme, Jaipur 302001. **Jalandhar:** Lower Ground Floor, Office No. 3, Arora Prime Tower, Plot No. 28, G T Road, Jalandhar 144004. **Jamshedpur:** Kanchan Tower, 3rd Floor, Chhaganlal Dayalji @ Sons, 3-S B Shop Area, (Near Traffic Signal), Main Road, Bistupur, Jamshedpur 831001. **Jodhpur:** 203, Modi Arcade, Chupasni Road, Jodhpur 342001. **Kanpur:** 15/46, Ground Floor, Opp. Muir Mills, Civil Lines, Kanpur 208001. **Karimnagar:** H.No.4-2-130/131, Above Union Bank, Jafri Road, Rajeev Chowk, Karimnagar 505001. **Karnal:** 18/369, Char Chaman, Kunjpura road, Karnal 132001. **Kolhapur:** 605/1/4 E Ward, Near Sultane Chambers, Shahupuri 2nd Lane, Kolhapur 416001. **Kolkata:** 166A, Rashbehari Avenue, 2nd Floor, Near Adi Dhakerhwari Bastralaya, Opp Fortis Hospital, Kolkata 700029. **Kota:** H.No. 29, First Floor, Near Lala Lajpat Rai Circle, Shopping Centre, Kota 324007. **Kurnool:** Shop No. 43, 1st Floor, S V Complex, Railway Station Road, Kurnool 518004. **Lucknow:** Usha Sadan, 24, Prem Nagar, Ashok Marg, Lucknow 226001. **Ludhiana:** SCO - 136, First Floor, Above Airtel Show Room, Feroze Gandhi Market, Ludhiana 141001. **Madurai:** Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp Nagappa Motors, Madurai 625010. **Mangalore:** Ground Floor, Mahendra Arcade, Kodial Bail, Mangalore 575003. **Mathura:** Ambey Crown, 2nd Floor, In Front of BSA College, Gaushala Road, Mathura 281001. **Meerut:** 1st Floor, Medi Centre Complex, Opp. ICICI Bank, Hapur Road, Meerut 250002. **Moradabad:** Om Arcade, Parker Road, Above Syndicate Bank, Tari Khana Chowk, Moradabad 244001. **Mumbai:** Office number 01/04, 24/B, Raja Bahadur Compound, Ambalal Doshi Marg, Behind Bombay Stock Exchange, Fort, Mumbai 400001. **Mysore:** L-350, Silver Tower, Clock Tower, Ashoka Road, Mysore 570001. **Nagpur:** Plot No.2/1, House No. 102/1, Mangaldeep Apartment, Mata Mandir Road, Opp. Khandelwal Jewellers, Dharampeth, Nagpur 440010. **Nasik:** S-12, Second Floor, Suyojit Sankul, Sharanpur Road, Nasik 422002. **Nellore:** 207, II Floor, Kaizen Heights, 16/2/230, Sunday Market, Pogathota, Nellore 524001. **New Delhi:** 305, 3rd Floor, New Delhi House, Bara Khamba Road, Connaught Place, New Delhi 110001. **Noida:** 307 Jaipuria Plaza, D 68 A, 2nd Floor, Opp Delhi Public School, Sector 26, Noida 201301. **Panipat:** 1st Floor, Krishna Tower, Near HDFC Bank, Opp. Railway Road, G T Road, Panipat 132103. **Panjim:** City Business Centre, Coelho Pereira Building, Room Nos.18,19 & 20, Dada Vaidya Road, Panjim 403001. **Patiala:** SCO 27 D, Chhoti Baradari, Patiala 147001. **Patna:** 3A, 3rd floor, Anand tower, Beside Chankya Cinema Hall, Exhibition Road, Patna 800001. **Pondicherry:** First Floor, No.7, Thiayagaraja Street, Pondicherry 605001. **Pune:** Shop No. 16, 17 & 18, Ground Floor, Sreenath Plaza, Dyaneshwar Paduka Chowk, F C Road, Pune 411004. **Raipur:** Room No. TF 31, 3rd Floor, Millennium Plaza, Behind Indian Coffee House, G E Road, Raipur 492001. **Rajahmundry:** Dr. No. 6-1-4, first floor, Rangachary street, Tnagar, Rajahmundry 533101. **Rajkot:** 104, Siddhi Vinayak Complex, Dr Yagnik Road, Opp Ramkrishna Ashram, Rajkot 360001. **Ranchi:** Room No. 307, 3rd Floor, Commerce Towers, Beside Mahabir Towers, Main Road, Ranchi 834001. **Rohtak:** 1st Floor, Ashoka Plaza, Delhi Road, Rohtak 124001. **Salem:** Door No. 40, Brindavan Road, Near Perumal Koil, Fairlands, Salem 636016. **Shillong:** Mani Bhawan, Thana Road, Lower Police Bazar, Shillong 793001. **Shimla:** Triveni Building, By Pas Chowk, Khallini, Shimla 171002. **Siliguri:** Nanak Complex, Near Church Road, Sevoke Road, Siliguri 734001. **Sonepat:** 205 R Model Town, Above Central Bank of India, Sonepat 131001. **Surat:** G-6 Empire State Building, Near Parag House, Udhna Darwaja, Ring Road, Surat 395002. **Tirupathi:** Plot No.16 (South Part), First Floor, R C Road, Tirupati 517502. **Trichy:** Sri Krishna Arcade, 1st Floor, 60 Thennur High Road, Trichy 620017. **Trivandrum:** 2nd Floor, Akshaya Towers, Above Jetairways, Sasthamangalam, Trivandrum 695010. **Udaipur:** 201-202, Madhav Chambers, Opp. G.P.O, Chetak Circle, Madhuban, Udaipur 313001. **Varanasi:** D-64/132, KA



1st Floor, Anant Complex, Sigra, Varanasi 221010. **Vellore:** No.1, M.N.R. Arcade, Officer's Line, Krishna Nagar, Vellore 632001. **Vijayawada:** 39-10-7 Opp Municipal Water Tank, Labbipet, Vijayawada 520010. **Visakhapatnam:** 47-14-5/1 Eswar Paradise, Dwaraka Nagar, Main Road, Visakhapatnam 530016. **Warangal:** 5-6-95, 1st floor, Opp B.Ed Collage, Lashkar Bazar, Chandra Complex, Hanmakonda, Warangal 506001.

The aforesaid list of ISCs of Karvy will also be available on the DMF **website:** [www.dws-india.com](http://www.dws-india.com)

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# I. Information about Sponsor, AMC and Trustee Companies

## A) Constitution of the Mutual Fund

Deutsche Mutual Fund ("the Mutual Fund" or "the Fund" or "DMF") has been constituted as a Trust in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882) vide a Trust Deed dated May 29, 2002 with Deutsche Asset Management (Asia) Limited, as the Sponsor and Deutsche Trustee Services (India) Private Limited as the Trustee. The Trust Deed has been registered under the Indian Registration Act, 1908. The Mutual Fund was registered with SEBI on October 28, 2002 under Registration Code MF/047/02/10.

## B) The Sponsors / Co-Sponsors

### Deutsche Asset Management (Asia) Limited ("DeAM Asia")

DeAM Asia is the Co-Sponsor for the Fund in its capacity as the Settlor of the Mutual Fund. DeAM Asia was incorporated in 1987 and is headquartered in Singapore. DeAM Asia is responsible for marketing and sourcing new assets in the region for investments into Asia and Global range of equity and fixed interest products. DeAM Asia has an Investment Adviser License issued by the Monetary Authority of Singapore ("MAS"). It is one of the six fund managers, which have been granted the Enhanced Fund Manager status by MAS and is an Approved Fund Management Company under the Central Provident Fund Scheme.

In addition to managing the funds of Asian clients, DeAM Asia also manages and advises the Asian assets of Deutsche Asset Management's UK and Australian pension funds, the Asian portion of the Group's global emerging market portfolio's and global small company portfolios. Within the Asian region, DeAM Asia has presence in Singapore, Hong Kong, Korea, India, China and Taiwan.

The Sponsor has contributed a sum of Rs. 1 lakh as its initial contribution, towards the corpus of the Mutual Fund, in the Trustee Company.

Given below is a brief summary of DeAM Asia's financials:

Year ended December 31 (US\$ '000)

Description	2010 (Audited)	2009 (Audited)	2008 (Audited)	2007 (Audited)
Net Worth	64,975	55,122	63,604	34,793
Total Income	31,303	39,091	45,938	55,260
Profit After Tax	14,745	(5,566)	10,888	(19,943)
Paid Up Capital Equity	68,747	68,747	66,990	45,323
Preference	-	-	-	-

### Deutsche India Holdings Private Limited (DIHPL)

DIHPL, a company incorporated under the Companies Act, 1956 having its registered office at Nirlon Knowledge Park, Block 1, Western Express Highway, Goregaon (East), Mumbai 400 063 Mumbai, is the Co-Sponsor for Deutsche Mutual Fund by virtue of its contribution of more than 40% to the networth of Deutsche Asset Management (India) Private Limited ("DeAM India"). DIHPL has been formed to act as a holding and investment company for the various existing and future operating subsidiaries of the Deutsche Bank group that are engaged in the financial services and back office processing services.

Given below is a brief summary of DIHPL's financials for the period ended

(Rs. '000)

Description	2010 31 March (Audited)	2009 31 March (Audited)	2008 31 March (Audited)
Net Worth	2,507,668	2,485,435	2,454,223
Total Income	26,537	38,917	133,642
Profit After Tax	20,986	34,073	112,507
Paid Up Capital Equity	500,000	500,000	500,000
Preference	-	-	-

## About Deutsche Asset Management ("DeAM")

DeAM is a 100% owned subsidiary of Deutsche Bank AG.

DeAM, the asset management division of Deutsche Bank AG, is one of the world's foremost investment organizations. Their presence in the key investment markets allows them to leverage the expertise of more than 360 portfolio managers and analysts across the globe. DeAM's investment team benefits appreciably from the financial and research support of one of the world's strongest financial institutions.

As a leading global asset manager, Deutsche Asset Management offers clients a combination of services - a truly global network, a comprehensive product range, a service orientation and commitment to superior performance - together with the financial strength and resources of the Deutsche Bank Group. DeAM is dedicated to providing clients with investment solutions at all points of the risk/return spectrum, with products specifically tailored to meet individual client requirements. Strategies offered include active management in equities and fixed income both domestically and internationally. DeAM's ultimate goal is to empower clients with innovative solutions that meet their complex investment needs.

Deutsche Asset Management manages funds on behalf of a wide range of clients world-wide, including pension funds, charities and foundations, corporates and insurance companies. As at March 31, 2011, Deutsche Asset Management had Euro 529 billion of assets under management.

Deutsche Asset Management captures the talents and experience of over 40 years of several key market players - most notably 'Morgan Grenfell', 'Bankers Trust' and our European Retail Fund business - 'DWS Investments'. Since 1999 it has operated under one global name of 'Deutsche Asset Management'. On 4th December, 2001 a definitive agreement to acquire the US, European (excluding Threadneedle) and Asian operations of Scudder from Zurich Financial Services was signed. The addition of Scudder expanded Deutsche Bank's US presence significantly, enhancing the ability to deliver outstanding products and services to Deutsche Bank and Scudder investors worldwide. This transaction reflects and strengthens Deutsche Bank's commitment to Asset Management as a key strategic focus.

## DWS Investments

In the year 1956 in Germany several private banks including the Deutsche Bank signed DWS Investments' contract of incorporation. DWS Investments is the retail mutual fund brand of Deutsche Bank group. With Deutsche Asset Management, DWS Investments is both the name of the issuer and branding name for retail mutual funds in Europe.

DWS Investments' has a proud heritage spanning over 50 years in Germany and over 20 years of steady growth in Europe. Today DWS Investments is the leading Mutual Fund Company in Germany with Euro 175 bn. assets under management and a market share of 24%. In Germany and amongst the five largest Mutual Fund companies in Europe, DWS Investments is one of the top four players in the international fund market. The presence of DWS Investments covers all of Europe's most important markets. This sets DWS Investments significantly apart from its international competitors. The local DWS Investments' entities are not just mere distribution centres, but rather part of a multi cultural network combining global with local know-how to develop customized investment solutions.

This worldwide expertise is two-fold. On the one hand, DWS fund management teams are based in numerous European countries so that they are as close as possible to the local market and on the other, Research and fund managers alike can exchange their knowledge on a global platform drawing on an enormous pool of resources.

DWS Investments focuses on active management of a variety of securities funds. The company is convinced that independence, responsibility and flexibility in investment decisions are crucial in achieving above average investment performance.

Since April 2002 DWS has been marketing its products right across Europe under the highly successful "DWS Investments" branding. As such DWS' customers benefit from the amalgamation of global know-how and existing infrastructure. There are already, local fund management and sales teams in European countries. They employ all their international expertise to enhance their customers' investment successes.

## Deutsche Bank Group

Deutsche Bank is one of the world's leading international financial service providers with roughly more than 80,000 employees, the bank serves customers in more than 74 countries worldwide: more than half of the bank's staff works outside Germany.

The Bank's home market is Europe. A strong positioning in Europe, and especially in the German market, provides the basis of the global activities.

As a modern universal bank, Deutsche Bank offers its customers a broad range of first class banking services. It provides private clients with an all round service extending from account keeping and cash and securities investment advisory to asset management. The bank offers corporate and institutional clients the full product assortment of an international corporate and investment bank - from payment processing and corporate finance to support IPO's and M & A advisory. In addition, the bank has a leading position in international foreign exchange, fixed income and equity trading.

Deutsche Bank is a European global powerhouse dedicated to excellence, constantly challenging the status quo to deliver superior solutions to its clients.

Deutsche Bank is determined to create sustainable added value for all its stakeholders, shareholders, customers, staff and society. This commitment lies at the heart of its corporate culture, which focuses

on performance, together with mutual climate; expertise coupled with perseverance is the key to turning intentions into reality.

### Deutsche Bank in India

Deutsche Bank established its first branch in India in 1980. Today, Deutsche Bank operates in India through its fifteen full-fledged branches. With a staff of over seven thousand people in fourteen cities, Deutsche Bank India has a presence in the key geographic Indian locations. Armed with its in-depth knowledge of the Indian economy and the business environment, as well as by leveraging on its international network, Deutsche Bank is well positioned to offer its clients state-of-the-art advisory services in India.

The bank has a strong presence in Corporate Banking, International Trade Finance, Global Markets, Custody Services, Global Cash Management, Corporate Trust & Agency Services, Private Wealth Management and Retail Banking. The bank presently is recognized as India's leading foreign exchange dealer, ranking among the top three in derivatives sales and is one of the top three foreign banks in Gol securities trading.

## C) The Trustee Company (the Trustee)

Deutsche Trustee Services (India) Private Limited (the "Trustee"), through its Board of Directors, shall discharge its obligations as trustee of the Deutsche Mutual Fund. The Trustee ensures that the transactions entered into by the AMC are in accordance with the SEBI Regulations and will also review the activities carried on by the AMC.

### 1) The name, addresses and other details of the Board of Directors of Deutsche Trustee Services (India) Private Limited are mentioned below:

Name / Age	Qualification	Brief Experience
<b>M. H. Kania</b> 83 years	B.A. (Hons.), LLB	Mr. Kania holds a Bachelor's degree in Arts (Hons.) and in Law. He is the former Chief Justice of Supreme Court of India.
<b>Debabrata Bhadury</b> 69 years	B.A. (Economics Hons.) Postgraduate Management Diploma	Mr. Bhadury holds a Bachelor's degree in Arts (Economics Hons.). He has done Postgraduate Management Diplomas from the following Institutes: <ul style="list-style-type: none"> <li>Indian Institute of Management (Kolkata)</li> <li>National Productivity Council (Delhi)</li> <li>Administrative Staff College of India (Hyderabad)</li> <li>Cranfield Institute (UK)</li> </ul> He is the former Managing Director & Vice Chairman of Hoechst Marion Roussel Ltd. and is a Director on the board of USV Ltd.
<b>Y. B. Desai</b> 69 years	B.A. (Hons.), CAIIB	Mr. Desai holds a Bachelor's degree in Arts (Hons.) and is a Certified Associate of Indian Institute of Bankers (CAIIB). He is the former Managing Director of Export Import Bank of India (EXIM Bank). He holds directorships on the Board of various companies such as : <ul style="list-style-type: none"> <li>Dishman Pharmaceutical &amp; Chemicals Ltd.</li> <li>Kabra Extrusion Technik Ltd.</li> </ul>
<b>Shrinath Bolloju</b> 47 years	B. Tech, MMS	Mr. Shrinath Bolloju is Chief Operating Officer (COO) of Deutsche Bank in India. Mr. Bolloju is a banking technology and operations professional with over two decades of experience in the industry. He started his career with Citigroup's IT arm in India in 1988, and later joined Deutsche Bank Singapore in 1996. After various successful regional and global roles in Singapore and London, Shrinath moved back to India as Global Head of Custody and CTAS Operations and CIO, India in 2006. He took on the India Group COO's job in 2008.

Mr. Shrinath Bolloju is associated with the Sponsors. Mr. M. H. Kania, Mr. Y. B. Desai and Mr. Debabrata Bhadury are independent trustees.

### 2) Rights, Duties & Responsibilities of the Trustee and the material provisions of the Trust Deed

The Rights, Duties and Responsibilities of the Trustee shall be consistent with the Regulations and the Trust Deed. The Trustee shall discharge such duties and responsibilities as provided in the Regulations and the Trust Deed.

The duties and responsibilities of the Trustee and the material provisions of the Trust Deed, inter alia, are as under:

- The Trustee has exclusive ownership of the Trust Fund and holds the same in trust and for the benefit of Unit Holders.
- The Trustee reserves the right to declare dividend under the Scheme depending on the distributable surplus available under the Option. It should, however, be noted that actual distribution of dividends and the frequency of distribution will depend, inter alia, on the availability of distributable surplus and will be entirely at the discretion of the Trustee.

- The Trustee shall ensure before the launch of any Scheme that the Asset Management Company has a) systems in place for its back office, dealing room and accounting; b) appointed all key personnel including fund manager(s) for the Scheme and submitted to the Trustee their resume containing particulars of their educational qualifications and past experience in the securities market within fifteen days of their appointment; c) appointed auditors to audit the accounts of the Scheme; d) appointed a compliance officer who shall be responsible for monitoring the compliance of the SEBI Act, rules and regulations, notifications, guidelines, instructions etc. issued by SEBI or the Central Government and for redressal of investors' grievances; e) appointed registrars and laid down parameters for their supervision; f) prepared a compliance manual and designed internal control mechanisms including internal audit systems; and g) specified norms for empanelment of brokers and marketing agents. The Trustee shall ensure that the transactions concerning the Fund are in accordance with the Trust Deed and the Regulations.

- The Trustee shall not be liable to the Mutual Fund or the Unitholders, if the Mutual Fund suffers a decline in its net asset value or if any share or other security comprised in the Trust Fund depreciates in its market value or fails to achieve any increase therein, unless such decline, depreciation or failure is caused by the willful default or gross negligence of the Trustee.
  - The Trustee shall not be under any liability on account of anything done or omitted to be done or suffered to be done by the Trustee in good faith, bona fide and after due diligence and care, in accordance with or on the advice of the AMC or any other professional person, firm or company.
  - For avoidance of doubt, it is hereby agreed and declared that references to the Trustee in this clause shall be deemed to include references to the officers, servants and delegates of the Trustee.
  - The Trustee shall ensure that the Fund and the schemes floated there under and managed by the AMC are in accordance with the Trust Deed and the Regulations, directions and guidelines issued by SEBI, the Stock Exchanges and other regulatory agencies.
  - The Trustee shall ensure that the transactions concerning the Fund are in accordance with the Trust Deed and the Regulations.
  - The Trustee shall ensure that the investment of the Trust Fund and Unit Capital of each scheme is made only in the permitted securities and within limits prescribed by the Trust Deed, the Regulations, and the SID of the concerned scheme.
  - The Trustee shall hold in safe custody and preserve the properties of the Fund and the various schemes of the Fund.
  - The Trustee shall ensure that the income due to be paid to the Scheme is collected and properly accounted for and shall claim any repayment of tax and holding any income received in trust for the holders in accordance with the Trust Deed and the Regulations.
  - The Trustee shall not acquire or allow the Asset Management Company to acquire any asset out of Trust Fund, which involves assumption of unlimited liability or results in encumbrance of Trust Fund.
  - The Trustee shall be bound to make such disclosures to the Unit Holders as are essential in order to keep them informed about any information, which may have an adverse bearing on their investments.
  - The Trustee shall provide or cause to provide such information to Unit Holders and SEBI, as may be specified by SEBI from time to time.
  - The Trustee shall act in the best interest of Unit Holders.
  - The Trustee, in carrying out its responsibilities under the Trust Deed and Regulations, shall maintain arm's length relationship with other companies, institutions or financial intermediaries or any body corporate with which it is associated.
  - A Director of the Trustee shall not participate in the meetings of the Trustee or in any decision making process in respect of any investments for the Fund in which he may be interested.
  - The Trustee shall abide by the code of conduct specified in the Regulations.
  - The Trustee may amend the Trust Deed with the prior approval of SEBI and the Unit Holders where it affects the interest of Unit Holders.
  - The Trustee may, subject to the Regulations, prescribe such terms and make such rules for the purpose of giving effect to the provisions of the Scheme with power to the Investment Manager to add to, alter or amend all or any of the terms and rules that may be framed from time to time. However, the Trustee may alter / modify / change in the Fundamental Attributes of the Scheme or the trust or fees and expenses payable or any other change which would modify the Scheme or affect the interest of the Unit Holders, in accordance with the applicable Regulations from time to time.
  - The Trustee will call for a meeting of the Unit Holders of the Scheme, as required by the Regulations for the time being in force, whenever it is required by SEBI to do so in the interest of the Unit Holders, or if the Trustee determines to modify the Scheme or prematurely redeem the Units or wind up the Scheme.
  - If any difficulty arises in giving effect to the provisions of this Scheme, the Trustee may do anything not inconsistent with such provisions, subject to the Regulations, which appear to be necessary, desirable or expedient, for the purpose of removing such difficulty.
  - In addition to the duties and responsibilities provided in the Regulations, the material provisions of SEBI (Mutual Funds) (Amendment) Regulations, 1999 provide how the Trustee shall exercise due diligence and are as under.
- The Trustee shall exercise General Due Diligence in the following manner:**
- The Trustee shall be discerning in the appointment of the directors on the Board of the AMC.
  - The Trustee shall review the desirability of continuance of the AMC if substantial irregularities are observed in any of the schemes and shall not allow the AMC to float new schemes.
  - The Trustee shall ensure that the trust property is properly protected, held and administered by proper persons and by a proper number of such persons.
  - The Trustee shall ensure that all service providers are holding appropriate registrations from the Board or concerned regulatory authority.
  - The Trustee shall arrange for test checks of service contracts.
  - The Trustee shall immediately report to the Board of any special developments in the Fund.
- The Trustee shall exercise Specific Due Diligence in the following manner:**
- Obtain internal audit reports at regular intervals from independent auditors appointed by the Trustee.
  - Obtain compliance certificates at regular intervals from the AMC.
  - Consider the reports of the independent auditor and compliance reports of AMC at the meetings of Trustees for appropriate action.
  - Maintain records of the decisions of the Trustee at their meetings and of the minutes of the meetings.
  - Prescribe and adhere to a code of ethics by the Trustee, AMC and its personnel.
  - Communicate in writing to the AMC of the deficiencies and checking on the rectification of deficiencies.
  - Notwithstanding the aforesaid, the Trustee shall not be held liable for acts done in good faith if they have exercised adequate due diligence honestly.
  - The Independent Directors of the Trustee or AMC shall pay specific attention to the following, as may be applicable, namely:
    - The Investment Management Agreement and the compensation paid under the agreement.
    - Service contracts with affiliates - whether the AMC has charged higher fees than outside contractors for the same services.
    - Selection of the AMC's independent directors.
    - Securities transactions involving affiliates to the extent such transactions are permitted.
    - Selecting and nominating individuals to fill independent directors vacancies.
    - Code of ethics that is designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions.
    - The reasonableness of fees paid to Sponsors, AMC and any others for services provided.
    - Principal underwriting contracts and their renewals.
    - Any service contract with the associates of the AMC.
  - Notwithstanding anything contained in sub-regulations (1) to (25) of regulation 18 of the Regulations, the Trustees shall not be held liable for acts done in good faith if they have exercised adequate due diligence honestly.
  - The Regulations provide that the meetings of the Trustees shall be held at least once in every 2 months and at least 6 such meetings will be held every year. Further, as per the Regulations, for the purposes of constituting the quorum for the meetings of the Trustees, at least one Independent Trustee or Director should be present during such meetings.



## Trustee - Supervisory Role

The supervisory role of the Trustees will be discharged by reviewing the information and the operations of the Fund based on the report submitted at the meetings of the Trustees, by reviewing the reports submitted by the Internal Auditor and the bi-monthly and half yearly compliance reports. The Trustees will also conduct a detailed review of half-yearly and annual accounts of the Scheme of the Fund and discuss the matters arising there from with the Statutory Auditors of the Scheme of the Fund. During the financial year 2010-11 (April - March), the Trustees has held 7 board meetings.

No amendment to the Trust Deed shall be carried out without prior approval of SEBI and Unitholders' approval / consent will be obtained where it affects the interests of Unitholders as per the procedure / provisions laid down in the Regulations.

The Trustees may require or give verification of identity or other details regarding any subscription or related information from/of the Unitholders as may be required under any law, which may result in delay in dealing with the applications, Units, benefits, distribution, etc.

## D) The Asset Management Company ("AMC")

### 1) Constitution

Deutsche Asset Management (India) Private Ltd. (DeAM India) has been appointed as the Asset Management Company of the Mutual Fund by the Trustees vide its Investment Management Agreement ("IMA") dated May 29, 2002 executed between the AMC and the Trustee Company. The Asset Management Company is a private limited company incorporated under the Companies Act, 1956 on

March 21, 2002. Deutsche India Holdings Private Limited holds 100% of the paid up equity capital of the Company along with its two nominee shareholders holding 1 share each. The head office and the registered office of DeAM India is 2nd Floor, 222, Kodak House, Dr. D. N. Road, Fort, Mumbai - 400 001, India. The Asset Management Company was approved to act as the Asset Management Company for the Mutual Fund by SEBI on October 28, 2002.

SEBI vide letter no. IMD/SC/24971/2004 dated November 3, 2004 and letter no. IMD/RK/59203/2006 dated February 1, 2006 has granted permission for providing Non-Discretionary Advisory services. The AMC has also obtained Certificate of Registration as Portfolio Manager under the SEBI (Portfolio Managers) Regulations, 1993 vide registration no. INP000002486 with effect from January 16, 2008. With effect from May 05, 2009, the Non-Discretionary Advisory services have been brought under the Portfolio Management Services of the AMC.

The AMC has system in place to ensure that there is no conflict of interest between the aforesaid activities.

Besides the offering and management of collective investment schemes, the Asset Management Company may undertake activities in the nature of management and advisory services to offshore funds, pension funds, provident funds, venture capital funds, management of insurance funds and financial consultancy and exchange of research on a commercial basis.

The AMC will manage the Scheme(s) of the Fund, including those mentioned in the Scheme Information Document, in accordance with the provisions of IMA, the Trust Deed, the SEBI Regulations and the objectives of each of the Scheme(s).

### 2) Board of Directors of the AMC

Name / Age	Qualification	Brief Experience
<b>Kersi Gherda</b> 82 years	B.Com., ACS, ACA, FCS (England & Wales)	Mr. Gherda holds a Bachelor's degree in Commerce. He is a member of the Institute of Chartered Accountants of India and also a member of the Institute of Chartered Accountants of England & Wales.  He is the former Chairman of Kotak Mahindra Bank Limited and the former Vice Chairman and Managing Director of Tata Electric Companies. He is on the board of various Companies.
<b>B. M. Bhide</b> 72 years	Post Graduate Diploma in Certified Systems Management, (University of Bombay), C.A.I.I.B.	Mr. Bhide has done a Post Graduate diploma in Systems Management from the Bombay University and is a Associate of Indian Institute of Bankers (CAIIB). He is the former Non-Executive Chairman of SBI Commercial and International Bank Ltd.
<b>Stephen Harris</b> 57 years	C.A., Institute of Chartered Accountants of Scotland Glasgow University.	Mr. Harris holds degree of C.A. from Institute of Chartered Accountants of Scotland, Glasgow University.  Mr. Harris is the Chief Operating Officer (COO), Asia Pacific for the Asset Management division, Deutsche Bank group, based in Hong Kong, since May 2005.  Mr. Harris joined the Deutsche Bank Group in 1994 as COO, Equities for Australia before moving to Hong Kong at the end of 2000 to become the COO, Equities initially for Asia ex-Japan and Australia and subsequently for Global Emerging Markets.  Mr. Harris began his career with Deloitte initially in Glasgow, where he attended Glasgow University and became a member of the Institute of Chartered Accountants of Scotland. On completion of his studies, he relocated with Deloitte to Paris where he subsequently joined the financial services industry in 1987 before moving to Australia in 1994.
<b>Suresh Soni</b> 40 years	B.Sc., ACA, Grad CWA	Mr. Soni holds a Bachelor's degree in Science. He is also a Chartered Accountant and Cost Accountant.  Mr. Soni joined Deutsche Asset Management (India) Private Limited (DeAM India) in October 2002 as the Fund Manager. In January 2007, he was elevated to Chief Investment Officer (Jan. 2007 - Jan. 2009). W.e.f. July 08, 2008 he has been appointed as the Chief Executive Officer of the Company.  He has over 16 years of experience in the Mutual Fund Industry. He started his career with SBI Mutual Fund in 1993 where he was involved in research and fund management. He later managed the investments for around 4 years (September 1996 - March 2000) with Sundaram Newton AMC Ltd. Prior to joining DeAM India, he was Vice-President and Fund Manager at Pioneer ITI AMC Ltd. from April 2000 to September 2002.

Mr. Stephen Harris and Mr. Suresh Soni are associated with the Sponsors.

Mr. Kersi Gherda and Mr. B. M. Bhide are independent Directors.

### 3) Powers, Duties and Responsibilities of the AMC

The powers, duties and responsibilities of the AMC shall be governed by the Regulations and the Investment Management Agreement. The AMC, in the course of managing the affairs of the Mutual Fund, has the powers, inter alia for:

#### Powers:

- Floating Scheme(s) of the Mutual Fund after approval of the same by the Trustees and investing and managing the funds mobilised under various Scheme(s), in accordance with the provisions of the Trust Deed and the Regulations.
- Evaluating investment opportunities for further investments by the Mutual Fund.
- Evaluating and issuing orders and instructions with respect to the acquisition and disposition of investments and risk positions/exposures.
- Issuing and ensuring due compliance of instructions to the custodian and the Mutual Fund's brokers, agents including registrars and transfer agents.
- Issuing, selling, repurchasing and cancelling the Units as per the terms of the respective Scheme(s) of the Mutual Fund.
- Managing the Mutual Fund Scheme(s) independently of other activities and taking adequate steps to ensure that the interests of Unitholders are not being compromised with those of any other Scheme(s) or any of its other activities.
- Opening and operating bank accounts in the name and on behalf of each scheme in relation to the investments made by the Mutual Fund.
- Fixing record dates or book closure periods for the purpose of effecting transfer of Units and determining eligibility for dividends, bonus, rights, privileges, preferences, reservations or other entitlements or accretions.
- Providing information to SEBI and the Unitholders as required under the Regulations or as otherwise required by SEBI.
- Receiving, holding in trust, or as agent or nominee of the Trustees, improving, developing, using, selling, transferring, exchanging, assigning, dealing, trading in and managing all assets and all accretions thereto and endeavouring to earn adequate returns on them for and on behalf of the Trust.
- Fixing sales and re-purchase prices, and calculating Net Asset Value for Units, consistent with the Regulations.
- Setting up an effective establishment for servicing of Unitholders under the various Scheme(s) and also to protect the interest of the Unitholders.
- Generally doing all acts, deeds, matters and things which are necessary for any object, purpose or in relation to the Mutual Fund in any manner or in relation to any scheme of the Mutual Fund.

#### Duties and Responsibilities:

- The AMC shall take all reasonable steps and exercise due diligence to ensure that the investment of funds pertaining to any scheme is not contrary to the provisions of the SEBI Regulations, and the Trust Deed.
- The AMC shall exercise due diligence and care in all its investment decisions as would be exercised by other persons engaged in the same business.
- The AMC shall be responsible for the acts of commissions or omissions by its employees or the persons whose services have been procured by the AMC.
- The AMC shall submit to the Trustees quarterly reports of each year on its activities and the compliance with the SEBI Regulations.
- The Trustees at the request of the AMC may terminate the assignment of the AMC at any time provided that such termination shall become effective only after the Trustees have accepted the termination of assignment and communicated their decision in writing to the AMC.
- Notwithstanding anything contained in any contract or agreement of termination, the AMC or its directors or other officers shall not be absolved of liability to the Mutual Fund for their acts of commission or omissions, while holding such position or office.
- The AMC shall not purchase or sell securities, through any broker associated with the Sponsor, which is average of 5% or more of the aggregate purchases and sales of securities made by a mutual fund in all its Scheme(s). Provided that for these purposes, aggregate purchase and sale of securities shall exclude sale and distribution of Units issued by the Mutual Fund. Provided further that the aforesaid limit of 5% shall apply for a block of any 3 months.
- The AMC shall not purchase or sell securities through any broker (other than a broker not associated with the Sponsor) which is

average of 5% or more of the aggregate purchases and sale of securities made by the mutual fund in all its Scheme(s), unless the AMC has recorded in writing the justification for exceeding the limit of 5% and reports of all such investments are sent to the Trustees of such mutual fund on a quarterly basis. Provided that the aforesaid limit shall apply for a block of 3 months.

- The AMC shall not utilize the services of the Sponsor or any of its associates, employees or their relatives, for the purpose of any securities' transactions and distribution and sale of securities, provided that the AMC may utilise such services if disclosure to that effect is made to the Unitholders and the brokerage or commission paid is also disclosed in the half yearly annual accounts of the Mutual Fund.
- The AMC shall file with the Trustees the details of transactions in securities by key personnel of the AMC in their own name or on behalf of the AMC and shall also report to SEBI, as and when required by SEBI.
- In case the AMC enters into any securities' transaction with any of its associates a report to that effect shall be sent to the Trustees at their next meeting.
- In case any company has invested more than 5% of the net asset value of a scheme, the investment made by that scheme or by any other scheme of the same mutual fund in that company or its subsidiaries shall be brought to the notice of the Trustees by the AMC and be disclosed in the half yearly / annual accounts of the respective Scheme(s) with justification for such investment provided that the latter investment has been made within 1 year of the date of the former investment calculated on either side.
- The AMC shall file with the Trustees and SEBI
  - Detailed bio-data of all its directors along with their interest in other companies within 15 days of their appointment; and any change in the interest of directors every 6 months.
  - A quarterly report to the Trustees giving details and adequate justification about the purchase and sale of securities of the group companies of the Sponsor or the AMC as the case may be, by the Mutual Fund during the quarter.
- Each director of the Asset Management Company shall file the details of his transactions of dealing in securities with the trustees on a quarterly basis in accordance with guidelines issued by SEBI from time to time.
- The AMC shall not appoint any person as key personnel who has been found guilty of any economic offence or involved in violation of securities laws.
- The AMC shall appoint registrars and share transfer agents who are registered with SEBI. Provided if the work relating to the transfer of Units is processed in-house, the charges at competitive market rates may be debited to the Scheme and for rates higher than the competitive market rates, prior approval of the Trustees shall be obtained and reasons for charging higher rates shall be disclosed in the annual accounts.
- The AMC shall abide by the Code of Conduct as specified in the Fifth Schedule of the SEBI Regulations.
- The AMC shall:
  - Not act as a trustee of any mutual fund
  - Not undertake any other business activities except activities in the nature of portfolio management services, management and advisory services to offshore funds, pension funds, provident funds, venture capital funds, management of insurance funds, financial consultancy and exchange of research on commercial basis, if any, of such activities are not in conflict with the activities of the mutual fund without the prior approval of the Trustees and SEBI. Provided that the AMC may itself or through its subsidiaries undertake such activities if it satisfies SEBI that the key personnel of the AMC, the systems, back office, bank and securities accounts are segregated activity-wise and there exists systems to prohibit access to inside information of various activities. Provided further that the AMC shall meet capital adequacy requirements, if any, separately for each such activity and obtain separate approval, if necessary under the relevant regulations;
  - Not invest in any of its Scheme(s) unless full disclosure of its intention to invest has been made in the SIDs.
  - Not be entitled to charge any fees on its investment in that scheme.
  - Not acquire any of the assets out of the Trust Funds, which involves the assumption of any liability which is unlimited or which may result in encumbrance of the scheme property in any way.
  - Not be liable to the Trustee for any error of judgment or mistake of law or for any loss suffered in connection

with the subject matter of the IMA, unless such error of judgment or mistake constitutes or such loss is caused by any acts of commission or omission or by fraud or willful default or gross negligence of the AMC or any of its agents or delegates. Without prejudice of the generality of the foregoing, in particular (but without limitation) the AMC shall not be liable to the Mutual Fund for any loss which may be sustained in the purchase, holding or sale of any investments or other assets by the mutual fund or on any of its assets as a result of loss, delay, misdelivery or error in transmission of cabled, telexed, telecopied, facsimiled, telegraphic or other communication unless such loss arose by any acts of commission or omission or from fraud, bad faith, willful default or gross negligence in the performance or non-performance of its duties as mentioned in the IMA.

- Not be liable to the Trustee in the event that the Mutual Fund suffers a decline in its net asset value or fails to achieve any increase therein unless such decline or failure is caused by any acts of commission or omission or by the default or negligence of the AMC, a bona fide error of judgment

not being regarded as default or negligence nor as an act of commission or omission.

- The independent directors of the AMC shall pay specific attention to the following as may be applicable, namely:
  - The Investment Management Agreement and the compensation paid under the agreement.
  - Service contracts with affiliates - whether the AMC has charged higher fees than outside contractors for the same services.
  - Securities transactions involving affiliates to the extent such transactions are permitted.
  - Code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions.
  - The reasonableness of fees paid to Sponsors, Asset Management Company and any others for services provided.
  - Principal underwriting contracts and renewals.
  - Any service contracts with the associates of the AMC.

#### 4) Key Employees of the AMC and relevant experience

Name & Age	Designation	Qualification	Experience
<b>Suresh Soni</b> 40 Years	Chief Executive Officer (CEO)	B. Sc. ACA Grad CWA	Over 18 years of experience <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Private Limited, – CEO (July 2008 to present)</li> <li>– Chief Investment Officer (CIO) (January 2007 to Feb. 09)</li> <li>– Fund Manager (October 2002 to December 2006)</li> <li>• Pioneer ITI AMC Limited, Vice President and Fund Manager (April 2000 till September 2002)</li> <li>• Sundaram Newton AMC Limited, Fund Manager, (September 1996 to March 2000)</li> <li>• SBI Funds Management Limited, Fund Manager (February 1993 till September 1996)</li> </ul>
<b>Kiran Deshpande</b> 43 Years	Chief Operating Officer	B. Com. M.I.M ACS AICWA CFP, F.I.I.I	Over 23 years of total experience in the financial services including Wealth Management, Investment Advisory, Product Development etc. <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Private Limited (November 2007 to present)</li> <li>• Birla Sun Life Distribution Co. Ltd. - Vice President and Company Secretary (May 2006 to October 2007)</li> <li>• Birla Sun Life Distribution Co. Ltd. - AVP - Retail and Company Secretary (March 2005 to April 2006)</li> <li>• Birla Sun Life Distribution Co. Ltd. - AVP - Retail and Product Development (April 2003 to February 2005)</li> <li>• Birla Sun Life Distribution Co. Ltd. - Group Manager - Head of Operations (April 2000 to October 2001) (Feb. 2002 to March 2003)</li> <li>• GIC Asset Management Co. Ltd. - Branch Manager (August 1993 to April 2000)</li> <li>• Stock Holding Corporation of India - Management Trainee (June 1993 to July 1993)</li> <li>• National Insurance Co. Ltd. - Accounts Department (June 1988 to June 1993)</li> </ul>
<b>Aniket Inamdar</b> 40 Years	Chief Investment Officer	B.E., PGDM - IIM Ahmedabad	Over 15 years of experience in equity markets <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Private Limited, – CIO (Feb. 2009 to present)</li> <li>– Senior Fund Manager (May 2007 to January 2009)</li> <li>• ICICI Prudential Asset Management Company Ltd., Senior Fund Manager - PMS (September 2003 to May 2007)</li> <li>• Cholamandalam AMC Limited - Fund Manager (October 1997 to September 2003)</li> <li>• UTI Asset Management Company Private Limited Research Analyst (May 1996 to October 1997)</li> </ul>
<b>Nitish Gupta</b> 40 Years	Fund Manager – Fixed Income	BE, MBA	Over 15 years of experience in Fixed Income Markets <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Private Limited – Fund Manager - Fixed Income (from May 2008 till date)</li> <li>• Allahabad Bank - Senior Manager -Treasury (from July 2003 to April 2008)</li> <li>• Allahabad Bank - Manager -Treasury (from March 1997 to July 2003)</li> <li>• RR Financial Consultant Ltd. - Manager -Research (from July 1995 to February 1997)</li> </ul>
<b>Jignesh Barasara</b> 38 Years	Fund Manager – Equity	MBA B.Sc.	Over 16 years of experience in Financial Sector <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Private Limited – Fund Manager - Equity (July 2009 to present)</li> <li>– Investment Analyst - Equity (January 2007 - July 2009)</li> </ul>



Name & Age	Designation	Qualification	Experience
			<ul style="list-style-type: none"> <li>– Fund Manager - Fixed Income (January 2004 to December 2006)</li> <li>– Asst. Fund Manager - Fixed Income (October 2002 to December 2003)</li> <li>• HDFC Bank - Fixed Income Trader (from October 1998 till September 2002)</li> <li>• Bank of America - Retail Assets (from 1994 to 1996)</li> </ul>
<b>Kumaresh Ramakrishnan</b>  40 Years	Head - Fixed Income	B.E. (Mumbai University) MBA (MMS)	<p>Over 12 years of work experience in the Indian Fixed Income markets as under:</p> <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Private Limited <ul style="list-style-type: none"> <li>– Head - Fixed Income (January 2011 onwards)</li> <li>– Fund Manager &amp; Credit Risk Analyst (April 2007 to December 2010)</li> <li>– Credit Analyst (October 2005 to March 2007)</li> </ul> </li> <li>• Societe Generale (SG), Senior Credit analyst (2000-2005).</li> <li>• Senior Rating analyst - Credit Analysis &amp; Research Ltd., (CARE) (1996-2000).</li> </ul>
<b>Rakesh Suri</b>  39 Years	Co-Fund Manager	B.Sc B.Ed., PGDBM (Finance)	<p>Over 10 years of experience in Fixed Income Market :</p> <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Private Limited, Fixed Income Trader (November 2010 to present)</li> <li>• Samba Financial Group, Riyadh, KSA - Fixed Income Trader (September 2008 to October 2010)</li> <li>• ICICI Bank Ltd. - Sr. Manager - Treasury (Dec.2005 to Aug. 2008)</li> <li>• Derivium Capital Pvt. Ltd - Sr. Trader - Fixed Income (December 2002 to November 2005)</li> <li>• SREI International Securities Limited - Dealer - Fixed Income (May 2001 to November 2002 )</li> <li>• RR Financial Limited - Manager - Debt (June 1998 to April 2001)</li> </ul>
<b>Murali Ramasubramanian</b>  39 Years	Head - Operations & Investor Relations Officer	B. Com. LL.B.	<p>Over 14 years of experience</p> <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Pvt. Limited - Head - Operations (March 2003 to present)</li> <li>• Alliance Capital Asset Management (India) Pvt. Ltd. Asst. Vice President - Operations (Sept. 1998 to March 2003)</li> <li>• Birla Asset Management (India) Pvt. Ltd. - Executive - Operations (November 1996 to August 1998)</li> <li>• Datamatics Financial Services Pvt. Ltd. - Sr. Officer (September 1993 to September 1996)</li> </ul>
<b>Deepak Jaggi</b>  39 Years	Head Sales - Retail	MBA (Marketing & Finance) BCS (Bachelor of Computer Science)	<p>Over 12 years of experience in Sales &amp; Distribution of Financial Products</p> <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Private Limited Head Sales - Retail (August 2007 to present)</li> <li>• HDFC Standard Life Insurance Co. Ltd. - Regional Business Head (June 2005 to August 2007)</li> <li>• Kotak Mahindra Old Mutual Life Insurance Co. Ltd. - Branch Manager (August 2003 to June 2005)</li> <li>• ICICI Bank - Wealth Manager (July 2003 to August 2003)</li> <li>• Zurich AMC (I) Pvt. Ltd. - Regional Manager (September 1998 to June 2003)</li> <li>• Kotak Securities - Executive (October 1996 to August 1998)</li> </ul>
<b>Chandrashekar Jain</b>  39 Years	Head - Institutional Sales	B.E. (Civil), PGDM (Finance)	<p>Over 10 years of experience in Sales &amp; Distribution of financial Products :</p> <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Private Limited, Head Sales - Institutional Sales (September 2010 to present)</li> <li>• IDFC AMC Limited, Head - Institutional Sales- West (May 2008 to September 2010)</li> <li>• Standard Chartered AMC Pvt. Ltd. Vice President - Sales (January 2001 - May 2008)</li> <li>• Birla Sun Life Distribution Limited (May 2000 to Dec. 2000)</li> </ul>
<b>Nehal Shah</b>  31 Years	Compliance Officer	B.Com, ACS, LL.B.	<p>Over 6 years of experience in Compliance, Legal &amp; Secretarial :</p> <ul style="list-style-type: none"> <li>• Deutsche Asset Management (India) Private Limited : <ul style="list-style-type: none"> <li>– Compliance Officer (June 2011 to present)</li> <li>– Sr. Manager - Compliance (Jan. 2011 - May 2011)</li> <li>– Manager - Compliance (July 2008 - Dec. 2010)</li> </ul> </li> <li>• FIL FundsNetwork Private Limited <ul style="list-style-type: none"> <li>– Company Secretary (April 2008 - June 2008)</li> </ul> </li> <li>• FIL Fund Management Private Limited <ul style="list-style-type: none"> <li>– Assistant Manager - Legal &amp; Secretarial (Aug. 2007-March 2008)</li> </ul> </li> <li>• Aditya Birla Nuvo Limited <ul style="list-style-type: none"> <li>– Dy. Manager - Secretarial &amp; Legal (Oct. 2004 to August 2007)</li> </ul> </li> <li>• Bright Brother Limited <ul style="list-style-type: none"> <li>– Assistant Company Secretary (Feb. 2003 - October 2004)</li> </ul> </li> </ul>

Name & Age	Designation	Qualification	Experience
<b>Chandan Singh Gehlot</b> 25 Years	Credit Analyst	ACA, CS	Over 4 years of experience in Financial Services: <ul style="list-style-type: none"> <li>Deutsche Asset Management (India) Private Limited : <ul style="list-style-type: none"> <li>Credit Analyst - Fixed Income - Credit Analysis (June 2011 to present)</li> <li>CA Industrial/ Management Trainee - Fixed Income - Fund Management (July 2008 - 15 June 2011)</li> </ul> </li> <li>Haribhakti &amp; Company (Chartered Accountants), Article Associate (April 2006 – July 2008)</li> </ul>

## 5. Shareholding Pattern of the AMC and the Trustees

Name of the Shareholder	% of Total Shares held
Deutsche India Holdings Private Limited (DIHPL)	100.00%
Mr. Murali Ramasubramanian (as a nominee of DIHPL)	0.00%
Mr. Kiran Deshpande (as a nominee of DIHPL)	0.00%

## 6. Procedure for recording Investment Decisions

- The Fund Manager for the Scheme(s) is responsible for making buy / sell decisions in respect of the securities in the respective Scheme's portfolios. The investment decisions are made on a daily basis keeping in view the market conditions and all relevant aspects.
- The Board of the AMC has constituted an Investment Review Committee that meets at periodic intervals. The Investment Review Committee, at its meetings, will review all investments made by the Scheme(s). The Investment review committee will consist of Chief Executive Officer, Chief Operating Officer, Chief Investment Officer, Head - Fixed Income/Fund Manager, Head-Domestic Equity, Compliance Officer & Company Secretary. The Board of the AMC may add more members to the committee as and when required.
- Investment Review Committee will review all investments in unrated securities. The approval of unrated debt instruments will be based on parameters laid down by the Board of the AMC and the Trustees. The details of such investments will be communicated by the AMC to the Trustees in their periodical reports along with a disclosure regarding how the parameters have been complied with. Such reporting shall be in the manner prescribed by SEBI from time to time. The Committee will also review the performance of the Scheme(s) and general market outlook and assess the investment pattern of the scheme with regard to parameters and directions laid down in the Key Operating Procedure for Equity and Fixed Income.
- It is the responsibility of the AMC to ensure that the investments are made as per the internal / Regulatory guidelines, Scheme investment objectives and in the interest of the Unitholders of the respective Scheme(s).
- The CEO / CIO / Fund Manager will make presentations to the Board of the AMC and the Trustees periodically, indicating the performance of the Scheme(s). Among other things, the Board of AMC and Trustee will review the performance of the Scheme in comparison to the benchmark. The Trustees reserve the right to change the benchmark for evaluation of performance of the scheme from time to time in conformity with the Investment objectives and appropriateness of the benchmark subject to SEBI Regulations, and other prevailing guidelines, if any.
- The CEO / CIO / Fund Manager will bring to the notice of the AMC Board, specific factors, if any, which are impacting the performance of any individual Scheme. The Fund Manager may bring to the notice of the AMC Board, specific factors, if any, which are impacting the performance of any individual Scheme. The Board on consideration of all relevant factors may, if necessary, give appropriate directions to the AMC. Similarly, the performance of the Scheme(s) will be submitted to the Trustees. The CEO / CIO / Fund Manager may explain to the Trustees, the details on the Schemes' performance vis-à-vis 'the benchmark, if any, returns. The Trustees and the AMC board may also review the performance of the schemes in the light of performance of the mutual funds industry as published from time to time by independent research agencies and financial newspapers and journals and may take corrective action in case of unsatisfactory performance. However, the Scheme's performance may not be strictly comparable with the performance of the Benchmark,

if any, due to the inherent differences in the construction of the portfolios. The Trustee / AMC reserves the right to change the benchmark, if any, for evaluation of performance of the Scheme(s) from time to time in conformity with the investment objectives and appropriateness of the Benchmarks subject to the Regulations, and other prevailing guidelines, if any.

- All investment decisions shall be recorded in terms of SEBI Circular no. MFD/CIR/6/73/2000 dated July 27, 2000 or as may be revised by SEBI from time to time. Such changes in the investment pattern will be for short term and defensive considerations.

## E) Service Providers

### 1) Custodian

JP Morgan Chase Bank, Mafatlal Centre, 9th Floor, Nariman Point, Mumbai 400 021, India has been appointed as Custodian of the Scheme mentioned in the Scheme Information Documents / Offer Documents. The Custodian has been registered with SEBI under the SEBI (Custodians of Securities) Regulations, 1996 vide Registration No. IN/CUS/014 dated November 10, 1998. The Mutual Fund has entered into a Custodian Service Agreement dated November 01, 2002, with the Custodian.

### 2) Registrar & Transfer Agent

Deutsche Investor Services Pvt. Ltd. (DISPL), Nirlon Knowledge Park, Block 1, Western Express Highway, Goregaon (East), Mumbai 400 063 have been appointed as Registrars and Transfer Agents for the Scheme. The Registrar is registered with SEBI under the SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 vide registration number INR000004017. The SEBI Registration of the Registrar is valid up to October 8, 2012.

As Registrars to the Scheme, DISPL will handle communications with investors, perform data entry services and despatch account statements. The AMC and the Trustees have satisfied themselves that the Registrars have adequate capacity to discharge responsibilities with regard to processing of applications and despatching account statements to Unitholders within the time limit prescribed in the Regulations and also sufficient capacity to handle investor complaints. Investors can invest in Schemes of Deutsche Mutual Fund through Various Investor Service Centres (ISCs) of DISPL as listed in the SID.

### 3) Statutory Auditor & Tax Advisors

Price Waterhouse, Chartered Accountants, 252, Veer Savarkar Marg, Shivaji Park, Dadar, Mumbai - 400 028 have been appointed as Statutory Auditor for the Scheme offered under the SID. The Trustees also have appointed them as Tax Advisors. The Trustees have the right to change the Auditors.

### 4) Collecting Banker

Standard Chartered Bank, 90 M. G. Road, Mumbai - 400 001 (SEBI registration No. INBI00000063) and/or such other banks registered with SEBI as Collecting Bankers as may be decided by the AMC from time to time.

Application for the New Fund Offer will be accepted at the Collection centres / ISCs as may be designated by the AMC from time to time. The AMC may from time to time appoint such other banks registered with SEBI as collecting bankers.

### 5) Fund Accountant

J.P. Morgan Chase Bank having its office at 6th Floor, Paradigm - 'B' Wing, Mindspace, Malad Link Road, Malad (West), Mumbai- 400 064, India has been appointed as the fund accountant for the scheme of the fund. J.P. Morgan Chase Bank provides fund accounting, NAV calculation and other related services in accordance with Custodian agreement dated November 01, 2002 between AMC and JP Morgan Chase Bank.

**F) Condensed Financial Information**  
(for all the Schemes of Deutsche Mutual Fund excluding matured Schemes)

Particulars	DWS Short Maturity Fund						DWS Ultra Short Term Fund							
	F.Y. 2010-2011			F.Y. 2009-2010			F.Y. 2008-2009		F.Y. 2010-2011		F.Y. 2009-2010		F.Y. 2008-2009	
	Regular	Institutional	Premium Plus	Regular	Institutional	Regular	Institutional	Regular	Institutional	Regular	Institutional	Regular	Institutional	
NAV at the beginning of the year (Rs.)	16.5495	11.0362	10.000#	15.4886	10.3005	13.6590	10.0000#	14.9724	10.8261	14.3070	10.3130	13.1375	10.0000#	
Dividends (Rs. Per unit) ^^														
Daily Dividend	NA	NA	NA	NA	NA	NA	NA	0.5918	0.6530	0.4336	0.2941	0.8543	0.6419	
Weekly Dividend	0.5486	0.5868	0.0000	0.7712	0.5083	1.1240	0.0000	0.6115	0.6482	0.4591	0.4715	0.8034	0.5228	
Fortnightly Dividend	NA	NA	NA	NA	NA	NA	NA	NA	0.1250	NA	0.3212	NA	NA	
Monthly Dividend	0.5900	0.5900	0.0000	0.5952	0.5952	0.5400	0.0000	0.4700	0.0000	0.8926	0.1576	0.7050	0.0000	
Quarterly Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Annual Dividend / Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
Auto Sweep Dividend	0.0000	NA	NA	0.0501	NA	NA	NA	0.5904	NA	0.3880	NA	NA	NA	
NAV at the end of the year (Rs.)	17.5360	11.7272	10.1497	16.5495	11.0362	15.4820	10.2960	15.8830	11.5550	14.9724	10.8261	14.3037	10.3106	
Annualised Return**	5.96%	6.26%	1.50%	6.90%	7.19%	13.35%	2.96%	6.08%	6.73%	4.67%	5.00%	8.88%	3.11%	
Net Assets at end of the year (Rs. Crs.)	120.82	305.72	51.05	62.57	325.64	29.36	37.27	87.50	391.39	88.65	1,558.08	98.03	1,268.19	
Ratio of Recurring Expenses to net assets (%)	1.79%	1.56%	0.71%	1.76%	1.49%	0.95%	0.90%@	1.16%	0.68%	1.29%	0.94%	0.82%	0.69%@	

Particulars	DWS Insta Cash Plus Fund								
	Regular			Institutional			Super Institutional		
	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009	F.Y. 2010-2011 \$	F.Y. 2009-2010	F.Y. 2008-2009
NAV at the beginning of the year (Rs.)	15.4115	14.7791	13.5913	14.4832	13.8667	12.7335	11.9411	11.4212	10.4769
Dividends (Rs. Per unit) ^^									
Daily Dividend	0.6234	0.3975	0.8609	0.6257	0.4016	0.8388	1.4506	0.4066	0.8620
Weekly Dividend	0.6187	0.4063	0.7692	0.6250	0.2489	0.2217	0.0994	0.0000	0.1540
Fortnightly Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA
Monthly Dividend	0.4700	0.3974	0.4200	0.1200	0.6080	NA	NA	NA	0.7105
Quarterly Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA
Annual Dividend / Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA
Auto Sweep Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA
NAV at the end of the year (Rs.)	16.3727	15.4115	14.7761	15.4131	14.4832	13.8638	127.3389	11.9411	11.4188
Annualised return**	6.24%	4.30%	8.72%	6.42%	4.47%	8.88%	6.64%	4.57%	8.99%
Net Assets at end of the period (Rs. Crs.)	188.04	90.91	123.07	154.81	130.21	209.62	1058.80	914.59	2,583.12
Ratio of Recurring Expenses to net assets (%)	0.92%	1.51%	0.87%	0.75%	1.38%	0.80%	0.53%	1.32%	0.81%

Particulars	DWS Premier Bond Fund					DWS Alpha Equity Fund		
	Regular	Regular	Institutional	Regular	Institutional	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009
	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2009-2010	F.Y. 2008-2009	F.Y. 2008-2009	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009
NAV at the beginning of the year (Rs.)	15.5640	14.5017	10.0080	12.8381	10.0000#	73.5603	44.4101	65.55
Dividends (Rs. Per unit) ^^								
Daily Dividend	NA	NA	NA	NA	NA	NA	NA	NA
Weekly Dividend	NA	NA	NA	NA	NA	NA	NA	NA
Fortnightly Dividend	NA	NA	NA	NA	NA	NA	NA	NA
Monthly Dividend	0.6000	0.6290	0.5140	0.4700	0.1000	NA	NA	NA
Quarterly Dividend	0.6300	0.6814	0.0000	0.5200	NA	NA	NA	NA
Annual Dividend / Dividend	0.0000	0.6000	0.0000	0.5000	NA	0.0000	2.0000	0.0000
Auto Sweep Dividend	NA	NA	NA	NA	NA	NA	NA	NA
NAV at the end of the year (Rs.)	16.6648	15.5640	10.7763	14.4438	9.9678	78.0423	73.5603	44.26
Annualised return**	7.07%	7.76%	8.11%	12.51%	-0.32%	6.09%	66.21%	-32.48%
Net Assets at end of the period (Rs. Crs.)	13.38	16.53	14.09	71.54	127.43	137.90	185.34	97.77
Ratio of Recurring Expenses to net assets (%)	2.03%	2.25%	1.87%	1.97%	1.75%@	2.41%	2.39%	2.44%



Particulars	DWS Investment Opportunity Fund			DWS Twin Advantage Fund		
	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009
NAV at the beginning of the year (Rs.)	36.8299	20.3140	32.84	15.4724	14.2834	14.0651
Dividends (Rs. Per unit) ^^						
Daily Dividend	NA	NA	NA	NA	NA	NA
Weekly Dividend	NA	NA	NA	NA	NA	NA
Fortnightly Dividend	NA	NA	NA	NA	NA	NA
Monthly Dividend	NA	NA	NA	0.6100	0.7140	0.5300
Quarterly Dividend	NA	NA	NA	0.7200	0.7527	0.9600
Annual Dividend / Dividend	2.5000	2.5000	0.0000	0.0000	0.6500	0.7500
Auto Sweep Dividend	NA	NA	NA	NA	NA	NA
NAV at the end of the year (Rs.)	36.5320	36.8299	20.20	16.3867	15.4724	14.2562
Annualised return**	-0.81%	82.34%	-38.50%	5.91%	8.53%	1.36%
Net Assets at end of the period (Rs. Crs.)	118.74	184.65	122.62	50.35	260.91	6.34
Ratio of Recurring Expenses to net assets (%)	2.43%	2.40%	2.24%	1.72%	2.10%	2.24%

Particulars	DWS Money Plus Fund					
	Regular			Institutional		
	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009
NAV at the beginning of the year (Rs.)	13.3399	12.7754	11.7467	10.0000	10.0000 #	10.3344
Dividends (Rs. Per unit) ^^						
Daily Dividend	0.3749	0.3952	0.8294	0.4869	0.4145	0.8482
Weekly Dividend	0.3599	0.4275	0.7798	0.3080	0.4512	0.7995
Fortnightly Dividend	NA	NA	NA	NA	NA	NA
Monthly Dividend	0.4200	0.2900	0.7230	0.0577	0.2900	0.7700
Quarterly Dividend	NA	NA	NA	NA	NA	NA
Annual Dividend / Dividend	NA	NA	NA	NA	NA	NA
Auto Sweep Dividend	NA	NA	NA	NA	NA	NA
NAV at the end of the year (Rs.)	13.8456	13.3399	12.7721	10.3260	10.4554	11.2403
Annualised return**	3.79%	4.45%	8.73%	3.26%	4.55%	8.77%
Net Assets at end of the period (Rs. Crs.)	28.37	156.12	230.18	608.15	106.30	1,474.74
Ratio of Recurring Expenses to net assets (%)	2.25%	0.75%	1.12%	0.25%	0.73%	0.47%

Particulars	DWS Cash Opportunity Fund						DWS Tax Saving Fund		
	Regular			Institutional					
	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009
NAV at the beginning of the year (Rs.)	12.3056	11.7196	10.7104	11.7953	11.1847	10.2070	13.4765	7.6518	12.9960
Dividends (Rs. Per unit) ^^									
Daily Dividend	0.5622	0.4603	0.8731	0.6364	0.5067	0.8649	NA	NA	NA
Weekly Dividend	0.5511	0.4782	0.8482	0.6253	0.5169	0.7899	NA	NA	NA
Fortnightly Dividend	0.5543	0.4799	0.8620	0.6172	0.4119	NA	NA	NA	NA
Monthly Dividend	0.5300	0.5352	0.7320	0.5300	0.5352	0.7040	NA	NA	NA
Quarterly Dividend	NA	0.0000	NA	NA	0.0000	NA	NA	NA	NA
Annual Dividend / Dividend	NA	0.0000	NA	NA	0.0000	NA	0.0000	0.0000	NA
Auto Sweep Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA
NAV at the end of the year (Rs.)	10.0143	12.3056	11.7145	12.5685	11.7953	11.1798	13.4283	13.4765	7.6110
Annualised return**	5.76%	5.05%	9.37%	6.55%	5.51%	9.53%	-0.36%	77.07%	-41.44%
Net Assets at end of the period (Rs. Crs.)	35.84	138.63	163.35	44.27	952.47	40.00	74.67	79.12	50.06
Ratio of Recurring Expenses to net assets (%)	1.65%	1.96%	1.02%	0.93%	1.09%	0.96%	2.50%	2.50%	2.49% \$

Particulars	DWS Money Plus Advantage Fund						DWS Global Thematic Offshore Fund		
	Regular			Institutional					
	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009
NAV at the beginning of the year (Rs.)	12.2056	11.5997	10.3478	10.4639	10.0000 #	10.0000 #	7.8720	6.0819	9.1434
Dividends (Rs. Per unit) ^^									
Daily Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA
Weekly Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA
Fortnightly Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA
Monthly Dividend	0.6000	0.6921	0.6750	0.5000	0.6921	0.2500	NA	NA	NA
Quarterly Dividend	NA	NA	NA	NA	NA	NA	NA	0.0000	NA
Annual Dividend / Dividend	NA	0.0000	NA	NA	0.0000	NA	0.0000	0.0000	NA
Auto Sweep Dividend	NA	NA	NA	NA	NA	NA	NA	NA	NA
NAV at the end of the year (Rs.)	12.8518	12.2056	11.5892	11.0453	10.4639	10.3569	8.7246	7.8720	5.99
Annualised return**	5.29%	5.32%	12.00%	5.56%	4.64%	3.57%	10.83%	32.55%	-34.52%
Net Assets at end of the period (Rs. Crs.)	55.19	466.70	7.35	10.77	188.79	474.03	26.10	44.76	30.36
Ratio of Recurring Expenses to net assets (%)	2.04%	1.95%	1.20%	1.80%	1.67%	0.80% @	0.75%	0.75%	0.75%

Particulars	DWS Fixed Term Fund Series - 68		DWS Fixed Term Fund Series - 69		DWS Global Agribusiness Offshore Fund
	Regular		Regular		
	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2010-2011	F.Y. 2009-2010	
NAV at the beginning of the year (Rs.)	10.1051	10.0000 #	10.0355	10.0000 #	10.0000 #
Dividends (Rs. Per unit) ^^					
Daily Dividend	NA	NA	NA	NA	NA
Weekly Dividend	NA	NA	NA	NA	NA
Fortnightly Dividend	NA	NA	NA	NA	NA
Monthly Dividend	NA	NA	NA	NA	NA
Quarterly Dividend	NA	NA	NA	NA	NA
Annual Dividend / Dividend	0.0000	0.0000	0.0000	0.0000	0.0000
Auto Sweep Dividend	NA	NA	NA	NA	NA
NAV at the end of the year (Rs.)	10.7338	10.1051	10.6549	10.0355	12.1387
Annualised return**	6.22%	1.05%	6.17%	0.36%	21.39%
Net Assets at end of the period (Rs. Crs.)	49.62	46.71	51.63	48.63	64.36
Ratio of Recurring Expenses to net assets (%)	1.33%	1.33% @	0.58%	0.58% @	1.27% @

Particulars	DWS Gilt Fund				DWS Fixed Term Fund Series - 66		DWS Fixed Term Fund Series - 67	
	Regular			Institutional	Regular		Regular	
	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2008-2009	F.Y. 2008-2009	F.Y. 2010-2011	F.Y. 2009-2010	F.Y. 2010-2011	F.Y. 2009-2010
NAV at the beginning of the year (Rs.)	10.5188	10.4258	10.0000 #	10.0000 #	10.2203	10.0000 #	10.0167	10.0000 #
Dividends (Rs. Per unit) ^^								
Daily Dividend	NA	NA	NA	NA	NA	NA	NA	NA
Weekly Dividend	NA	NA	NA	NA	NA	NA	NA	NA
Fortnightly Dividend	NA	NA	NA	NA	NA	NA	NA	NA
Monthly Dividend	NA	NA	0.2500	0.2500	NA	NA	NA	NA
Quarterly Dividend	NA	NA	NA	NA	NA	0.0000	NA	0.0000
Annual Dividend / Dividend	0.0000	0.0000	NA	NA	0.0000	NA	0.3500	NA
Auto Sweep Dividend	NA	NA	NA	NA	NA	NA	NA	NA
NAV at the end of the year (Rs.)	11.2305	10.5188	10.4245	10.4029	10.7881	10.2203	10.6727	10.0167
Annualised return**	6.77%	0.91%	4.24%	4.03%	5.56%	2.20%	6.55%	0.17%
Net Assets at end of the period (Rs. Crs.)	3.27	8.64	62.89	41.89	14.04	13.30	449.50	422.84
Ratio of Recurring Expenses to net assets (%)	1.84%	2.25%	2.14% @	1.50% @	0.10%	0.10% @	0.23%	0.23% @

Particulars	DWS Fixed Term Fund Series - 72	DWS Fixed Term Fund Series - 73	DWS Fixed Term Fund Series - 74	DWS Fixed Term Fund Series - 75	DWS Fixed Term Fund Series - 76	DWS Fixed Term Fund Series - 77
	F.Y. 2010-2011	F.Y. 2010-2011	F.Y. 2010-2011	F.Y. 2010-2011	F.Y. 2010-2011	F.Y. 2010-2011
NAV at the beginning of the year (Rs.)	10.0000 #	10.0000 #	10.0000 #	10.0000 #	10.0000 #	10.0000 #
Dividends (Rs. Per unit) ^^						
Daily Dividend	NA	NA	NA	NA	NA	NA
Weekly Dividend	NA	NA	NA	NA	NA	NA
Fortnightly Dividend	NA	NA	NA	NA	NA	NA
Monthly Dividend	NA	NA	NA	NA	NA	NA
Quarterly Dividend	NA	NA	NA	NA	NA	NA
Annual Dividend / Dividend	0.1000	0.2500	0.0000	0.0000	0.1500	0.1000
Auto Sweep Dividend	NA	NA	NA	NA	NA	NA
NAV at the end of the year (Rs.)	10.4652	10.4276	10.3484	10.3427	10.2806	10.2538
Annualised Return**	4.65%	4.28%	3.48%	3.43%	2.81%	2.54%
Net Assets at end of the period (Rs. Crs.)	63.44	220.38	60.71	84.32	97.37	264.67
Ratio of Recurring Expenses to net assets (%)	0.30% @	1.13% @	1.32% @	0.50% @	0.35% @	0.39% @



Particulars	DWS Fixed Term Fund Series - 78	DWS Hybrid Fixed Term Fund - Series 1	DWS Hybrid Fixed Term Fund - Series 2	DWS Fixed Term Fund Series - 81
	F.Y. 2010-2011	F.Y. 2010-2011	F.Y. 2010-2011	F.Y. 2010-2011
NAV at the beginning of the year (Rs.)	10.0000 #	10.0000 #	10.0000 #	10.0000 #
Dividends (Rs. Per unit) ^^				
Daily Dividend	NA	NA	NA	NA
Weekly Dividend	NA	NA	NA	NA
Fortnightly Dividend	NA	NA	NA	NA
Monthly Dividend	NA	NA	NA	NA
Quarterly Dividend	NA	NA	NA	NA
Annual Dividend / Dividend	0.0000	0.0000	0.0000	0.0000
Auto Sweep Dividend	NA	NA	NA	NA
NAV at the end of the year (Rs.)	10.1801	9.8760	11.0207	10.1820
Annualised Return**	1.80%	-1.24%	10.21%	1.82%
Net Assets at end of the period (Rs. Crs.)	182.68	47.56	48.99	136.18
Ratio of Recurring Expenses to net assets (%)	1.35% @	2.25% @	2.25% @	0.52% @

@ The ratio of expenses to average daily net assets by percentage has been annualised for the respective period.

# Launched during the year.

\*\* Only for growth option. Absolute returns for schemes less than one year.

\$ As per addendum dated February 11, 2011, Face Value of DWS Insta Cash Plus Fund - Super Institutional Plan will be changed from Rs. 10 to Rs. 100.



## II. How to Apply?

### A) Purchase of Units

#### 1) Who can invest?

The following persons (subject to, wherever relevant, purchase of units of mutual funds being permitted under respective constitutions, and relevant statutory regulations) are eligible and may apply for subscription to the Units of the Schemes.

- Resident Adult Individuals either singly or jointly (not exceeding three)
- Minors through parent / legal guardian
- Companies, Bodies Corporate, Public Sector Undertakings, association of persons or bodies of individuals whether incorporated or not and societies registered under the Societies Registration Act, 1860 (so long as the purchase of Units is permitted under the respective constitutions)
- Religious, Charitable and Private Trusts, under the provisions of 11(5) of Income Tax Act, 1961 read with Rule 17C of Income Tax Rules, 1962 (subject to receipt of necessary approvals as "Public Securities", wherever required)
- Wakfs and Trustee of private trusts authorised to invest in mutual fund scheme under the Trust Deed
- Partnership Firms
- Karta of Hindu Undivided Family (HUF)
- Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions
- Non Resident Indians (NRIs) / Persons of Indian origin residing abroad on full repatriation basis (subject to RBI approval, if any) or on non-repatriation basis
- Foreign Institutional Investors (FIIs) registered with SEBI on full repatriation basis (subject to RBI approval, if any)
- Army, Air Force, Navy and other para-military funds and eligible institutions
- Scientific and Industrial Research Organisations
- International Multilateral Agencies approved by the Government of India
- Non-Government Provident/Pension/Gratuity funds as and when permitted to invest
- Others who are permitted to invest in the Scheme as per their respective constitutions
- Trustees, AMC or Sponsor or their associates (if eligible and permitted under prevailing laws), may subscribe to the Units under the Scheme(s)
- Other Scheme(s) of Deutsche Mutual Fund subject to the conditions and limits prescribed in SEBI regulations
- Fund of Funds Scheme

The sale and solicitation of Units of the Fund is prohibited to citizens and residents of United States of America or any other jurisdiction which restricts or regulates the sale of Indian securities to its citizens and/or residents or which jurisdiction could otherwise subject the AMC or its parent companies or any of its affiliates or employees or the trustees to any reporting, licensing or registration requirements, in such jurisdiction.

The Fund also reserves the right to include/exclude new/existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations, and other prevailing statutory regulations, if any.

#### 2) Purchase Price

##### For Open Ended Schemes:

This is the price an investor needs to pay for purchase/switch-in. The purchase price of the units on an ongoing basis will be the Applicable NAV.

##### For Close Ended Schemes:

The units will not be available for sale after the closure of the NFO period of the respective close ended Scheme.

### 3) How to Purchase?

The application forms or transaction slips for the purchase of Units of the Scheme will be available at the office of the AMC, the Designated Centres and the Investor Service Centres. New Unit Holders can purchase Units by completing an Application Form. Existing Unit Holders may use the form attached to the bottom of their Account Statement or fill out a deposit slip.

The initial minimum application amount and the amount for additional investment must be for the amount prescribed for each Scheme of the Fund.

Applications can be made either by way of application duly filled and submitted along with a local cheque / DD or under Direct Deposit Facility i.e. along with account to account transfer instruction. The Fund may introduce other newer methods of application which will be notified as and when introduced.

Investors should submit the applications at any of the:

- a. Investor Service Centres, or
- b. Designated Centres, or
- c. AMC Offices

The addresses of the ISCs and Designated Centres (Official Points of Acceptance) respectively are given on the last page of this Document.

The AMC shall, have absolute discretion to reject any application for purchase of Units, if in its opinion, increasing the size of the Unit Capital is not in the general interest of the Unit Holders, or if for any other reason it does not believe it would be in the best interest of the Scheme or its Unit Holders to accept such an application.

Incomplete Applications or those not specifying the Scheme / option and / or accompanied by cheque / demand drafts / account to account transfer instructions favouring scheme / option other than that specified in the application are liable to be rejected.

As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account number and permanent account number (PAN) in their applications for purchase of units. In case such details are not mentioned, the application forms will be rejected. Further, no cash or third party cheque will be accepted towards subscription amount.

In case if an investor makes a subscription in the Scheme and makes the payment by way of a demand draft then the bank charges paid by the investor would be borne by the AMC, subject to the terms & conditions as may be notified by the AMC from time to time. The AMC will not entertain any request for refund of the demand draft charges.

The AMC reserve the right to reject any application due to insufficient details / deficiencies in the application for (including not mentioning the date of birth) or if the application is found to be in violation of internal compliance policies of the AMC or any other applicable law, rules, regulation, guidelines or circulars in force from time to time.

### 4) Mode of Payment

Payment by cash, stock invests and out-station and / or postdated cheques will not be accepted. However post-dated cheques will be accepted for SIP applications for deduction of monthly SIP instalments.

#### Restriction on acceptance of third party payment instruments for investor subscriptions:

"Third Party Payment Instruments" means a payment made through instrument issued from an account other than that of the investor. In case of payment instruments issued from a joint bank account, the sole / 1st holder of the mutual fund folio should be one of the joint holders of the bank account from which payment is made.

In accordance with AMFI guidelines, with effect from November 15, 2010, third party payment instruments for subscriptions / investments shall not be accepted by the AMC except in following cases:

- a. Payments made by Parents / Grand parents / related person on behalf of minor in consideration of natural love and affection or as gift. However, single subscription value shall not exceed above Rs. 50,000/- (including investments through each regular purchase or single SIP installment).
- b. Payment by Employer on behalf of employee under Systematic Investment Plans or lump sum / one-time subscription, through Payroll deductions. Asset management companies should exercise extra due diligence in terms of ensuring the

authenticity of such arrangements from a fraud prevention and KYC perspectives.

- c. Custodian making investments on behalf of a Foreign Institutional Investor or a Client.

In case a payment is covered under above exceptions, the following additional documents are also required to be mandatorily provided together with the Application Form:

- a) Determining the identity of the Investor and the person making payment i.e. mandatory KYC for Investor and the person making the payment.
- b) Obtaining necessary declaration from the Investor and the person making the payment. Declaration by the person making the payment should give details of the bank account from which the payment is made and the relationship with the beneficiary.
- c) Verifying the source of funds to ensure that funds have come from the drawer's account only.

In case of investment/ subscription made via Pay Order, Demand Draft, Banker's cheque, RTGS, NEFT, ECS, bank transfer, net banking etc. Following additional checks shall be carried out

- a) Registration of Pay-in bank account: The Investor at the time of his subscription for units must provide the details of his Pay-in bank account (i.e. account from which subscription payment is made) and his Pay-out bank account (i.e. account into which redemption / dividend proceeds are to be paid). The details on facility for registration of Multiple Bank Accounts are mentioned on the website of the Fund.
- b) Subscriptions through Pre-funded Instruments like Pay Order / Demand Draft etc: In case of subscription through pre-funded instruments such as Pay Order / Demand Draft / Banker's Cheque, such pre-funded instruments should be procured by the Investor only against a registered Pay-in account. Along with the payment instrument, the Investor is also required to submit a Certificate from the Banker issuing the pre-funded payment instrument stating the account holder's name and the account number from which the amount has been debited for the issue of the instrument.
- c) Subscriptions through Pre-funded Instruments (Demand Draft, Pay-order etc.) procured against Cash: Subscription through a pre-funded instrument procured against cash shall only be accepted for investments below Rs. 50,000/-. Investor is required to provide a certificate from Banker stating the name, address and PAN (if available) of the person requisitioning such pre-funded instruments.
- d) Subscriptions through RTGS, NEFT, ECS, bank transfer etc: In such case, Investor is required to provide a copy which has been provided to the Bank indicating the account number and the debit instructions.
- e) For payment through online mode, AMC may match payer account details with registered Pay-in bank accounts of the Investor.

All the above mentioned documents, to the extent applicable, are required to be provided along with the Application Form.

In case if the application for subscription is not in accordance with the above provisions, the AMC reserves the right to reject the application.

#### **Additional mode of payment through Applications Supported by Blocked Amount (ASBA) facility:**

Pursuant to SEBI Circular dated SEBI/IMD/CIR No. 18 / 198647 /2010 March 15, 2010, an investor can subscribe to the New Fund Offer (NFO) launched on or after July 1, 2010 through ASBA facility by applying for the Units offered under the Option(s)/Plan(s) of the Scheme(s) in the ASBA Application Form and following the procedure as prescribed in the form.

ASBA is an application containing an authorization given by the Investor to block the application money in his specified bank account towards the subscription of Units offered during the NFO of the Scheme of Deutsche Mutual Fund.

Thus, for an investor who applies through ASBA facility, the application money towards the subscription of Units shall be debited from his specified bank account only if his/her application is selected for allotment of Units.

#### **Benefits of Applying through ASBA facility**

- (i) Writing cheques and demand drafts is not required, as investor needs to submit ASBA application Form accompanying an authorization to block the account to the extent of application money towards subscription of Units. The balance money, if any, in the account can be used for other purposes by the investors.
- (ii) Release/Unblocking of blocked funds after allotment is done instantaneously.
- (iii) Unlike other modes of payment, ASBA facility prevents the loss of interest income on the application money towards subscription of Units as it remains in the bank account of the investor till the allotment is made.
- (iv) Refunds of money to the investors do not arise as the application money towards subscription of Units gets blocked only on the allotment of Units.
- (v) The investor deals with the known intermediary i.e. his/her own bank.
- (vi) The application form is simpler as the application form for ASBA will be different from the NFO application form.

#### **ASBA Procedure**

- (a) An Investor intending to subscribe to the Units of the NFO through ASBA, shall submit a duly completed ASBA Application Form to a Self Certified Syndicate Bank (SCSB), with whom his/her bank account is maintained.
  - (b) The ASBA Application Form towards the subscription of Units can be submitted through one of the following modes-
    - a. Submit the form physically with the Designated Branches (DBs) of the SCSB ("Physical ASBA"); or
    - b. Submit the form electronically through the internet banking facility offered by the SCSB ("Electronic ASBA").
  - (c) An acknowledgement will be given by the SCSB in the form of the counter foil or specifying the application number for reference. Such acknowledgement does not guarantee, in any manner that the investors will be allotted the Units applied for.
- Note: if the bank account specified in the ASBA Application Form does not have sufficient credit balance to meet the application money towards the subscription of Units, the Bank shall reject the ASBA Application form.**
- (d) On acceptance of Physical or Electronic ASBA, the SCSB shall block funds available in the bank account specified to the extent of the application money specified in the ASBA Application Form.
  - (e) The application money towards the Subscription of Units shall be blocked in the account until (i) Allotment of Units is made or (ii) Rejection of the application or (iii) Winding up of the Scheme, as the case may be.
  - (f) SCSBs shall unblock the bank accounts for (i) Transfer of requisite money to the Mutual Fund / Scheme bank account against each valid application on allotment or (ii) in case the application is rejected.
  - (g) The list of SCSBs and their DBs where ASBA application form can be submitted is available on the websites of BSE ([www.bseindia.com](http://www.bseindia.com)), NSE ([www.nseindia.com](http://www.nseindia.com)) and SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and shall also be given in the ASBA application form.

**Note: No request for withdrawal of ASBA application form made during the NFO Period will be allowed.**

#### **Grounds for Technical Rejections of ASBA application forms**

ASBA Application Forms can be rejected, at the discretion of Registrar and Transfer Agent of Deutsche Mutual Fund or SCSBs including but not limited on the following grounds:-

- 1. Applications by persons not competent to contract under the Indian Contract Act, 1872, including but not limited to minors, insane persons etc.
- 2. Mode of ASBA i.e. either Physical ASBA or Electronic ASBA, not selected or ticked.
- 3. ASBA Application Form without the stamp of the SCSB.
- 4. Application by any person outside India if not in compliance with applicable foreign and Indian laws.



5. Bank account details not given/incorrect details given.
6. Duly certified Power of Attorney, if applicable, not submitted alongwith the ASBA application form.
7. No corresponding records available with the Depositories matching the parameters namely (a) Names of the ASBA applicants (including the order of names of joint holders) (b) DP ID (c) Beneficiary account number or any other relevant details pertaining to the Depository Account.

#### **Mechanism for Redressal of Investor Grievances**

All grievances relating to the ASBA facility may be addressed to the respective SCSBs, giving full details such as name, address of the applicant, number of Units applied for, counterfoil or the application reference given by the SCSBs, DBs or CBs, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA Investor.

If the SCSB is unable to resolve the grievance, it shall be addressed to the Registrar and Transfer Agent Deutsche Investor Services Private Limited, Mumbai with a copy to Mr. Murali Ramasubramanian, Head - Operations who can be contacted at 2nd Floor, 222, Kodak House, Dr. D. N. Road, Fort, Mumbai - 400 001 at telephone number +91 22 6658 4342 / 4305.

#### **i) Resident Investors**

Investors may make payments for subscription to the Units of the Scheme by bank draft / local MICR cheque payable at par, in the city in which the application form is submitted drawn on a bank, which is a member of Bankers clearing house.

#### **ii) NRIs, PIOs and FIIs**

##### **(a) Repatriation Basis - NRIs, PIOs :**

In terms of Schedule 5 of notification No. FEMA 20/2000 dated May 3, 2000 issued under the Foreign Exchange Management Act, the RBI has granted a general permission to mutual funds, as referred to in Clause (23D) of Section 10 of the Act to issue and repurchase units of their schemes which are approved by SEBI to NRIs / PIOs subject to conditions set out in the aforesaid notification. Further, general permission is also granted to send such units to NRIs / PIOs to their place of residence or location as the case may be.

NRI applications on a repatriation basis will be made by submitting payment by demand drafts purchased from / cheques drawn on FCNR / NRE bank accounts payable at a city enlisted in the last page of this document where DISPL ISC is located. Such applicants would have to subsequently arrange to provide a debit certificate from their bankers confirming that the amount has been paid by debiting a NRE / FCNR account.

##### **(b) Non-Repatriation Basis - NRIs, PIOs:**

In case of NRIs / PIOs seeking to apply for Units on a non-repatriation basis, payments may be made by cheque / draft drawn out of NRO accounts.

##### **(c) FIIs :**

FIIs may pay their subscription amounts by direct remittance from abroad or out of their special Non-Resident Rupee Accounts maintained with a designated bank in India. The RBI has granted mutual funds as referred to in Clause (23D) of Section 10 of the Act general permission to issue units of SEBI approved schemes, to send such units out of India to their global custodians and to repurchase units from FIIs and make payment therefore in terms of Schedule 5 of notification No. FEMA 20 / 2000 dated May 3, 2000 issued under the Foreign Exchange Management Act.

The Application Form must provide the FIIs Special Non-Resident Rupee Account details maintained with any one of the RBI designated banks. All applications made under a Power of Attorney by any of the above mentioned categories require that the Power of Attorney or a duly certified copy thereof be lodged at the Registrar's office.

The NRIs, PIOs and FIIs shall also be required to furnish such other documents as may be necessary and as desired by the Fund in connection with the investment in the Scheme and as prescribed by regulations from time to time.

#### **iii) Application under Power of Attorney / Body Corporate / Registered Society / Trust / Partnership etc.**

In case of an application under a Power of Attorney or by a limited company or a body corporate or a registered society, or a trust, or a partnership or an association of persons or body of individuals, the relevant Power of Attorney or the relevant resolution or the authority to make the application specifying the mode of operation or the partnership deed and letter / authority given by all partners specifying mode of operation as the case may be, or duly certified copy thereof, along with a certified copy of the Memorandum and Articles of Association, incorporation / constitution documents and / or bye-laws / certificate of registration must be lodged at the Registrar's office within seven days of the subscription. Sole proprietary firms would require to submit a completed nomination form to enable transmission of units in the event of death of the sole proprietor. In case of HUF, a list of all coparceners together with their dates of birth and specimen signatures must be lodged at the Registrar's office within seven days of the subscription.

#### **5) Mode of Holding**

Where Units are jointly held, the person first-named in the Application Form will receive all notices and correspondences with respect to the Folio, as well as any distributions through dividends, redemptions or otherwise. Such person shall hold the voting right, if any, associated with the Units. However, all documentation shall necessarily be signed by all the holders. The liability of the Mutual Fund in this regard shall be only to the first-named holder.

#### **Any one or Survivors:**

When Units are held as anyone or survivor, the person first-named in the Application Form will receive all notices and correspondences with respect to the Account, as well as any distributions through dividends or otherwise. The first named holder shall exercise the voting right, if any, associated with the Units. All documentation may be signed by any one of the joint holders and the Mutual Fund will act on the instructions of any one of the account holders. If two or more persons apply for units without specifying the mode of holding, they shall be deemed to have elected to hold the units jointly. Any change in the mode of holding will require the signature of all the holders. By following the above procedure, the Mutual Fund and the AMC shall be discharged of all liability towards the joint / remaining unit holders.

**Note:** The Trustee/AMC, at their discretion at a later date, may choose to alter or add other modes of payment during the Continuous Offer.

#### **6) Allotment / Refunds**

##### **a) Folio Number & Issuance of Units**

Every investor will be identified by a Folio Number. Please quote your folio number in all communications with the Mutual Fund or the DISPL ISCs. The Trustee is entitled, in its sole and absolute discretion, to reject any application for Units. Upon issue, a non transferable account statement (or if requested, a non transferable unit certificate) will be sent to each unitholders. The account statement or unit certificate will be the confirmation of the units purchased.

##### **b) Allotment**

All applicants will receive full and firm allotment of Units, provided the applications are complete in all respects and are found to be in order. The AMC retain the sole and absolute discretion to reject any application. Allotment to NRIs / FIIs will be subject to RBI approval, if any, required.

##### **c) Account Statement**

#### **For normal transactions (other than SIP/STP/SWP):**

Units will be issued in the form of Account Statement only. Unitholders may request a Unit certificate in lieu of an Account Statement. After acceptance of an Investor's request and within three Business Days the Mutual Fund will endeavour to mail to investors by post / courier Account Statements confirming their Units held in the Scheme. Where the investor has chosen to receive the Account Statement by e-mail the Account Statement will be sent to the registered e-mail address. Provided that the Fund reserves the right to reverse the transaction of units credited in the Unitholder's account, in the event of non-realization of any cheque or other instrument remitted by the investor.

All Units will rank pari passu, among Units within the same Option, i.e. either the dividend option or the growth option, as to assets,

earnings and the receipt of dividend distributions, if any, as may be declared by the Trustees. Allotment of Units and despatch of Account Statements to NRIs / FII's will be subject to RBI's general permission dated March 30, 1999 to mutual funds, in terms of Notification No. FERA 195/99-RB or such other notifications, guidelines issued by RBI from time to time.

Each Unitholder will receive an Account Statement / transaction slip (or, if requested, a Unit certificate) each time purchases or redemption of Units are made. Alternatively, unit holders can also opt to receive the account statement by way of an email duly registered. In such cases, no physical statement will be sent to the investors. In addition, each Unitholder will also receive an annual Account Statement as soon as practicable after 31st March each year. Such annual Account Statement will detail the investor's opening balance of Units held as of 1st April of the prior year, all transactions that occurred during the preceding twelve months with respect to the Account and a closing balance of Units held and the Net Asset Value of the Units as of 31st March of such year or the last NAV calculated during the relevant financial year.

The Mutual Fund will encourage the investor to provide their e-mail addresses for all correspondence. The Mutual Fund would endeavour to send all correspondences using e-mail as the mode for communication as may be decided from time to time. The Unit holder will be required to download and print the Account Statement after receiving the e-mail from the Mutual Fund. Should the Unitholder experience any difficulty in accessing the electronically delivered Account Statement, the Unitholder shall promptly advise the Mutual Fund to enable the Mutual Fund to make the delivery through alternate means. Failure to advise the Mutual Fund of such difficulty within 24 Hours after receiving the e-mail would serve as an affirmation regarding the acceptance by the Unitholder of the Account Statement.

The unit holder may request for an Account Statement any time during the continuous offer period by writing to the AMC / ISC / R&T.

Unitholders may verify the contents of Account Statements and revert to their nearest DISPL ISC immediately in case of any discrepancy. In the event the unit holder fails to inform the DISPL ISC within 15 days from the date of the Account Statement, it shall be deemed to be correct.

**For SIP / STP / SWP transactions:**

- Account Statement for SIP / STP / SWP will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter.
- A soft copy of the Account Statement shall be mailed to the investors under SIP/STP/SWP to their e-mail address on a monthly basis, if so mandated.
- However, the first Account Statement under SIP/STP/SWP shall be issued within 10 working days of the initial investment/transfer.
- In case of specific request received from investors, Mutual Funds shall provide the account statement (SIP/STP/SWP) to the investors within 5 working days from the receipt of such request without any charges.

**Annual Account Statement:**

The Mutual Funds shall provide the Account Statement to the Unitholders who have not transacted during the last six months prior to the date of generation of account statements. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement, the account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme.

Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.

**d) Receiving Account Statement / Correspondence by E-mail**

The Mutual Fund will encourage the investor to provide their e-mail addresses for all correspondence. The Mutual Fund would endeavor to send all correspondences using e-mail as the mode for communication in stead of physical statement as may be decided from time to time. Should the Unitholder experience any difficulty in accessing the electronically delivered Account Statement, the

Unitholder shall promptly advise the Mutual Fund to make the delivery through alternate means. Failure to advise the Mutual Fund of such difficulty within 24 Hours after receiving the e-mail would serve as an affirmation regarding the acceptance by the Unitholder of the Account Statement.

It is deemed that the Unitholder is aware of all security risks including possible third party interception of the Account Statements and content of the Account Statements being known to third parties.

Under no circumstances, including negligence, shall the Mutual Fund or anyone involved in creating, producing, delivering or managing the Accounts Statement of the Unitholders, be liable for any direct, indirect, incidental, special or consequential damages that may result from the use of or inability to use the service or out of breach of any warranty. The use and storage of any information including, without limitation, the password, account information, transaction activity, account balances and any other information available on the Unit holder's personal computer is at the and sole responsibility of the unitholders.

**B) Redemption of Units**

The Units can be repurchased on any Business Day at the repurchase price.

The redemption request can be made for the amount as specified in the Scheme Information Document and Offer Document. A Unit Holder may request redemption of a specified amount or a specified number of Units. If the redemption request is made for a specified amount and the numbers of Units are also specified by the Unit Holder, the number of Units specified will be considered for deciding the redemption amount. If only the Unit Holder specifies the redemption amount, the Fund will divide the repurchase amount so specified by the Repurchase Price to arrive at the number of Units to be redeemed.

In case an investor has purchased Units on more than one Business Day (either under the Initial Offer Period or through subsequent purchases) the Units purchased first (i.e. those Units which have been held for the longest period of time), will be deemed to have been redeemed first i.e. on a First-In-First-Out basis.

The AMC may mandatory redeem Units of any Unitholder in the event it is found that the Unitholder has submitted information either in the application or otherwise that is false, misleading or incomplete or if the minimum balance is not maintained.

If a Unitholder makes a redemption request immediately after purchase of Units, the Fund shall have a right to withhold the redemption request till sufficient time has elapsed to ensure that the amount remitted by him (for purchase of Units) is realized and the proceeds have been credited to the concerned Scheme's Account. However, this is only applicable if the value of redemption is such that some or all of the freshly purchased Units may have to be redeemed to effect the full redemption.

The repurchase request can be made on a pre - printed form that should be submitted at any of the Investor Service Centres / Designated Centres or at the offices of the AMC on any business day post allotment of units.

The repurchase would be permitted to the extent of credit balance in the Unit holder's account. The repurchase request can be made by specifying the rupee amount or the number of Units to be repurchased. Where a request for a repurchase is for both amount and number of Units, the amount requested for repurchase will be considered as the definitive request. If the balance in the Unit holder's account does not cover the amount of repurchase request, then the Mutual Fund is authorised to close the account of the Unit holder and send the entire such (lesser) balance to the Unit holder.

Unit holders may also request for redemption of their entire holding and close the account by indicating the same at the appropriate place in the Redemption Request Form. Where however, the Unit holder wishes to redeem Units for a specified amount, then the amount to be paid on redemption will be divided by the redemption price, and the resultant number of Units will be redeemed. In case the Units are standing in the names of more than one Unit holder, where mode of holding is specified as 'Jointly', redemption requests will have to be signed by ALL joint holders. However, in cases of holding specified as 'Anyone or Survivor', any one of the Unit holders will have the power to make redemption requests, without it being necessary

for all the Unit holders to sign. However, in all cases, the proceeds of the redemption will be paid to the first-named holder only. The redemption proceeds shall be mailed to the first named Unit holder at the registered address.

The redemption cheque will be issued in favour of the sole / first Unit Holder's registered name and bank account number, if provided and will be sent to the registered address of the sole / first holder as indicated in the original Application Form. The redemption cheque will be payable at par at all the places where the Investor Service Centres or at the Designated Centres are located. The bank charges for collection of cheques at all other places will be borne by the Unit Holder. For redemptions of amounts above Rs. 5,000 the cheques is proposed to be sent by courier (where such facilities are available). With a view to safeguarding their interest, it is desirable that the Unit Holders indicate their Bank Account No., name of the Bank and Branch in the application for purchasing Units of the Scheme. The proceeds may be paid by way of direct credit / NEFT / RTGS / any other manner through which the investor's bank account specified in the Registrar's records may be credited with the redemption proceeds.

The Trustees may mandatorily redeem Units of any Unit holder in the event it is found that the Unit holder has submitted information either in the application or otherwise that is false, misleading or incomplete or if the minimum balance is not maintained.

A fresh Account Statement will also be sent to the redeeming investors, indicating the new balance to the credit in the Account, along with the redemption cheque.

### Redemption by NRIs and FIIs

Credit balances in the account of an NRI / FIIs investor, may be redeemed by such investors in accordance with the procedure described above and subject to any procedures laid down by the RBI, if any. Such redemption proceeds will be paid by means of a Rupee cheque payable to the NRIs / FIIs or by a foreign currency draft drawn at the then current rates of exchange less bank charges thereof subject to RBI procedures and approvals.

In terms of the Schedule 5 of Notification No. FEMA 20/2000 dated May 3, 2000 issued under the Foreign Exchange Management Act, 1999 (FEMA) the RBI has granted general permission to NRIs and FIIs who have purchased units issued by mutual funds in accordance with the aforesaid notification to tender units to the mutual funds for repurchase or for the payment of maturity proceeds.

For the purpose of this section, the term "mutual funds" is as referred to in Clause (23D) of Section 10 of Income-Tax Act, 1961.

### Redemption Price

The Redemption Price of the Units will be calculated on the basis of the Applicable NAV subject to prevailing CDSC and the Exit Load in the relevant Scheme(s)

With the applicable Exit Load / CDSC, Redemption Price will be calculated as under

Redemption Price = Applicable NAV \* (1 - CDSC) or

Redemption Price = Applicable NAV \* (1 - Exit Load)

For Example - if the applicable NAV is Rs. 10.00 and the Exit Load is 2 per cent then the redemption price will be Rs. 9.80.

### Delay in payment of redemption / repurchase proceeds

As per the Regulations, the Fund shall despatch the redemption/ repurchase proceeds within 10 Working Days from the date of acceptance of redemption request. In the event of delay / failure to despatch the redemption / repurchase proceeds within the aforesaid 10 working days, the AMC will be liable to pay interest to the Unitholders @ 15% p.a. for the period of delay. However, under normal circumstances, the Fund will endeavour to despatch the redemption/ repurchase proceeds within 3 Business Days from the date of the Applicable NAV.

### Effect of Redemptions

The Unit capital and Reserves will stand reduced by an amount equivalent to the product of the number of Units redeemed and the Applicable NAV. Units once redeemed will be extinguished and will not be re-issued.

### Fractional Units

Since a request for redemption or purchase is generally made in rupee amounts and not in terms of number of Units of the Scheme(s), an investor may be left with fractional Units. Fractional Units will be computed and accounted for up to three decimal places for all Scheme(s). However, fractional Units will in no way affect the investor's ability to redeem the Units, either in part or in full, standing to the Unitholder's credit.

### Right to Limit Redemptions

The Trustee may, in the general interest of the Unitholders of all or any of the Scheme(s) offered by it and keeping in view the unforeseen circumstances / unusual market conditions, limit the total number of Units which may be redeemed on any Business Day to 5% of the total number of Units then in issue, under each Scheme and Plan(s) thereof, or such other percentage as the Trustees may determine. Any Units, which by virtue of these limitations are not redeemed on a particular Business Day, will be carried forward for redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing load) of the Business Day on which redemption is made. Under such circumstances, to the extent multiple redemption requests are received at the same time on a single Business Day, redemptions will be made on pro-rata basis, based on the size of each redemption request, the balance amount being carried forward for redemption to the next Business Day(s). In addition, the Trustees reserve the right in their sole discretion, to limit redemptions with respect to any single account to an amount of Rs. 100 lakhs (Rupees One hundred lakhs only) in a single day.

### Suspension of Sale and Redemption of Units

The Mutual Fund at its sole discretion reserves the right to withdraw sale and / or repurchase and / or switch of the Units in the Scheme(s) (including any one of the Plan of any of the Scheme(s)) temporarily or indefinitely, if in the opinion of the AMC, the general market conditions are not favourable and / or suitable investment opportunities are not available for deployment of funds. However, the suspension of sale / repurchase / switch either temporarily or indefinitely will be with the approval of the Trustees.

The sale / repurchase / switch of the Units may be suspended under the following conditions:

- When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Scheme(s) is closed otherwise than for ordinary holidays.
- When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustees and the AMC, the disposal of the assets of the Scheme(s) is not reasonable, or would not reasonably be practicable without being detrimental to the interests of the Unitholders.
- In the event of breakdown in the means of communication used for the valuation of investments of the Scheme(s), without which the value of the securities of the Scheme(s) cannot be accurately calculated.
- During periods of extreme volatility of markets, which in the opinion of the AMC are prejudicial to the interests of the Unitholders of the Scheme(s).
- In case of natural calamities, strikes, riots and bandhs.
- In the event of any force majeure or disaster that affects the normal functioning of the AMC, ISC or the Registrar.
- If so directed by SEBI.

In the above eventualities, the time limits indicated above, for processing of requests for purchase and redemption of Units will not be applicable. Further, an order to purchase Units is not binding on and may be rejected by the Trustees, the AMC or their respective agents, until it has been confirmed in writing by the AMC or its agents and payment has been received.

Suspension or restriction of repurchase / redemption facility under any Scheme / Plan of the Mutual Fund shall be made applicable only after the approval from the Board of Directors of the AMC and the Trustees. The approval from the AMC Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.



### III. Unit Holders' Rights and Services

#### A) Unit Holders' Rights

1. Unit holders of the Scheme have a proportionate right in the beneficial ownership of the assets of the Scheme.
2. When the Mutual Fund declares a dividend under the Scheme, the dividend warrants shall be dispatched within 30 days of the declaration of the dividend. Account Statement reflecting the new or additional subscription as well as Redemption / Switch of Units shall be dispatched to the Unit holder within 10 business days of the Specified Redemption Date. Provided if a Unit holder so desires the Mutual Fund shall issue a Unit certificate (non-transferable) within 30 days of the receipt of request for the certificate.
3. The Mutual Fund shall dispatch Redemption proceeds within 10 Business Days of receiving the Redemption request.
4. The Trustee is bound to make such disclosures to the Unit holders as are essential in order to keep the unitholders informed about any information known to the Trustee which may have a material adverse bearing on their investments.
5. The appointment of the AMC for the Mutual Fund can be terminated by majority of the Directors of the Trustee Board or by 75% of the Unit holders of the Scheme.
6. 75% of the Unit holders of a Scheme can pass a resolution to wind- up a Scheme.
7. The Trustee shall obtain the consent of the Unit holders:
  - whenever required to do so by SEBI, in the interest of the Unit holders.
  - whenever required to do so if a requisition is made by three- fourths of the Unit holders of the Scheme.
  - when the Trustee decides to wind up the Scheme or prematurely redeem the Units.
8. The Trustee shall ensure that no change in the fundamental attributes of any Scheme or the trust or fees and expenses payable or any other change which would modify the Scheme and affects the interest of Unit holders, shall be carried out unless:
  - (i) a written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
  - (ii) the Unit holders are given an option to exit at the prevailing Net Asset Value without any Exit Load.
9. In specific circumstances, where the approval of unitholders is sought on any matter, the same shall be obtained by way of a postal ballot or such other means as may be approved by SEBI.

#### B) Voting Rights of the Unit Holders

Subject to the provisions of the Regulations as amended from time to time, the consent of the Unit Holders shall be obtained, if necessary through postal ballot/mail or any other mode, in consultation with SEBI. Each Unit Holder shall be entitled to one vote for each unit held by him in respect of each resolution to be passed.

#### Procedure for Conducting a Unitholder Vote

All issues to be voted upon will be intimated to Unitholders by mail / courier. Unitholders of record as of the most recent month end prior to the month in which a request for a vote is sent, will be eligible to vote. Unitholders are entitled to one vote per Unit held on all matters to be voted upon by Unitholders. Issues to be put to vote will be sent out to Unitholders of record along with an explanation from the Trustee as to why the vote is being requested. A ballot paper will also be sent to Unitholders. In case of joint holders or "anyone or survivor" the ballot paper shall be sent to the first named holder. Unitholders will be requested to respond by mailing back their ballot paper by a specified cut-off date. Duly completed and signed ballots received on or before the close of working hours on the cut-off date would be considered a valid ballot. Valid ballots will be counted and if more than 50% of the valid ballots received vote for the proposal then the proposal will stand carried and will be made binding on all Unitholders in the Scheme. Unitholders who oppose the proposal will be allowed to redeem their holdings in the Scheme in the manner specified by SEBI Regulations. As each ballot may contain more than one proposal, Unitholders who cast a negative vote on any one of the proposals will be allowed to redeem their holdings in the Scheme as aforesaid. Unitholders will be informed of the results of the voting either by mail or through an advertisement or by such other means as may be decided by the Trustee. All proposals that have been accepted by Unitholders, will come into effect on the next Business Day following the date on which the valid ballots were counted or any other date as specified in advance to Unitholders. In all matters to be voted upon the Unitholders will be requested to return their ballots to the offices of the Scheme's Transfer Agent and the Transfer Agent will conduct the counting of the ballots in the presence of an independent third party. Unitholders can inspect the votes cast, if so required by them, at the office of the Share Transfer Agent in Hyderabad. The votes will be preserved for a period of one month after the cut-off date. The scheme shall follow any other voting policy specified by SEBI for seeking Unitholders' consent.

#### Unclaimed Redemption and Dividend Amount

As per circular No. MFD/CIR/9/120/2000, dated November 24, 2000 issued by SEBI, the unclaimed redemption and dividend amounts shall be deployed by the Fund in call money market or money market instruments only. The investment management fee charged by the AMC for managing such unclaimed amounts shall not exceed 50 basis points. The circular also specifies that investors who claim these amounts during a period of three years from the due date shall be paid at the prevailing NAV. Thus, after a period of three years, this amount can be transferred to a pool account and the investors can claim the said amounts at the NAV prevailing at the end of the third year.

In terms of the circular, the onus is on the AMC to make a continuous effort to remind investors through letters to take their unclaimed amounts.

## IV. Investment Valuation Norms for Securities and other Assets

### Schedule VIII

#### A) Computation of Net Asset Value

The NAV of the Units of the Scheme(s) will be computed by dividing the net assets of the Scheme(s) by the number of Units outstanding on the valuation date. The Fund shall value its investments according to the valuation norms, as specified in the Eighth Schedule of the Regulations, or such norms as may be prescribed by SEBI from time to time. The broad valuation norms are detailed below:

##### i) Traded Securities

- Securities shall be valued at the last quoted closing price on the stock exchange.
- When the securities are traded on more than one exchange, the securities shall be valued at the last quoted closing price on the exchange where the security is principally traded. It would be left to the AMC to select the appropriate stock exchange, but the reasons for the selection should be recorded in writing. There should however be no objection for all scrips being valued at the prices quoted on the stock exchange where a majority in value of the investments are principally traded.
- When on a particular valuation day, a security has not been traded on the selected stock exchange, the value at which it is traded on another stock exchange may be used.
- When a security (other than debt securities) is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the selected stock exchange, as the case may be, on the earliest previous day may be used provided such date is not more than 30 days prior to valuation date.
- When a debt security (other than Government Securities) is not traded on any stock exchange on a particular valuation day, the value at which it was traded on the principal stock exchange or any other stock exchange, as the case may be, on the earliest previous day may be used, provided such date is not more than 15 days prior to the valuation date.
- When a debt security (other than Government Securities) is purchased by way of private placement, the value at which it was bought may be used for a period of 15 days beginning from the date of purchase.

##### ii) Thinly Traded Debt Securities

Thinly traded securities as defined in the Regulations shall be valued in the manner as specified in the guidelines issued by SEBI, as follows:

A debt security (other than Government Securities) shall be considered as a thinly traded security if on the valuation date, there are no individual trades in that security in marketable lots (currently Rs. 5 crore) on the principal stock exchange or any other stock exchange.

A thinly traded debt security as defined above would be valued as per the norms set for non-traded debt security.

##### Non-Traded Securities

When a security (other than Government Securities) is not traded on any stock exchange for a period of 15 days prior to the valuation date, the scrip must be treated as a 'non traded' security.

##### iii) Valuation of Non-Traded / Thinly Traded Securities

Non traded / thinly traded securities shall be valued "in good faith" by the Asset Management Company on the basis of the valuation principles laid down below:

##### Non-Traded / Thinly Traded Debt Securities of upto 182 Days to maturity

As the money market securities are valued on the basis of amortization (cost plus accrued interest till the end of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instruments) a similar process will be adopted for non-traded debt securities with residual maturity of upto 182 days, in the absence of any other standard benchmarks in the market. In case of a debt security with maturity greater than 182 days at the time of purchase, the last valuation price should be used instead of purchase cost for valuation of the security for the

period from 182 days prior to the maturity date. All other non-traded Non Government debt instruments shall be valued using the method suggested below.

##### Non-Traded / Thinly Traded Debt Securities of over 182 Days to Maturity

For the purpose of valuation, all non traded debt securities would be classified into "Investment grade" and "Non Investment grade" securities based on their credit ratings. The non-investment grade securities would further be classified as "Performing" and "Non Performing" assets.

- All non government investment grade debt securities, classified as not traded, shall be valued on yield to maturity basis as described below.
- All non government non-investment grade performing debt securities would be valued at a discount of 25% to the face value.
- All non government non-investment grade non-performing debt securities would be valued based on the provisioning norms.

The approach in valuation of non traded debt securities is based on the concept of using spreads over the benchmark rate to arrive at the yields for pricing the non traded security.

The yields for pricing the non traded debt security would be arrived at using the process as defined below.

- **Step A:** A risk free benchmark yield is built using the government securities (GOI Sec) as the base. GOI Securities are used as the benchmarks as they are traded regularly, free of credit risk and traded across different maturity spectrums every week.
- **Step B:** A matrix of spreads (based on the credit risk) are built for marking up the benchmark yields. The matrix is built based on traded corporate paper on the wholesale debt segment of an appropriate stock exchange and the primary market issuances. The matrix is restricted only to investment grade corporate paper.
- **Step C:** The yields as calculated above are marked-up/marked-down for ill-liquidity risk.
- **Step D:** The yields so arrived are used to price the portfolio.

##### Methodology

###### Construction of Risk Free Benchmark

Using Government of India dated securities, the benchmark shall be constructed as below:

- Government of India dated securities will be grouped into the following duration buckets viz., 0.5-1 years, 1-2 years, 2-3 years, 3-4 years, 4-5 years, 5-6 years and 6 years and the volume weighted yield would be computed for each bucket. These duration buckets may be changed to reflect the market value more closely by any agency suggested by AMFI giving benchmark yield / matrix of spreads over benchmark yield. Accordingly, there will be a benchmark YTM for each duration bucket.
- The benchmark as calculated above will be set at least weekly, and in the event of any significant movement of prices of Government securities on account of any event impacting interest rates on any day such as change in the RBI policies, the benchmark will be reset to reflect any change in the market conditions.

**Note:** The concept of duration over tenor has been chosen in order to capture the reinvestment risk. It is intended to gradually move towards a methodology that incorporates the continuous curve approach for valuation of such securities. However, in view of the current lack of liquidity in the corporate bond markets, a continuous curve approach to valuation would be necessarily based on limited data points, and this would result in out of line valuations. As an interim methodology therefore it is proposed that the Duration Bucket approach be adopted and continuously tracked in order to fine-tune the duration buckets on a periodic basis. Over the next few years it is expected that with the deepening of the secondary market trading, it would be possible to make a gradual move from the Duration Bucket approach towards a continuous curve approach.

##### Building a Matrix of Spreads for Marking-up the Benchmark Yield

Mark-up for credit risk over the risk free benchmark YTM as calculated in step A, will be determined using the trades of corporate debentures/

bonds of different ratings. All trades on appropriate stock exchange during the fortnight prior to the benchmark date will be used in building the corporate YTM and spread matrices. Initially these matrices will be built only for corporate securities of investment grade. The matrices are dynamic and the spreads will be computed every week. The matrix will be built for all duration buckets for which the benchmark Gol matrix is built to effectively link the corporate matrix with the Gol securities matrix. Accordingly:

- All traded paper (with minimum traded value of Rs. 1 crore) (Rupees One Crore Only) will be classified by their ratings and grouped into 7 duration buckets; for rated securities, the most conservative publicly available rating will be used;
- For each rating category, average volume weighted yield will be obtained both from trades on the appropriate stock exchange and from the primary market issuances;
- Where there are no secondary trades on the appropriate stock exchange in a particular rating category and no primary market issuances during the fortnight under consideration, then trades on appropriate stock exchange during the 30 days period prior to the benchmark date will be considered for computing the average YTM for such rating category;
- If the matrix cannot be populated using any or all of the above steps, then credit spreads from trades on appropriate stock exchange of the relevant rating category over the AAA trades will be used to populate the matrix;
- In each rating category, all outliers will be removed for smoothening the YTM matrix;
- Spreads will be obtained by deducting the YTM in each duration category from the respective YTM of the Gol securities;
- In the event of lack of trades in the secondary market and the primary market the gaps in the matrix would be filled by extrapolation. If the spreads cannot be extrapolated for the reason of practicality, carrying the spreads from the last matrix will fill the gaps in the matrix.

**Mark-up / Mark-down Yield**

The Yields calculated would be marked-up/marked-down to account for the ill-liquidity risk, promoter background, finance company risk and the issuer class risk. As the level of ill-liquidity risk would be higher for non rated securities the marking process for rated and non rated securities would be differentiated as follows:

**Adjustments for Securities rated by External Rating Agencies**

The Yields so derived out of the above methodology could be adjusted to account for risk mentioned above by an appropriate discount or premium as may be required. SEBI has revised the discretionary mark up and mark down limits vide SEBI Circular SEBI / IMD / CIR No. 2/166256/ 2009 dated June 12, 2009 as given below.:

a) In case of rated debt securities:

Category	Discretionary Mark Up & Mark Down Limit	
	+	-
Rated instruments with duration upto 2 years	100 bps	50 bps
Rated instruments with duration over 2 years	75 bps	25 ps

b. In case of unrated debt securities:

Category	Discretionary Mark Up Limit
Unrated instruments with duration upto 2 years	Discretionary discount of upto +50 bps over and above mandatory discount of +50 bps
Unrated instruments with duration over 2 years	Discretionary discount of upto +50 bps over and above mandatory discount of +25 bps

The following shall apply in case of discretionary mark up/ mark down limits for valuation of rated and unrated debt securities:

- For valuation of securities purchased after the issuance of circular, the discretionary mark up or down limit, as detailed above, should be applied.
- Chief Executive Officer (whatever his designation may be) of the Asset Management Company shall give prior approval to the use of discretionary mark up or down limit.

**iv) Valuation of Securities with Put / Call options**

The option embedded securities would be valued as follows:

**Securities with Call option**

The securities with call option shall be valued at the lower of the value as obtained by valuing the security to final maturity and valuing the security to call option.

In case there are multiple call options, the lowest value obtained by valuing to the various call dates and valuing to the maturity date is to be taken as the value of the instrument.

**Securities with Put option**

The securities with put option shall be valued at the higher of the value as obtained by valuing the security to final maturity and valuing the security to put option.

In case there are multiple put options, the highest value obtained by valuing to the various put dates and valuing to the maturity date is to be taken as the value of the instruments.

**Securities with both Put and Call option on the same day**

The securities with both Put and Call option on the same day would be deemed to mature on the Put/Call day and would be valued accordingly.

**v) Government Securities**

Government securities will be valued as per the prices for Government Securities released by an agency suggested by AMFI for the sake of uniformity in calculation of NAVs.

**vi) Fixed Income and Money Market Securities**

- Debt instruments shall generally be valued on a yield to maturity basis on the basis of the capitalization factor for comparable traded securities and with an appropriate discount for a lower liquidity.
- While investments in call money, bills purchased under rediscounting scheme and short term deposits with banks shall be valued at cost plus accrual; other money market instruments shall be valued at the yield at which they are currently traded. For this purpose, instruments not traded for a period of 7 days will be valued at cost plus interest accrued till the beginning of the day plus the difference between the redemption value and the cost spread uniformly over the remaining maturity period of the instruments.

**Valuation of Debt and Money Market Instruments (effective from August 01, 2010)**

Pursuant to the SEBI Circular no. SEBI/IMD/CIR No.16/ 193388/ 2010 dated February 02, 2010 and SEBI /CIR/IMD/DF/4/2010 on "Valuation of Debt and Money Market Instruments", the current provisions regarding valuation of these securities will be modified, as under effective August 1, 2010:

**i. Valuation of money market and debt securities with residual maturity of upto 91 days:**

All money market and debt securities, including floating rate securities, with residual maturity of upto 91 days shall be valued at the weighted average price at which they are traded on the particular valuation day. When such securities are not traded on a particular valuation day they shall be valued on amortization basis. It is further clarified that in case of floating rate securities with floor and caps on coupon rate and residual maturity of upto 91 days then those shall be valued on amortization basis taking the coupon rate as floor.

**ii. Valuation of money market and debt securities with residual maturity of over 91 days:**

All money market and debt securities, including floating rate securities, with residual maturity of over 91 days shall be valued at weighted average price at which they are traded on the particular valuation day. When such securities are not traded on a particular valuation day they shall be valued at benchmark yield/ matrix of spread over risk free benchmark yield obtained from agency(ies) entrusted for the said purpose by AMFI.

**iii. Valuation of securities not covered under the current valuation policy:**

In case of securities purchased by mutual funds do not fall within the current framework of the valuation of securities then such mutual fund shall report immediately to AMFI regarding the



same. Further, at the time of investment AMC's shall ensure that the total exposure in such securities does not exceed 5% of the total AUM of the scheme.

AMFI has been advised that the valuation agencies should ensure that the valuation of such securities gets covered in the valuation framework within six weeks from the date of receipt of such intimation from mutual fund. In the interim period, till AMFI makes provisions to cover such securities in the valuation of securities framework, the mutual funds shall value such securities using their proprietary model which has been approved by their independent trustees and the statutory auditors.

#### vii) Valuation of "Repo"

Where instruments have been bought on 'repo' basis, the instrument must be valued at the resale price after deduction of applicable interest up to date of resale. Where an instrument has been sold on a 'repo' basis, adjustment must be made for the difference between the repurchase price (after deduction of applicable interest up to date of repurchase) and the value of the instrument. If the repurchase price exceeds the value, the depreciation must be provided for and if the repurchase price is lower than the value, credit must be taken for the appreciation.

#### viii) Valuation of Convertible Debentures and Bonds

In respect of convertible debentures and bonds, the non-convertible and convertible components shall be valued separately. The non-convertible component shall be valued on the same basis as would be applicable to a debt instrument. The convertible component shall be valued on the same basis as would be applicable to an equity instrument. If, after conversion the resultant equity instrument would be traded pari passu with an existing instrument, which is traded, the value of the latter instrument can be adopted after an appropriate discount for the non-tradability of the instrument during the period preceding the conversion. While valuing such instruments, the fact whether the conversion is optional will also be factored in.

#### ix) Valuation of Warrants

In respect of warrants to subscribe for shares attached to instruments, the warrants shall be valued at the value of the share which would be obtained on exercise of the warrant as reduced by the amount which would be payable on exercise of the warrant. A discount similar to the discount to be determined in respect of convertible debentures (as referred in valuation of convertible debentures and bonds above) shall be deducted to account for the period which must elapse before the warrant can be exercised.

#### x) Valuation of Derivative Products

- The traded derivatives shall be valued at market price in conformity with the stipulations of sub clauses (i) to (v) of clause 1 of the Eighth Schedule to the Regulations.
- The valuation of untraded derivatives shall be done in accordance with the valuation method for untraded investments prescribed in sub clauses (i) and (ii) of clause 2 of the Eighth Schedule to the Regulations.

#### xi) Foreign Exchange conversion

On the valuation day, all assets and liabilities in foreign currency will be valued in Indian Rupees at the RBI reference rate as at the close of banking hours on that day in India. The Trustees reserve the right to change the source for determining the exchange rate at a future date after recording the reason for such change.

#### xii) Valuation of Foreign Securities

The mutual fund Units held under DWS Global Thematic Offshore Fund and DWS Global Agribusiness Offshore Fund shall be valued at the closing NAV of the previous day or at the last available NAV. Due to difference in time zones of different markets, in case the closing prices of overseas mutual funds are not available within a given time frame to enable the AMC to upload the NAVs for a Valuation Day, the AMC may use the last available traded price for the purpose of valuation.

#### xiii) Valuation of Equity Linked Debentures

Traded ELDs shall be valued at Last Traded Price in conformity with the stipulations of sub clauses (i) to (v) of clause 1 of the Eighth Schedule to the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time shall be taken for the purpose of valuation.

#### xiv) Unlisted / Thinly traded Equity Linked Debentures

Unlisted / Thinly traded Equity Linked Debentures would be valued at the last buy back quote / price provided by the issuer of Equity Linked Debenture.

#### xv) Until they are traded, the value of the "rights" shares should be calculated as:

$$V_r = n \times (P_{ex} - P_{of})$$

m

Where  $V_r$  = Value of rights

n = no. of rights offered

m = no. of original shares held

$P_{ex}$  = Ex-rights price

$P_{of}$  = Rights Offer Price

Where the rights are not treated pari-passu with the existing shares, suitable adjustment should be made to the value of rights. Where it is decided not to subscribe for the rights but to renounce them and renunciations are being traded, the rights can be valued at the renunciation value.

#### xvi) Expenses and Incomes Accrued

All expenses and incomes accrued up to the valuation date shall be considered for computation of NAV. For this purpose, major expenses like management fees and other periodic expenses would be accrued on a day to day basis. The minor expenses and income will be accrued on a periodic basis, provided the non-daily accrual does not affect the NAV calculations by more than 1%.

#### xvii) Changes in Securities and in number of Units

Any changes in securities and in the number of Units will be recorded in the books not later than the first valuation date following the date of transaction. If this is not possible, given the frequency of NAV disclosure, the recording may be delayed up to a period of 7 days following the date of the transaction, provided as a result of such non recording, the NAV calculation shall not be affected by more than 1%.

In case the Net Asset Value of a Scheme differs by more than 1%, due to non-recording of the transactions, the investors or scheme/s as the case may be, shall be paid the difference in amount as follows:-

- If the investors are allotted units at a price higher than Net Asset Value or are given a price lower than Net Asset Value at the time of sale of their units, they shall be paid the difference in amount by the Scheme.
- If the investors are charged lower Net Asset Value at the time of purchase of their units or are given higher Net Asset Value at the time of sale of their units, asset Management Company shall pay the difference in amount to the Scheme. The asset management company may recover the difference from the investors.

The valuation guidelines as outlined above are as per prevailing Regulations and are subject to change from time to time in conformity with changes made by SEBI.

SEBI has issued vide circular no. MFD/CIR/8/92/2000 dated September 18, 2000 as amended by SEBI Circular dated March 28, 2001 and February 20, 2002 (i) Guidelines for Valuation of Securities; and (ii) Guidelines for Identification and Provisioning of Non-performing Assets (NPAs) (Debt Securities) for Mutual Funds. These guidelines are supplementary to the provisions specified in Eighth Schedule to SEBI (Mutual Funds) Regulations. The Fund will follow the guidelines presently applicable and as may be amended from time to time.

Guidelines for Identification and Provisioning of Non-performing Assets (Debt Securities) for Mutual Funds as specified by SEBI Circular are as follows:

#### Non Performing Asset (NPA)

An 'asset' shall be classified as non performing, if the interest and/or principal amount have not been received or remained outstanding for one quarter from the day such income/ installment has fallen due.

The valuation of Non Performing Assets (NPA) would be in accordance with SEBI Circular MFD/CIR/8/92/2000 dated September 18, 2000 and SEBI Circular no. MFD / CIR / 14 / 088 / 2001 dated March 28, 2001 as amended from time to time.

## V. Tax & Legal and General Information

### A. Taxation of investing in Mutual Funds

The information set out below outlines the tax implications with respect to the Unit Holders of the Scheme and with respect to the Mutual Fund and is based on relevant provisions of the Indian Income Tax Act, 1961 and Wealth Tax Act, 1957 (collectively known as "the relevant provisions"), prevailing as on May 23, 2011.

Price Waterhouse does not make any representation on the procedures for ascertaining the tax implications nor do they make any representations regarding any legal interpretations. Further, except for the above procedure, Price Waterhouse has not performed any other services in connection with any other data or information included in the SID.

THE FOLLOWING INFORMATION IS PROVIDED FOR GENERAL INFORMATION PURPOSES ONLY. IN VIEW OF THE INDIVIDUAL NATURE OF TAX IMPLICATIONS, EACH INVESTOR IS ADVISED TO CONSULT HIS OR HER OWN TAX ADVISER WITH RESPECT TO THE SPECIFIC TAX IMPLICATIONS ARISING OUT OF HIS OR HER PARTICIPATION IN THE SCHEME.

#### I. To the Mutual Fund:

##### Income in the hands of the Mutual Fund

The entire income of the Mutual Fund registered under Securities and Exchange Board of India Act, 1992 or any regulations made there under is exempt from income-tax in accordance with the provisions of section 10(23D) of the Income-tax Act, 1961 ("the Act").

The income received by such Mutual Fund is not liable for deduction of income tax at source as per the provisions of Section 196(iv) of the Act. Where the Fund receives any income from investments made in overseas jurisdiction, the same may be subject to withholding in the relevant jurisdiction from which the income is received. As the income of the fund is exempt from tax in India, credit/ refund in respect of such foreign taxes may not be available in India.

##### Tax on distribution of income by the Mutual Fund to the Unit holders

Under section 115R of the Act, income distribution, if any, made by the Mutual Fund to the unit holders will attract distribution tax at the following rates:

- **In case of Money Market Mutual Fund or Liquid Fund**
  - @ 25% plus surcharge on such income-tax @ 5% and education cess and secondary and higher education cess @ 3% on dividend distributed to individual and HUF; and
  - @ 25% (30% with effect from June 01, 2011) plus surcharge on such income-tax @ 5% and education cess and secondary and higher education cess @ 3% on dividend distributed to persons other than individual and HUF.
- **In case of Other than Equity Oriented Fund, not being a Money Market Mutual Fund or a Liquid Fund**
  - @ 12.5% plus surcharge on such income-tax @ 5% and education cess and secondary and higher education cess @ 3% on the amount of tax and surcharge, in case income is distributed to individuals and HUFs; and
  - @ 20% (30% with effect from June 01, 2011) plus surcharge on such income-tax @ 5% and education cess and secondary and higher education cess @ 3% on the amount of tax and surcharge, in case of income distributed to persons other than individuals and HUFs.

Provision (b) to Section 115R(2) of the Act provides exemption to equity oriented mutual funds from paying distribution tax on income distributed.

Further, in case of income already distributed by the Scheme, the Trustee / AMC reserves the right to recover the additional income-tax

on distribution of income (if not already recovered or shortfall, if any) so paid from the unit holders of respective Plan / option.

The expression "money market mutual fund" has been defined under Explanation (d) to Section 115T which means a scheme of a mutual fund which has been set up with the objective of investing exclusively in money market instruments as defined in sub-clause (p) of clause (2) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.

The expression "liquid fund" has been defined under Explanation (e) to Section 115T which means a scheme or plan of a mutual fund which is classified by the Securities and Exchange Board of India as a liquid fund in accordance with the guidelines issued by it in this behalf under the Securities and Exchange Board of India Act, 1992 or regulations made thereunder.

##### Classification of the fund as 'equity oriented fund' or other than 'equity oriented fund' for the purposes of the Act

The expression "equity oriented fund" has been defined under Explanation (b) to Section 115T of the Act to include a fund where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty-five per cent of the total proceeds of such fund. Further, as per the proviso to the Explanation (b) to section 115T, the percentage of equity shareholding of the fund shall be computed with reference to the annual average of the monthly averages of the opening and closing figures.

#### II. To the Unit Holders:

##### Deduction from total income

Under section 80C of the Act, an assessee, being an individual or HUF, is eligible to claim a deduction upto an aggregate of Rs. 1 lacs on account of sums paid as subscription to units of an Equity Linked Savings Scheme.

The expression "Equity Linked Savings Scheme" refers to Equity Linked Savings Scheme, 2005 as notified by the Central Board of Direct Taxes, Ministry of Finance vide notification dated November 3, 2005 as amended vide notification dated December 13, 2005.

##### Securities Transaction Tax

Under Chapter VII of Finance (No. 2) Act, 2004 the unit holder is liable to pay Securities Transaction Tax ('STT') in respect of "taxable securities transaction" at the applicable rates. Taxable securities transactions include purchase or sale of units of an equity oriented fund, entered into on the stock exchange or sale of units of an equity oriented fund to the mutual fund.

The purchaser and seller of units of an equity oriented fund are liable to pay STT @ 0.125% each where the purchase and sale is entered into on a recognized stock exchange and the contract for the purchase and sale of such units is settled by actual delivery or transfer of such units.

Further, the seller of units is also liable to pay STT @ 0.025% in case of sale of units of an equity oriented fund where the transaction of such sale is entered into on a recognized stock exchange and the contract for the sale of such units is settled otherwise than by the actual delivery or transfer of such units.

At the time of sale of units of equity oriented fund to the mutual fund, the seller is required to pay an STT @ 0.25%.

STT is not allowable as a deduction in computation of capital gains. However, in the event it is held that the gains on sale of securities are in the nature of business profits then the amount equivalent to the STT paid on the transaction value will be allowed as a deduction under section 36 of the Act, from the gains earned in computing the business income.

##### Incomes from Units

Under the provisions of section 10(35) of the Act, any income (other than income arising from transfer of units) received by any person in respect of the units of the mutual fund is exempt from income tax.



## Gains on transfer / redemption of Units

Gains arising on transfer / redemption of units as well as switching between schemes will be chargeable to tax under the Act. The characterization of income from investment in securities as 'business income' or 'capital gains' will have to be examined on a case-to-case basis.

### • Business Income

Where the units are regarded as Business Asset, then any gain arising from transfer / redemption of units would be taxed under the head "Profits and Gains of Business or Profession" under section 28 of the Act. The gain / loss is to be computed under the head "Profits and Gains of Business or Profession" after allowing normal business expenses (inclusive of the expenses incurred on transfer).

Business Income is chargeable to tax at the following rates:

Assessee	% of Income Tax
Individuals, HUF, Association of Persons	Applicable Slab Rates
Partnership Firms [including Limited Liability Partnerships ('LLPs')] & Indian Corporates	30%
Foreign Company	40%

The income tax rates specified above and elsewhere in this document are exclusive of the applicable surcharge, education cess and secondary and higher education cess. The rate of surcharge is given below :

Assessee	Surcharge for AY 2012-13*
Individual (including proprietorships), HUF, Association of Persons and Partnership Firms (including LLPs)	Nil
Indian Corporates (if income exceeds Rs. 1 crore)	5%
Foreign Company (if income exceeds Rs. 1 crore)	2%

\* Additionally, education cess and secondary and higher education cess is leviable @ 3% on the income tax and surcharge as computed above.

### • Capital Gains

The mode of computation of capital gains would be as follows:

Sale Consideration	xxx
Less: Cost of Acquisition (Note 1)	(xxx)
Expenses on Transfer (Note 2)	(xxx)
Capital Gains	xxx

**Note 1:** In case of the computation of long-term capital gains, option of indexation of cost is available.

**Note 2:** This would include only expenses relating to transfer of units. Normal business expenses would not be allowable.

Capital gain arising on transfer or redemption of units held for a period of more than 12 months is regarded as "Long-term Capital Gain" which otherwise would be "Short-term Capital Gain". In case of ELSS, the units are subject to a lock-in of 3 years. Accordingly, any sale of units after such lock-in will qualify as Long-term Capital Gain.

### • Long Term Capital Gains

#### In case of other than Equity Oriented Fund, including Money Market Mutual Fund or a Liquid Fund

As per section 112 of the Act, tax on income on long term capital gains arising from the transfer of units shall be lower of the following amount:

- 10% plus applicable surcharge and education cess at the rate of 3% on the amount of tax and surcharge, on the Long-term Capital Gains computed without substituting indexed cost of acquisition in place of the cost of acquisition; or
- 20% plus applicable surcharge and education cess at the rate of 3% on the amount of tax and surcharge, on the Long-term Capital Gain computed after substituting indexed cost of acquisition in place of the cost of acquisition.

The benefit of indexation will, however, not be available to specified Offshore Fund which is taxable @ 10% plus applicable surcharge and education cess at the rate of 3% on the amount of tax and surcharge in terms of section 115AB of the Act.

The benefit of indexation will, also, not be available to Foreign Institutional Investors who are taxed under section 115AD of the Act @ 10% plus applicable surcharge and education cess at the rate of 3% on the amount of tax and surcharge.

The income by way of long term capital gains of a company would be taken into account in computing the book profits and Minimum Alternate Tax payable, if any, under Section 115JB of the Act (irrespective of whether or not it is exempt under Section 10(38) of the Act).

In case where the taxable income as reduced by Long-term Capital Gains of a resident individual and Hindu Undivided Family is below the taxable limit, the Long-term Capital Gain will be reduced to the extent of such shortfall and only the balance Long-term Capital Gain is chargeable to Income-tax.

The following deductions are available from Long-term Capital Gains arising on sale of Mutual Fund units, if the sale proceeds are invested in eligible avenues:

	Section 54 EC	Section 54F
Eligible persons	All assesses	Individual and HUFs
Asset to be purchased to claim exemption	Specified Bonds of National Highways Authority of India and Rural Electrification Corporation Limited (cap of Rs. fifty lakhs in a financial year)	Residential house property
Time-limit for purchase from date of sale of MF units	6 months	Purchase: 1 year backward / 2 years forward & Construction: 3 years forward
Amount Exempt	Investment in the new asset or capital gain whichever is lower	Capital gains proportionate to the investment made from the sale proceeds (subject to other conditions of owning / purchasing residential house mentioned in the section)
Lock-in period	3 years	3 years

The investment under section 54EC on account of which exemption has been claimed from long-term capital gains will not be available for deduction under section 80C of the Act.

### In case of Equity Oriented Fund including ELSS

Units of Equity Oriented Fund including ELSS being subjected to STT. Long Term Capital Gains arising from transfer of such units are exempt under section 10(38) of the Act. The mutual fund would recover STT from the unit holder as per the applicable rates.



- **Short-term Capital Gain**

**In case of other than Equity Oriented Fund, including Money Market Mutual Fund or a Liquid Fund**

Short term capital gains arising from the transfer of units of funds other than equity oriented scheme would be chargeable to tax as under:

Short term capital gains are taxed at the normal rates applicable to each unitholder. In case where the taxable income as reduced by Short-term Capital Gains of a resident individual and Hindu Undivided Family is below the taxable limit, the Short-term Capital Gain will be reduced to the extent of such shortfall and only the balance Short-term Capital Gain is chargeable to Income-tax.

**In case of Equity Oriented Fund**

Short Term Capital Gains arising from transfer of units of an Equity Oriented scheme (as defined under section 115T of the Income Tax Act, 1961), being subjected to STT would be charged to tax under section 111A of the Income Tax Act, 1961 @ 15% (plus applicable surcharge, education cess and secondary and higher education cess). The mutual fund would recover STT from the unit holder at the applicable rates when the units are re-purchased by the mutual fund/ redeemed by the investor.

In case where the taxable income as reduced by Short-term Capital Gains of a resident individual and Hindu Undivided Family is below the taxable limit, the Short-term Capital Gain will be reduced to the extent of such shortfall and only the balance Short-term Capital Gain is chargeable to Income-tax.

Deduction of income tax at Source from Capital Gains

- **Resident Unit holders**

No income tax is required to be deducted at source from capital gains arising on transfer of units by resident unit holders.

- **In case of funds other than 'Equity Oriented Fund' under the Act**

**A) Non-Resident unit holders**

Income-tax is required to be deducted at source from the capital gains under section 195 of the Act at the applicable rates.

Under the Act, the following rates have been prescribed for deduction of tax at source from capital gains:

- On income by way of long-term capital gains @ 20% (plus applicable surcharge and education cess)
- On income by way of short-term capital gains at normal rates as applicable.

Income-tax is required to be deducted at source from the short-term capital gains under section 195 of the Act at the applicable rates. A non-resident, eligible to claim treaty benefits, would be governed by the provisions of the Act to the extent that they are more beneficial. Accordingly, tax should be withheld as per the provisions of the Act or the provisions in the DTAA whichever is more beneficial to the assessee. However, the Unit holder will be required to provide appropriate documents to the Fund, to be entitled to a beneficial rate under such DTAA.

**B) Offshore Fund unit holders**

Under Section 196B of the Act, tax shall be deducted at source from the long term capital gains @ 10% plus applicable surcharge, education cess and secondary and higher education cess at the rate of 3% on the amount of tax and surcharge.

Income-tax is required to be deducted at source from the short-term capital gains under section 195 of the Act at the applicable rates. A non-resident, eligible to claim treaty benefits, would be governed by the provisions of the Act to the extent that they are more beneficial. Accordingly, tax should be withheld as per the provisions of the Act or the provisions in the DTAA whichever is more beneficial to the assessee. However, the Unit holder will be required to provide appropriate documents to the Fund, to be entitled to a beneficial rate under such DTAA.

- **In case of 'Equity Oriented Fund' for Non-Resident unit holders (including Offshore fund unit holders)**

Income-tax is required to be deducted at source from the capital gains under section 195 of the Act at the applicable rates.

Under the Act, the following rates have been prescribed for deduction of tax at source from capital gains:

- Income by way of long-term capital gains arising from transfer of units subject to STT is exempt from tax.
- On income by way of short-term capital gains arising from transfer of units subject to STT taxable under section 111A @ 15% (plus applicable surcharge and education cess).

Income-tax is required to be deducted at source from the short-term capital gains under section 195 of the Act at the applicable rates. A non-resident, eligible to claim treaty benefits, would be governed by the provisions of the Act to the extent that they are more beneficial. Accordingly, tax should be withheld as per the provisions of the Act or the provisions in the DTAA whichever is more beneficial to the assessee. However, the Unit holder will be required to provide appropriate documents to the Fund, to be entitled to a beneficial rate under such DTAA.

- **Foreign Institutional Investors**

As per the provisions of section 196D of the Act, no deduction of tax shall be made from any income, by way of capital gains arising from the transfer of securities referred to in section 115AD, payable to a Foreign Institutional Investor.

**Default in furnishing the PAN**

Section 206AA of the Act inserted by the Finance (No. 2) Act, 2009 operative with effect from April 1, 2010 states that the deductee is required to mandatorily furnish his PAN to the deductor failing which the deductor shall deduct tax at source at higher of the following rates:

1. the rate prescribed in the Act;
2. at the rate in force i.e., the rate mentioned in the Finance Act; or
3. at the rate of 20%.

**Capital Loss**

Losses under the head 'Capital Gains' cannot be set-off against income under any other head. Further, within the head 'Capital Gains', long-term capital losses cannot be adjusted against short-term capital gains. However, short-term capital losses can be adjusted against any capital gains.

Unabsorbed long-term capital loss can be carried forward and set off against the long-term capital gains arising in subsequent 8 assessment years. Unabsorbed short-term capital loss can be carried forward and set off against the income under the head Capital Gains in subsequent 8 assessment years.

Further, as the long term capital gains on sale of units of equity-oriented fund are exempt from tax, the losses from such units may not be allowed to be set off against other gains.

**Dividend Stripping**

As per Section 94(7) of the Act, loss arising on sale of units, which are bought within 3 months of the record date and sold within 9 months after the record date, shall be ignored for the purpose of computing income chargeable to tax to the extent of exempt income received or receivable on such Units.

**Bonus Stripping**

As per Section 94(8) of the Act, units purchased within a period of 3 months prior to record date of entitlement of bonus and sold within a period of 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.

The amount of loss so ignored shall be deemed to be the cost of purchase / acquisition of the bonus units.

### III. Religious and Charitable Trust

Investments in Units of the Mutual Fund will rank as an eligible form of investment under section 11(5) of the Act read with Rule 17C of the Income Tax Rules, 1962 for Religious and Charitable Trust.

### IV. Wealth-tax

Units held under the Scheme of the Fund are not treated as assets within the meaning of section 2(ea) of the Wealth-tax Act, 1957 and are, therefore, not liable to Wealth-tax.

### V. Gift-tax

The Gift -Tax Act, 1958 has been repealed since October 1, 1998. Gift of units of Mutual Fund units would be subject to income-tax in the hands of the donee. As per section 56(2)(vii), receipts of securities, fair market value of which exceeds fifty thousand rupees, without consideration or without adequate consideration is taxable as income in the hands of individuals / HUFs.

Further the above provision of section 56(2)(vii) shall not apply to any units received by the donee

- (a) from any relative; or
- (b) on the occasion of the marriage of the individual; or
- (c) under a will or by way of inheritance; or
- (d) in contemplation of death of the payer or donor, as the case may be; or
- (e) from any local authority as defined in the Explanation to clause (20) of section 10 of the Act; or
- (f) from any fund or foundation or university or other educational institution or hospital or other medical institution or any trust or institution referred to in clause (23C) of section 10 of the Act; or
- (g) from any trust or institution registered under section 12AA of the Act.

Relative shall mean:

- (i) spouse of the individual;
- (ii) brother or sister of the individual;
- (iii) brother or sister of the spouse of the individual;
- (iv) brother or sister of either of the parents of the individual;
- (v) any lineal ascendant or descendant of the individual;
- (vi) any lineal ascendant or descendant of the spouse of the individual;
- (vii) spouse of the person referred to in clauses (ii) to (vi);

## B) Legal Information

### 1) Nomination Facility

A Unit Holder can, at the time an application is made or by subsequently writing to an ISC, request for a nomination form in order to nominate one or more person(s) to receive the Units upon his / her death, subject to the completion of certain necessary formalities e.g. providing proof of the death of the Unit Holder, signature of the nominee, furnishing proof of guardianship if the nominee is a minor, and the execution of an indemnity bond or such other documents as may be required from the nominee in favour of and to the satisfaction of the AMC / Registrar.

- The investor has an option to provide nomination details of maximum upto 3 nominees.
- Please indicate the percentage of allocation / share for each of the nominees in whole numbers only without any decimals making a total of 100 percent. In case of any percentage allocation being in decimals, the same shall be rounded off by the AMC to nearest integer in such a way to make a total of 100 percent.
- In the event of the Unitholders are not indicating the percentage of allocation / share for each of the nominees, the AMC, by invoking default option shall settle the claim equally amongst all the nominees.
- The nomination can be made only by individuals applying for / holding units on their own behalf singly or jointly. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family, holder of Power of Attorney cannot

nominate. If the units are held jointly, all joint holders will sign the nomination form.

- All joint holders in the folio will be required to sign the nomination request/cancellation of nomination request, irrespective of the mode of holding.
- The new nomination will supersede the existing nomination.
- Nomination form cannot be signed by Power of Attorney (PoA) holders.
- A minor can be nominated and in that event, the name, address and PAN of the Guardian of the minor nominee shall be provided by the Unit holder.
- The Nominee shall not be a trust (other than a religious charitable trust), society, body corporate, partnership firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A non-resident Indian can be a Nominee subject to the exchange controls in force, from time to time. Nomination can also be made in favour of the Central Government, State Government, Local Authority, any person designated by virtue of his office or a religious or charitable trust.
- Nomination in respect of the Units stands rescinded upon the transmission of Units.
- Transmission of Units in favour of a Nominee shall be valid discharge by the AMC / Fund / Trustees against the legal heir. However, the Mutual Fund / Trustee / AMC may request the nominee to execute suitable indemnities in favour of the Fund and / or the Trustee and / or the AMC, and to submit necessary documentation to the satisfaction of the Fund before transmitting Units to his / her favour. Nominations received in the form prescribed by the AMC alone shall be valid.
- Cancellation of a nomination can be made only by the Unit Holders who made the original nomination and must be notified in writing.
- On cancellation of the nomination, the nomination shall stand rescinded and the AMC / Fund / Trustees shall not be under any obligation to transmit the Units in favour of the Nominee.
- The facility to nominate will not be available in a folio held on behalf of a minor.
- Investors who do not wish to nominate any person as a nominee in their folio, must sign separately on the application form confirming their non-intention to nominate.
- In case of Joint holding, consequent to the death of first holder, the units will be transmitted in the name of the second holder. Unless the nomination is changed, it will continue that way. By default, the nominee will not acquire the status of the second holder.

### 2) Know Your Customer (KYC)

From January 1, 2008, PAN has been made mandatory for all the applications received in the Scheme, irrespective of the amount of transaction.

Every application in the Scheme shall have PAN mentioned in the form and a copy of PAN card shall be attached with the form.

AMFI vide its circular dated August 16, 2010 has mandated Know Your Customers (KYC) requirements for all categories of non individual investors including individual investors of channel partners\* with effective from October 1, 2010.

[\*Channel Distributors are those distributors who have an arrangement with Deutsche Asset Management India Private Company Limited (DeAM India) wherein they submit the mutual fund transactions details (viz. subscriptions/ redemptions/swiches etc.) of their clients, electronically to DeAM India.]

Further in accordance with the AMFI circular dated October 07, 2010, all the individual investors need to be KYC compliant w.e.f. January 01, 2011 for making investments in units of Mutual Fund.

The above category of investors for the purpose of KYC compliance shall include (i) their constituted Power of Attorney (PoA) holder, in case of investments through a PoA; (ii) guardian investing on behalf of minor, (iii) each of the applicants, in case of application in joint names and (iv) if an individual becomes an investor due to an

operation of law, e.g., transmission of units upon death of an investor, the claimant / person(s) entering the Register of unit holders of the Fund will be required to KYC compliant before such transfer takes place. The same is explained in detail under 'Specific provisions with respect to KYC'. The aforesaid provisions shall be applicable in respect of all investments - new or additional purchases or switches or new SIP or STP registrations made on or after January 1, 2011, except existing SIP/STP/SWP (or similar facility) including those received till December 31, 2010 and dividend reinvestment transactions.

Once the KYC is duly completed in all regards, the investor needs to attach their KYC Acknowledgement along with the Investment Application Form(s)/Transaction Slip(s) while investing for the first time in any mutual fund. If KYC is recorded in the Folio No., No further proof needs to be submitted. As per the guidelines of SEBI/AMFI, first investments not accompanied by KYC Acknowledgement are liable to be rejected by the Mutual Fund.

A KYC Application Form has been designed for Individual and Non-Individual Investors separately. These forms are available on the website of mutual funds, AMFI and Central Depository Services (India) Limited (CDSL). Please read the instructions printed on the KYC Application Form before filling-up the form.

**Joint Holders:** Joint holders (including first, second and third, if any), are required to be individually KYC compliant before they invest with any Mutual Fund. This means copies of each holder's KYC Acknowledgement must be attached to the investment application form with any Mutual Fund.

**Non Resident Indians (NRIs):** NRIs are also required to be KYC compliant. In addition to the certified true copy of the passport, certified true copy of the overseas address and permanent address is also required. If any of the documents (including attestations/certifications) towards proof of identity or address are in a foreign language, the same need to be translated to English for submission. The documents can be attested, by the Consulate office or overseas branches of scheduled commercial banks registered in India.

**Person of India Origin (PIOs):** The requirements applicable to NRIs will also apply to a PIOs. However, additionally, PIOs need to submit a certified true copy of the PIO Card.

**Minors:** In case of investments in respect of a Minor, the Guardian should be KYC compliant and attach his/her KYC Acknowledgement while investing in the name of the minor. The Minor, upon attaining majority, should immediately apply for KYC compliance in his/her own capacity and intimate the concerned Mutual Fund(s), in order to be able to transact further in his/her individual capacity.

**Power of Attorney (PoA) Holder:** Investors desirous of investing through a PoA must note that the KYC compliance requirements are mandatory for both the PoA issuer (i.e. Investor) and the Attorney (i.e. the holder of PoA), both need to be KYC compliant in their independent capacity and attach their respective KYC Acknowledgements while investing.

**Vide its master circular dated February 12, 2010 and December 31, 2010, SEBI has laid down the KYC norms to be adopted by all intermediaries in the market including AMCs. Accordingly, all investments in the Units of the Fund(s) or any of its Schemes is/are subject to scrutiny and due diligence including, know your customer (KYC) due diligence as per (a) anti money laundering and other applicable laws, rules, regulations, circulars and byelaws notified and in force, in India from time to time ("Applicable Laws"); and (b) internal anti money laundering policies and procedures of the AMC ("AML Policies"). The AMC (including its agents) reserve(s) the right to freeze or terminate any folio which is not in accordance with or is otherwise found to be in breach of any Applicable Laws and/or internal AML Policies of the AMC, at any point of time, before or after the allocation of Units.**

**Further, in terms of SEBI circular dated August 12, 2010, all new folios/accounts can only be opened if all investor related documents, including KYC documents etc. are available with the AMC and/or its Registrar.**

**Prohibition on investment:**

The sale and solicitation of Units of the Fund is prohibited to citizens and residents of United States of America or any other jurisdiction

which restricts or regulates the sale of Indian securities to its citizens and/or residents or which jurisdiction could otherwise subject the AMC or its parent companies or any of its affiliates or employees or the trustees to any reporting, licensing or registration requirements, in such jurisdiction.

The Fund also reserves the right to include/exclude new/existing categories of investors to invest in the Scheme from time to time, subject to SEBI Regulations, and other prevailing statutory regulations, if any.

**MICRO SIP**

In compliance with SEBI letter no. MRD/DoP/PAN/PM/166999/2009, dated June 19, 2009 issued to AMFI and subsequent guidelines issued by AMFI in this regard, with effective from August 1, 2009, SIPs upto Rs. 50,000/- per year per investor i.e. aggregate of installments in a rolling 12 month period or in a financial year (to be referred as 'Micro SIP') shall be exempt from the requirement of PAN as a proof of identification. The exemption shall be applicable to investments by individuals, NRIs, Minor and Sole Proprietary Firm. However, PIOs, HUFs, Partnership Firms, Companies, Societies, Trusts and any other category will not be eligible for such exemption. The exemption will not be applicable to normal purchase transactions upto Rs. 50,000/- which will continue to be subject to PAN requirement.

Any one of the following photo identification documents can be submitted along with Micro SIP applications as proof of identification in lieu of PAN:

- i. Voter Identity Card
- ii. Driving License
- iii. Government / Defense identification card
- iv. Passport
- v. Photo Ration Card
- vi. Photo Debit Card
- vii. Employee ID cards issued by companies registered with Registrar of Companies
- viii. Photo Identification issued by Bank Managers of Scheduled Commercial Banks / Gazetted Officer / Elected Representatives to the Legislative Assembly / Parliament
- ix. ID card issued to employees of Scheduled Commercial / State / District Co-operative Banks
- x. Senior Citizen / Freedom Fighter ID card issued by Government
- xi. Cards issued by Universities / deemed Universities or institutes under statutes like ICAI, ICWA, ICSI
- xii. Permanent Retirement Account No (PRAN) card issued to New Pension System (NPS) Subscribers by Central Recordkeeping Agency (NSDL)
- xiii. Any other photo ID card issued by Central Government / State Governments / Municipal Authorities / Government organizations like ESIC / EPFO.

The Photo Identification document has to be current and valid and also either self attested or attested by an ARN holder.

In addition to the above, Micro SIP investor shall require to provide a copy of the proof of address from the above list which is self attested and attested by ARN holder.

Investors with PAN are not eligible for simplified KYC procedure as enumerated above.

**Investments from investors residing in Sikkim:**

In respect of investment by an investor residing in Sikkim, the investor should submit the proof of address of Sikkim state and the same address should be mentioned in the application form. Address proof shall be self attested by the investor / attested by the ARN holder mentioning the ARN number or attested by any competent authority.

**3) Transfer / Transmission**

Pursuant to SEBI circular CIR/IMD/DF/10/2010 dated August 18, 2010, the units of the Schemes of Deutsche Mutual Fund held in dematerialised form would be freely transferable [except for cases where lock-in periods are applicable] from one demat account to another. The provisions with respect to transmission of such dematerialized units will be governed by SEBI [Depository Participants] Regulations, 1996.



If Units are held in a single name by the Unit Holder, Units shall be transmitted in favour of the nominee where the Unit Holder has appointed a nominee upon production of death certificate or any other documents to the satisfaction of the AMC / Registrar. If the Unit Holder has not appointed a nominee or in the case where the nominee dies before the Unit Holder, the Units shall be transmitted in favor of or as otherwise directed by the Unit Holder's personal representative(s) on production of the death certificate and / or any other documents to the satisfaction of the AMC / Registrar. If Units are held by more than one registered Unit Holder, then, upon death of one of the Unit Holders, the Units shall be transmitted in favour of the remaining Holder(s) (in the order in which the names appear in the register of Unit Holders with the Registrar) on production of a death certificate and/or any other documents to the satisfaction of the AMC/Registrar and to the nominee only upon death of all the Unit Holders. This facility is subject to the law applicable to such succession.

Investors are requested to visit the Fund's website (www.dws-India.com) for the list of prescribed documents under any of the above procedures or call the Investor Service Centres (ISCs) for any clarification on the above.

Depending on the circumstances of each case the AMC/Mutual Fund may seek additional documents from the claimant(s) of the Units.

Transmission of units / payment of sums standing to the credit of the deceased unitholder in favour of the claimant/ surviving joint holders shall discharge the mutual fund and the Asset Management Company of all liability towards the estate of the deceased unitholder and his / her successors and legal heirs. Further, if either the mutual fund or the Asset Management Company incur any loss whatsoever arising out of any litigation or harm that it may suffer in relation to the transmission, they will be entitled to be indemnified absolutely from the deceased unitholder's estate.

In case of Joint holding, consequent to the death of first holder, the units will be transmitted in the name of the second holder. Unless the nomination is changed, it will continue that way. By default, the nominee will not acquire the status of the second holder.

#### Transactions on behalf of minors:

In the case of investments made "on behalf of minor", investors may please note the following:

- Minor shall be the first and sole holder in the folio.
- Guardian in the folio on behalf of the minor should either be a natural guardian (i.e. father or mother) or a court appointed legal guardian, and should mandatorily submit requisite documents to the Deutsche Asset Management (India) Private Limited ('AMC')/ Deutsche Investor Services Private Limited, the Registrar and Transfer Agent to DMF ("R & T") evidencing the relationship/status of the guardian.
- Date of birth of minor along with supporting documents (viz. Birth certificate, School leaving certificate/Mark Sheet issued by Higher Secondary of respective states, ICSE, CBSE, etc., Passport or any other document evidencing the date of birth of the minor) should be provided while opening the folio.

#### Minor attaining Majority:

- The AMC/R & T will send an advance notice to the registered correspondence address advising the minor and guardian to submit prescribed documents, to change the status of folio from 'Minor' to 'Major'.
- In case the requisite documents to change the status are not received by the date when the minor attains the age of majority, no transactions (financial and non-financial) including fresh registration of Systematic Investment Plan ('SIP'), Systematic Transfer Plan ('STP') and Systematic Withdrawal Plan ('SWP') will be permitted after the date of minor attaining the age of majority.
- Existing SIPs, SWPs and STPs registered prior to the minor attaining the age of majority, will be continued to be processed till the time an instruction from the major to terminate the standing instruction is received by the AMC/ R & T along with the prescribed documents.

- New SIPs, SWPs and STPs will be registered up to the date of the minor attaining the age of majority.

#### Change in Guardian:

- In the event of change in guardian of a minor, the new guardian must be a natural guardian (i.e. Father or Mother) or Court appointed guardian and such guardian shall mandatorily submit prescribed documentation to the AMC/Registrar evidencing the relationship/status of the guardian, proof of KYC compliance, attestation from the bank maintaining the minor's account where the new guardian is registered as the guardian, etc.

#### Bank mandate of Minor & Signature

If the account is in the name of the minor and operated by the Guardian, the bank mandate can continue.

The signature of minor who has attained majority has to be certified by the banker (who has the record of the minor's signature).

#### 4) Duration of the Scheme

The term of Open Ended Schemes is perpetual. The term of Close Ended Schemes is specified in the respective Scheme Information Document (SID). The term for Close Ended Scheme shall be calculated from the date of allotment.

However, the Open Ended schemes may be liquidated any time or Close Ended Scheme may be liquidated any time prior to the expiration of the term, under the following circumstances:

- On the happening of any event which, in the opinion of the Trustee, requires the Scheme to be wound up.
- If seventy five per cent of the Unitholders pass a resolution that the Scheme be wound up.
- If SEBI so directs in the interest of the Unit holders.

Where the Scheme is so wound up, the Trustee shall give notice of the circumstances leading to the winding up of the Scheme to :

- a) SEBI and
- b) in two daily newspapers having a circulation all over India, a vernacular newspaper with circulation in Mumbai.

On and from the date of the publication of notice of winding up, the Trustee or the Investment Manager, as the case may be, shall :

- a) cease to carry on any business activities in respect of the Scheme so wound up;
- b) cease to create or cancel Units in the Scheme;
- c) cease to issue or redeem Units in the Scheme.

#### 5) Procedure and Manner of Winding Up

The Trustee shall call a meeting of the Unit Holders to approve by simple majority of the Unit Holders present and voting at the meeting for authorising the Trustee or any other person to take steps for winding up of the Scheme.

The Trustee or the person authorised as above, shall dispose of the assets of the Scheme concerned in the best interest of Unit Holders of the Scheme.

The proceeds of sale realised in pursuance of the above shall be first utilised towards discharge of such liabilities as are due and payable under the Scheme, and after meeting the expenses connected with such winding up, the balance shall be paid to the Unit Holders in proportion to their respective interest in the assets of the Scheme, as on the date when decision for winding up was taken. The Unitholder may opt to switch-over to other eligible Schemes then in operation at the prevailing terms of the Scheme to which the Unitholder is switching to.

On completion of the winding up, the Trustee shall forward to SEBI and Unit Holders a report on the winding up, detailing, the circumstances leading to the winding up, the steps taken for disposal of the assets of the Scheme before winding up, net assets available for distribution to the Unit Holders and a Certificate from the auditors of the Fund.

Notwithstanding anything contained herein above, the provisions of the Regulations in respect of disclosures of half-yearly reports and annual reports shall continue to be applicable until winding up is completed or the Scheme ceases to exist.

After the receipt of the report referred to above, under "Procedure and Manner of Winding Up", if SEBI is satisfied that all measures for winding up of the Scheme have been complied with, the Scheme shall cease to exist.

### 6) Suspension of Sale and Redemption of Units

The Mutual Fund at its sole discretion reserves the right to withdraw sale and / or repurchase and / or switch of the Units in the Scheme(s) (including any one of the Plan of any of the Scheme(s)) temporarily or indefinitely, if in the opinion of the AMC, the general market conditions are not favourable and / or suitable investment opportunities are not available for deployment of funds. However, the suspension of sale / repurchase / switch either temporarily or indefinitely will be with the approval of the Trustees.

The sale / repurchase / switch of the Units may be suspended under the following conditions:

- When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Scheme(s) is closed otherwise than for ordinary holidays.
- When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustees and the AMC, the disposal of the assets of the Scheme(s) is not reasonable, or would not reasonably be practicable without being detrimental to the interests of the Unitholders.
- In the event of breakdown in the means of communication used for the valuation of investments of the Scheme(s), without which the value of the securities of the Scheme(s) cannot be accurately calculated.
- During periods of extreme volatility of markets, which in the opinion of the AMC are prejudicial to the interests of the Unitholders of the Scheme(s).
- In case of natural calamities, strikes, riots and bandhs.
- In the event of any force majeure or disaster that affects the normal functioning of the AMC, ISC or the Registrar.
- If so directed by SEBI.

In the above eventualities, the time limits indicated in the respective Scheme Offer Document for processing of requests for purchase and redemption of Units will not be applicable. Further, an order to purchase Units is not binding on and may be rejected by the Trustees, the AMC or their respective agents, until it has been confirmed in writing by the AMC or its agents and payment has been received.

Suspension or restriction of repurchase / redemption facility under any Scheme / Plan of the Mutual Fund shall be made applicable only after the approval from the Board of Directors of the AMC and the Trustees. The approval from the AMC Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.

## C) General Information

### 1) Underwriting by a Scheme

In order to generate additional income, the Scheme may enter into underwriting commitments for primary issues. In terms of the guidelines issued by SEBI, the Mutual Fund may make, but has not yet made, an application to SEBI for registration under SEBI (Underwriters) Rules and Regulations, 1993.

In this connection, once granted permission by SEBI, a Scheme will be subject to the following underwriting restrictions :

For the purposes of Regulation 7, of the SEBI (Underwriters) Regulations, the capital adequacy of the Mutual Fund shall be the net assets of the Scheme as applicable.

The total underwriting obligations of the Mutual Fund at any time shall not exceed the total net asset value of the Scheme.

Any Underwriting commitment by the Mutual Fund will be made as if the Mutual Fund is actually investing the amount under the Scheme. Accordingly, all investment restrictions and prudential guidelines related to investments individually and in aggregate pursuant to the SEBI (MF) Regulations, 1996, insofar as they may be applicable, shall apply to underwriting obligations, which may be undertaken by the Scheme.

No underwriting commitment may be undertaken in respect of any Scheme during the period of six months prior to the redemption of the Scheme. Underwriting commitments if any, undertaken by the Scheme will be in accordance with the investment objectives of the Scheme.

### 2) Borrowings by the Schemes of Deutsche Mutual Fund

The scheme may borrow up to a maximum of 20% of the net assets of the scheme for a maximum duration of 6 months in order to meet redemption of units/dividends or interest payouts as a temporary liquidity measure as per Regulation 44(2) of Chapter VI of SEBI [Mutual Funds] Regulations, 1996, on such terms (as to creation of charge on the properties of the scheme, rate of interest, margins etc.) as the Trustee/AMC considers to be in the interest of investors. Such borrowings if made may result in interest of investors.

### 3) Inter-Scheme Transfers

Transfers of investments from one scheme to another scheme in the same mutual fund shall be allowed only if:

- such transfers are done at the prevailing market price for quoted instrument on spot basis; and transfers of unquoted securities will be made as per the policy laid down by the Trustee from time to time; and
- the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

The Fund does not ordinarily envisage making inter-scheme transfers under the Scheme. However, if such inter-scheme transfers are done they will be effected based on the prescribed valuation norms, which may be amended by the AMC and / or Trustees from time to time.

### 4) Securities Lending

The Schemes may engage in Securities Lending as permitted by SEBI under extant Regulations / guidelines and if permitted by the Trustees of the Fund.

Securities lending means the lending of stock to another person or entity for a fixed period of time, at a negotiated compensation. The securities lent will be returned by the borrower on expiry of the stipulated period.

### 5) Associates Transactions

The AMC has invested in the following Associate Companies during last three financial years.

#### Transactions in Associates Companies during the period April 2008 to March 2009.

(Rs. in Lakhs)

Name of Associate Company	Type of Instrument	Fund	Purchases	Sales
Kotak Mahindra Bank Ltd.	Fixed Deposit	DWS Insta Cash Plus Fund	2,500.00	2,500.00
	Fixed Deposit	DWS Money Plus Fund	2,000.00	2,000.00
	Fixed Deposit	DWS Credit Opportunities Cash Fund	4,000.00	4,000.00
		<b>Total</b>	<b>8,500.00</b>	<b>8,500.00</b>
Deutsche Investments India Pvt. Ltd.	NONCD	DWS Fixed Term Fund Series 50 - Plan A	2,240.62	0.00
	NONCD	DWS Fixed Term Fund Series 50 - Plan B	60.31	9.06
		<b>Total</b>	<b>2,300.94</b>	<b>9.06</b>

Transactions in Associates Companies during the period April 2009 to March 2010 : Nil

Transactions in Associates Companies during the period April 2010 to March 2011 : Nil

## Underwriting Obligations with respect to issues of Associate Companies

The AMC has till date, not entered into any underwriting contracts in respect of any public issue made by any of its associate companies.

## Subscription in issues lead managed by the Sponsor or Associates

The Mutual Fund has not subscribed for allotments in any issues lead managed by the Sponsor or any of the associates. However the Mutual Fund had subscribed to the Initial Public Offering of Coal India Limited wherein Deutsche Equities (India) Pvt. Ltd, its group company, was one of the book running lead managers to the issue.

## Dealing with Associate Companies

The AMC may from time to time, for the purpose of conducting its normal business, use the services (including brokerage services and securities transactions) of the Sponsor, its subsidiaries, associates of the Sponsor and employees or relatives.

## The Associates / Group Companies of Sponsor and AMC as on March 31, 2011 are as follows:

- Deutsche Asset Management (Asia) Limited
- Deutsche Bank AG
- Deutsche Trustee Services (India) Pvt Ltd
- Deutsche India Holdings Private Limited
- Deutsche Securities (India) Private Limited
- Deutsche Equities India Private Limited
- Deutsche Investor Services Private Limited
- DBOI Global Services Private Limited
- Global Market Centre Private Limited
- Deutsche Investments India Private Limited
- RREEF India Advisors Private Limited
- Emerson Network Power India Private Limited
- Hirco Plc
- KM Dastur Reinsurance Brokers Private Limited
- Kotak Mahindra Trusteeship Services Limited
- Nelito Systems Limited
- Pallonji Leasing Private Limited
- Tata Ceramics Limited
- Universal Ferro & Allied Chemicals Limited
- Vakksh Capital Company Limited
- Yashmun Engineers Limited
- Swastika Polyfab Pvt Ltd
- Deutsche Asset Management (Japan) Limited
- Deutsche Asset Management (Hong Kong) Limited
- Deutsche Far Eastern Asset Management Company Limited

The AMC may utilise the services of Sponsor, Group Companies and any other subsidiary or associate company of the Sponsor established or to be established at a later date, in case such a company (including employees or relatives) is in a position to provide the requisite services to the AMC. The AMC will conduct its business with the aforesaid companies (including employees or relatives) on commercial terms and on arm's length basis and at mutually agreed terms and conditions to the extent permitted under the SEBI Regulations, after evaluation of the competitiveness of the pricing offered by the Sponsor, associate companies (including employees or relatives) and the services to be provided by them.

## Associates & Group Companies as Distributors/Broker

The AMC has utilised the services of its associates namely, Deutsche Bank as Distributors for procuring Unit subscriptions for the Schemes of Deutsche Mutual Fund. The fees and commission payable were at the same rates offered to other distributors by the scheme(s). Further, the AMC also dealt with Deutsche Equity (India) Private Limited as secondary market broker in the Equity segment. The brokerage paid to the associate is at the same rate offered to other brokers in the segment.

## Commission paid to Associate/Group Companies during the period April 2008 to March 2009.

Name : Deutsche Bank

Nature of Association/ Nature of relation	Scheme Name	Business given (Rs. Cr. & % of total business received by the Fund)		Commission paid (Rs. & % of total commission paid by the Fund)	
		Rs. cr.	%	Rs. cr.	%
Associate/ Group Company	DWS Alpha Equity Fund	5.51	3.98	0.18	6.49
	DWS Cash Opportunities Fund	632.67	27.63	0.42	20.57
	DWS Fixed Term Fund - Series 49	127.24	33.24	0.39	25.1
	DWS Fixed Term Fund - Series 50	69.26	58.67	1.63	45.39
	DWS Fixed Term Fund - Series 51	134.92	47.44	0.14	37.87
	DWS Fixed Term Fund - Series 52	74.1	18.32	0.3	20.89
	DWS Fixed Term Fund - Series 53	2.12	2.24	0.02	4.07
	DWS Fixed Term Fund - Series 54	80.97	36.5	0.15	27.7
	DWS Fixed Term Fund - Series 55	21.2	26.49	0.07	39.46
	DWS Fixed Term Fund - Series 56	3.64	9	0.02	7.67
	DWS Fixed Term Fund - Series 57	35.18	8.95	0	9.38
	DWS Fixed Term Fund - Series 58	59.85	21.79	0.01	21.9
	DWS Fixed Term Fund - Series 59	22.37	11.34	0.2	9.1
	DWS Fixed Term Fund - Series 60	5.24	27.76	0.02	19.58
	DWS Gilt Fund	101.93	62.1	0.74	74.45
	DWS Global Thematic Offshore Fund	0.02	0.78	0.02	3.65
	DWS Insta Cash Plus Fund	1,826.57	1.9	0.21	11.66
	DWS Investment Opportunity Fund	2.75	1.81	0.08	2.08
	DWS Money Plus Advantage Fund	1.88	5.24	0.04	14.74
	DWS Money Plus Fund	1,037.01	12.49	0.61	27.43
	DWS Premier Bond Fund	49.33	11.39	0.27	20.67
	DWS Quarterly Interval Fund - Series 1	3.2	0.74	0	0.97
	DWS Short Maturity Fund	27.87	16.91	0.04	9.31
	DWS Tax Saving Fund	0.22	1.06	0.01	1.16
DWS Twin Advantage Fund	1.3	24.69	0.01	12.3	
DWS Ultra Short Term Fund	581.8	3.87	0.07	7.37	
<b>Total</b>	<b>4,908.14</b>		<b>5.66</b>		

**Commission paid to Associate/Group Companies during the period April 2009 to March 2010.**

**Name : Deutsche Bank**

Nature of Association/ Nature of relation	Scheme Name	Business given (Rs. Cr. & % of total business received by the Fund)		Commission paid (Rs. & % of total commission paid by the Fund)	
		Rs. cr.	%	Rs. cr.	%
		Associate / Group Company	DWS Alpha Equity Fund	35.22	29.19
	DWS Cash Opportunities Fund	307.16	6.28	0.26	11.93
	DWS Fixed Term Fund - Series 66	0.75	5.76	0	20.88
	DWS Fixed Term Fund - Series 68	16.17	34.98	0.04	47.05
	DWS Fixed Term Fund - Series 67	124.59	29.52	0.06	27.87
	DWS Fixed Term Fund - Series 69	12.72	26.25	0.05	23.62
	DWS Gilt Fund	3.02	75.56	0.05	35.18
	DWS Insta Cash Plus Fund	1,111.39	0.65	0.16	10.28
	DWS Investment Opportunity Fund	20.54	24.89	0.36	17.33
	DWS Money Plus Advantage Fund	118.96	11.25	0.85	13.54
	DWS Money Plus Fund	569.3	18.87	0.36	38.89
	DWS Premier Bond Fund	2.18	11.49	0.05	11.49
	DWS Short Maturity Fund	120.48	7.30	0.28	11.80
	DWS Tax Saving Fund	0.08	1.13	0.01	1.80
	DWS Treasury Cash Fund	11.85	1.30	0	0.28
	DWS Treasury Investment Fund	9.10	1.65	0.01	3.77
	DWS Twin Advantage Fund	60.68	17.99	0.56	17.18
	DWS Ultra Short Term Fund	958.16	1.45	0.29	5.62
	<b>Total</b>	<b>3,482.36</b>		<b>4.11</b>	

**Commission paid to Associate/Group Companies during the period April 2010 to March 2011.**

**Name : Deutsche Bank**

Nature of Association/ Nature of relation	Scheme Name	Business given (Rs. Cr. & % of total business received by the fund)		Commission paid (Rs & % of total commission paid by the fund)	
		Rs cr	%	Rs cr	%
		Associate	DWS Money Plus Advantage Fund	75.70	7.98
	DWS Premier Bond Fund	9.30	86.52	0.05	27.74
	DWS Insta Cash Plus Fund	896.33	0.42	0.13	10.78
	DWS Cash Opportunities Fund	48.31	2.44	0.09	7.35
	DWS Fixed Term Fund - Series 50	511.59	60.37	0.32	43.80
	DWS Alpha Equity Fund	4.25	9.45	0.32	21.33
	DWS Fixed Term Fund - Series 71	56.00	49.45	0.01	49.75

Nature of Association/ Nature of relation	Scheme Name	Business given (Rs. Cr. & % of total business received by the fund)		Commission paid (Rs & % of total commission paid by the fund)	
		Rs cr	%	Rs cr	%
			DWS Ultra Short Term Fund	437.57	1.17
	DWS Global Agribusiness Offshore Fund	8.89	8.07	0.07	16.70
	DWS Gilt Fund	17.47	67.90	0.01	14.75
	DWS Global Thematic Offshore Fund	8.92	3.82	0.01	1.76
	DWS Fixed Term Fund - Series 72	4.56	7.51	0.01	3.68
	DWS Fixed Term Fund - Series 73	38.35	9.03	0.03	20.57
	DWS Fixed Term Fund - Series 74	10.05	8.57	0.04	38.30
	DWS Fixed Term Fund - Series 75	5.27	6.47	0.01	3.67
	DWS Fixed Term Fund - Series 76	34.69	36.51	0.01	20.29
	DWS Fixed Term Fund - Series 77	46.16	17.86	0.06	35.47
	DWS Fixed Term Fund - Series 78	26.53	14.79	0.15	22.23
	DWS Fixed Term Fund - Series 79	19.55	11.70	0.01	12.15
	DWS Hybrid Fixed Term Fund - Series 1	13.38	3.47	0.05	5.20
	DWS Hybrid Fixed Term Fund - Series 2	2.79	6.28	0.09	7.82
	DWS Investment Opportunity Fund	6.30	11.16	0.22	15.39
	DWS Fixed Term Fund - Series 81	0.39	0.30	0.01	0.35
	DWS Twin Advantage Fund	57.21	10.64	0.01	1.54
	DWS Money Plus Fund	92.97	9.65	0.09	39.63
	DWS Short Maturity Fund	400.36	48.66	0.68	34.41
	DWS Treasury Fund Cash	160.44	3.23	0.02	7.93
	DWS Treasury Fund Investment	26.15	1.69	0.03	5.53
	DWS Tax Saving Fund	0.03	0.42	0.16	22.93
	<b>Total</b>	<b>3,019.60</b>		<b>3.04</b>	

**Brokerage paid to Associate / Group Companies during the period April 2008 to March 2009:**

**Name : Deutsche Equity India Private Limited**

Nature of Association/ Nature of relation	Scheme Name	Business given (Rs. Cr. & % of total business received by the fund)		Brokerage paid (as % of total brokerage paid by the fund)	
		Rs. cr.	%	Rs. cr.	%
		Associate/ Group Company	DWS Alpha Equity Fund	36.89	9.99
	DWS Investment Opportunity Fund	30.80	8.94	0.06	9.39
	DWS Tax Saving Fund	10.59	9.08	0.02	9.43



**Brokerage paid to Associate / Group Companies during the period April 2009 to March 2010:**

**Name : Deutsche Equity India Private Limited**

Nature of Association/ Nature of relation	Scheme Name	Business given (Rs. Cr. & % of total business received by the fund)		Brokerage paid (as % of total brokerage paid by the fund)	
		Rs. cr.	%	Rs. cr.	%
Associate / Group Company	DWS Alpha Equity Fund	51.49	8.6	0.11	8.89
	DWS Investment Opportunity Fund	50.64	9.70	0.10	9.76
	DWS Tax Saving Fund	20.92	9.37	0.04	9.46

**Brokerage paid to Associate / Group Companies during the period April 2010 to March 2011:**

**Name : Deutsche Equity India Private Limited**

Nature of Association/ Nature of relation	Scheme Name	Business given (Rs. Cr. & % of total business received by the fund)		Brokerage paid (as % of total brokerage paid by the fund)	
		Rs. cr.	%	Rs. cr.	%
Associate / Group Company	DWS Alpha Equity Fund	56.07	13.6	0.12	16.91
	DWS Investment Opportunity Fund	57.45	13.13	0.12	14.93
	DWS Tax Saving Fund	24.52	11.46	0.05	15.08

Associate Transactions, if carried out, will be as per the SEBI Regulations and the limits prescribed thereunder. The Scheme(s) shall make any investment in :

- Any unlisted security of an associate or group company of the Sponsor
- Any security issued by way of private placement by an associate or group company of the Sponsor
- The listed securities of group companies of the Sponsor which is in excess of 25% of the net assets.

**Investments in the securities of Group Companies of the Sponsor as on March 31, 2011 :**

Scheme	Name of the Security	Security Category	Amount (Rs. in Lacs)	% of Net Assets of the Scheme
DWS Fixed Term Fund Series 50 - Plan A	Deutsche Investments India Pvt. Ltd.	Debt	2905.15	20.90
DWS Fixed Term Fund Series 50 - Plan B	Deutsche Investments India Pvt. Ltd.	Debt	65.14	8.24

The investment in group company as % of net assets of the Fund as on 31.3.2011 is 0.48%.

**6) Documents available for Inspection**

Copies of the following documents will be available for inspection by the Unit Holders during the New Fund Offer period on all Business Days between 10 a.m. and 3 p.m. at the Registered Office of the AMC at 2nd Floor, 222 Kodak House, Dr. D. N. Road, Fort, Mumbai 400 001.

- Copy of Memorandum and Articles of Association of the Trustee Company and the AMC.
- Copy of the Custodian Agreement between the Trustee and JP Morgan.
- Copy of the Investment Management Agreement.
- Copy of the Trust Deed.
- Copy of Agreement with Registrar and Share Transfer Agents.
- Copy of Mutual Fund Registration Certificate No. MF/047/02/10, 2002 dated October 28, 2002 from SEBI.
- Consent of the Auditors to act in the said capacity.
- Copy of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996.
- Copy of Indian Trust Act, 1882.

**7) Investment Grievances Redressal Mechanism**

The Fund will follow-up with Investor Service Centres and the Registrar on complaints and inquiries received from investors with an endeavor to resolve them promptly. The fund will also keep a track of complaints received and resolved periodically.

The above is not an exhaustive details of services that the Fund endeavors to provide. As stated earlier the Fund shall constantly strive to add more services & upgrade them for the convenience of the unitholders.

**Details of Queries and Complaints received and Resolved during April 2007 to March 2008:**

Description	No. of Queries Recd.	Total				
		Resolved				Pending
		Received	R + 1	R + 2	> R + 2	
Change of Address	1,518	0	967	469	82	0
Change of Bank Details	1,298	0	865	375	58	0
SEBI Referral	1	0	0	0	1	0
Client Referral	0	0	0	0	0	0
Stock Exchange Referral	0	0	0	0	0	0
Agent Queries	0	0	0	0	0	0
Non Receipt of Dividend	76	8	17	42	9	0
Revalidation of Dividend	281	0	0	82	199	0
Non Receipt of A/c statement	30	12	17	-	1	0
Non Receipt of Redemption warrant	1	-	-	1	-	0
Revalidation of Redemption Warrant	-	0	-	-	0	0
Non encashment of Redemption warrant	0	0	0	0	0	0
Corporate documents/ PoA	1,076	0	1,076	0	0	0
Miscellaneous	3,301	2	1,990	1,068	241	0
<b>Total</b>	<b>7,582</b>	<b>22</b>	<b>4,932</b>	<b>2,037</b>	<b>591</b>	<b>0</b>

**Details of Queries and Complaints received and Resolved during April 2008 to March 2009:**

Description	No. of Queries Recd.	Total				
		Resolved				Pending
		Received	R + 1	R + 2	> R + 2	
Change of Address	1,972	0	1,511	425	36	0
Change of Bank Details	2,054	0	1,598	381	75	0
SEBI Referral	10	0	1	8	1	0
Client Referral	-	0	0	0	0	0
Stock Exchange Referral	-	0	0	0	0	0
Agent Queries	-	0	0	0	0	0
Non Receipt of Dividend	33	-	11	1	21	0
Revalidation of Dividend	584	0	0	287	297	0
Non Receipt of A/c statement	23	12	11	-	-	0
Non Receipt of Redemption warrant	23	2	11	7	3	0
Revalidation of Redemption Warrant	5	0	3	2	0	0
Non encashment of Redemption warrant	-	0	0	0	0	0
Corporate documents/ PoA	2,009	0	2,009	0	0	0
Miscellaneous	5,610	1,752	3,012	763	83	0
<b>Total</b>	<b>12,323</b>	<b>1,766</b>	<b>8,167</b>	<b>1,874</b>	<b>516</b>	<b>0</b>



**Details of Queries and Complaints received and Resolved during April 2009 to March 2010:**

Description	No. of Queries Recd.	Total					Pending
		Resolved				Pending	
		Received	R + 1	R + 2	>R + 2		
Change of Address	3,762	0	3,245	513	4	0	
Change of Bank Details	4,545	0	3,890	576	79	0	
SEBI Referral	13	4	6	1	2	0	
Client Referral	-	0	0	0	0	0	
Stock Exchange Referral	-	0	0	0	0	0	
Agent Queries	-	0	0	0	0	0	
Non Receipt of Dividend	832	11	239	426	156	0	
Revalidation of Dividend	1,095	0	280	610	205	0	
Non Receipt of A/c statement	2	0	1	1	0	0	
Non Receipt of Redemption warrant	338	-	63	217	58	0	
Revalidation of Redemption Warrant	576	0	150	281	145	0	
Non encashment of Redemption Warrant	-	0	0	0	0	0	
Corporate documents/ PoA	1,183	0	1,146	26	11	0	
Miscellaneous	15,381	10,518	3,929	902	32	0	
<b>Total</b>	<b>27,727</b>	<b>10,533</b>	<b>12,949</b>	<b>3,553</b>	<b>692</b>	<b>0</b>	

**Details of Queries and Complaints received and Resolved during April 2010 to March 2011:**

Description	No. of Queries Recd.	Total					Pending
		Resolved				Pending	
		Received	R + 1	R + 2	>R + 2		
Change of Address	3,386	2,747	408	88	143	0	
Change of Bank Details	2,861	2,549	190	97	25	0	
SEBI Referral	22	0	14	6	2	0	
Client Referral	-	0	0	0	0	0	
Stock Exchange Referral	-	0	0	0	0	0	
Agent Queries	-	0	0	0	0	0	
Non Receipt of Dividend	672	402	198	72	0	0	
Revalidation of Dividend	63	40	21	2	0	0	
Non Receipt of A/c statement	154	120	26	8	0	0	
Non Receipt of Redemption warrant	805	365	119	258	62	1	
Revalidation of Redemption Warrant	32	10	12	10	0	0	
Non encashment of Redemption warrant	-	0	0	0	0	0	
Corporate documents / POA	1,375	1,072	107	47	149	0	
Miscellaneous CON + GEN+LIEN+MERGE)	9,912	5,914	3,061	757	180	0	
<b>Total</b>	<b>19,282</b>	<b>13,219</b>	<b>4,156</b>	<b>1,345</b>	<b>561</b>	<b>-</b>	

**Details of Queries and Complaints received and Resolved during April 2011 to May 2011:**

Description	No. of Queries Recd.	Total					Pending
		Resolved				Pending	
		Received	R + 1	R + 2	>R + 2		
Change of Address	420	280	120	20	0	0	
Change of Bank Details	522	480	12	25	5	0	
SEBI Referral	3	3	0	0	0	0	
Client Referral	0	0	0	0	0	0	
Stock Exchange Referral	0	0	0	0	0	0	
Agent Queries	0	0	0	0	0	0	
Non Receipt of Dividend	52	40	12	0	0	0	
Revalidation of Dividend	45	28	13	4	0	0	
Non Receipt of A/c statement	120	98	12	10	0	1	
Non Receipt of Redemption warrant	145	112	22	1	10	0	
Revalidation of Redemption Warrant	12	8	4	0	0	0	
Non encashment of Redemption warrant	0	0	0	0	0	0	
Corporate documents/POA	126	101	21	4	0	0	
Miscellaneous (CON+ GEN+LIEN+MERGE)	722	502	100	120	0	0	
<b>Total</b>	<b>2,167</b>	<b>1,652</b>	<b>316</b>	<b>84</b>	<b>15</b>	<b>1</b>	

**Note:** Miscellaneous includes:

1. Request for Nominations
2. Request for procedures of Redemption/switch etc.
3. Addition and deletion of Joint holders/Nominees
4. Change of Name due to marriage/divorce etc / Transmission
5. Change of Dividend Option
6. Pledge / Lien
7. Consolidation of accounts
8. Email, Date of Birth, PAN, Circle, Bank Details and Contact Person - Mailer

**Notwithstanding anything contained in this Statement of Additional Information, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines thereunder shall be applicable.**

# Official Points for Accepting Transactions

## Deutsche Asset Management (India) Private Limited :

**Ahmedabad:** 303-A, 3rd Floor, Raindrop Bldg, C G Road, Ahmedabad-380006. Tel: +91 (079) 65124445/26463005. **Bengaluru:** No.909, 9th Floor, Prestige Meridian-1, # 29, M.G. Road, Bengaluru-560001, Karnataka, India. Tel: +91 (080) 25590110. **Chandigarh:** 333-334, Megabyte Centre, 1st floor, Sector 35, Chandigarh-160022. Tel: +91 (0172) 4628570. **Chennai:** Gee Gee Plaza, 3rd Floor, Plot No.14A, Door No. 1, Wheat Crofts Road, Nungambakkam, Chennai-600034 Tel: +91 (044) 64504425/26/27. **Cochin:** 510, 5th Floor, Govardhan Business Centre, Chittoor Road, Cochin-682035. Tel: +91 (0484) 2366686/698. **Coimbatore:** Krisan Business Center, New No. 81, Government Arts College Road, Coimbatore-641018. Tel: +91 (422) 4393270. **Hyderabad:** DBS Business Center, DBS House 1-7-43-46, Sardar Patel Road, Secunderabad-500003. Tel: +91 (040) 64555700/27846970. **Indore:** 115, Starlit Tower, 1st Floor, 29/1, Y. N. Road, Indore-452001, Madhya Pradesh. Tel: +91 (0731) 6452033/34. **Jaipur:** CG/2, Nehru Place, Tonk Road, Jaipur-302015, Rajasthan. Tel: +91 (141) 6505302/303. **Kolkata:** 'Chowringhee Court', 55 & 55/1, Chowringhee Road, 3rd Floor, Room No. 24, Kolkata-700071. Tel: +91 (033) 65367818/65480465/464. **Lucknow:** Aryan Business Park, 1st Floor, 90 M. G. Marg, Lucknow-226001 [UP]. Tel: +91 (522) 6569687/688. **Mumbai:** 2nd Floor, 222, Kodak House, Dr. D. N. Road, Fort, Mumbai-400001. Tel: +91 (022) 66584350/4342/4305. **New Delhi:** B-502, 504, 506, 5th Floor, Statesman House, Barakhamba Road, Connaught Place, New Delhi-110001. Tel: +91 (011) 41522647/2646. **Pune:** 105, 1st Floor, Above AUDI Showroom, Pro - 1 Business Centre, Senapati Bapat Road, Pune-411016. Tel: +91 (020) 40068171. **Vadodara:** 135, Siddharth Complex, R.C. Dutt Road, Vadodara-390007. Tel: +91 (265) 3095446/6643918.

## Deutsche Investor Services Private Limited :

**Investor Service Centres :** The Registrar will be the official point of acceptance for electronic transactions received from specified banks, financial institutions, distribution channels, etc. (mobilised on behalf of their clients) with whom the AMC has entered / may enter into specific arrangements for purchase / sale / switch of Units.

**Agra:** Shop No. 209, Block No. 29, F1, First Floor, Opp. CDO, Sanjay Place, Agra-282002. Tel.: 0562-6452474/75. **Ahmedabad:** M-Square Building, First Floor, Swastik Char Rasta, B/H City Centre, Opp Om Complex, Off CG Road, Ahmedabad-380009. Tel.: 079-65122591/92. **Allahabad:** Shyam Bhavan, Shop No. 1, 30/22-A/1, M G Road, Civil Lines, Allahabad-211001. Tel.: 0532-6453192/6452444. **Amravati:** Shop No. 108, 1st Floor, Vidharbha Plaza, I/F of Gulshan Tower, Nazul Plot No.1/12, Amravati-444601. Tel: 0721-6454001/02. **Amritsar:** Plot No. 77, Room No. 1, 2nd Floor, Mani Market, Railway Link Road, Amritsar-143001. Tel.: 0183-6545801/02. **Aurangabad:** Plot No. 3, 1st Floor, Sahakar Bank Colony, New Osmanpura, Opp. BSNL Office, Aurangabad-431001. Tel.: 0240-6452028/29. **Bareilly:** 320, Akash Floors, City Station Road, Civil Line, Bareilly-243001. Tel.: 0581-6453028/29. **Belgaum:** Block No.3, Ground Floor, 79/A, Opp. Purandar Bhavan, Somwar Peth, Tilakwadi, Belgaum-590006. Tel.: 0831-6452153/54. **Bengaluru:** C/O IL&FS Securities Services Ltd, Stock Exchange Towers, No# 51, 1st Cross, J C Road, Bengaluru-560027. Tel.: 080-64522079/80/65332972. **Bhavnagar:** Sterling Point, 2nd Floor (220-221), Waghawadi Road, Bhavnagar-364002. Tel.: 0278-6452348/49. **Bhopal:** Plot No. 8, 1st Floor, Sangam Tower, M P Nagar, Zone-1, Bhopal-462011. Tel.: 0755-6459426/27. **Bhubaneswar:** Metro House, Shop No. 5, A 410, Vanivihar, Bhubaneswar-751004. Tel.: 0674-6510351/52. **Calicut:** Office No. 4/269, Ground Floor, A1, Rashy Apartments, Near 5th Railway Gate, Vellayil, Calicut-673032. Tel.: 0495-6452208/09. **Chandigarh:** SCO 154-155, Sector 17 C, 2nd Floor, Deepak Towers, Chandigarh, (U.T.)-160017. Tel.: 0172-6530120/21. **Chennai:** C/O IL&FS Securities Services Ltd, New # 88 Old # 20, 3rd Floor, Janaki, Sardar Patel Road, Adyar, Chennai-600020. Tel.: 044-45965008/07/09. **Coimbatore:** No. 424-E, 2nd Floor, Red Rose Towers, D B Road, R S Puram, Coimbatore-641002. Tel.: 0422-6474354/55. **Cuttack:** 1st Floor, Brajraj Bhavan, Badambari Link Road, Opp New LIC Colony, Cuttack-753012. Tel.: 0671-6510175/76. **Dehradun:** Shop No. 25, Ground Floor, Radha Palace Shopping Complex, 78 Rajput Road, Dehradun-248001. Tel.: 0135-6452753/54. **Durgapur:** P-42, 1st Floor, Recol Park, (near Sidhu Kanu indoor stadium), Durgapur-713216. Tel.: 0343-6456635/36. **Erode:** No. 849, N.S.T.V. Building, 1st Floor, Opp Shivrani Hotel, Brough Road, Erode-638001. Tel.: 0424-6451834/35. **Goa:** Shop No. 8, Casa Nina, Plot No. D-5 & D-10, La Campala Residency Colony, Miramar, Panaji, Goa-403001. Tel.: 0832-6511217/18. **Gorakhpur:** Shop No. LGF-39, Lower Ground Floor, Mangalam Tower, Civil Lines 13, Golghar, Gorakhpur-273001. Tel.: 0551-6453019/24. **Gurgaon:** Upper Ground Floor, Shop No 114, AKD Tower, Sector-14, Gurgaon-122001. Tel.: 0124-6466545/46. **Guwahati:** House No. 33, Chowdhury Bhawan, 1st Floor, Borthakur Mill Road, Ulubari, Guwahati-781007. Tel.: 0361-2460688. **Gwalior:** Shop No. 29, 1st Floor, Vindhyaachal Complex, 38-City Centre, Near Airtel Office, Gwalior-474011. Tel.: 0751-6451901/02. **Hubli:** Karnatak Chambers of Commerce Building, 2nd Floor, J C Nagar, Hubli-580020. Tel: 0836-6452062/63. **Hyderabad:** 6-3-1093/UG-3(A&B), Vintage Boulevard, Rajbhavan Road, Somajiguda, Hyderabad-500082. Tel.: 040-64551097/98. **Indore:** Shop No. 9, Upper Ground Floor, City Plaza 564 - M G Road, Indore-452001. Tel: 0731-6563909/10. **Jaipur:** No. 605, Plot No. 0-15, Ashok Marg, C-Scheme, Green House, Jaipur-302001. Tel: 0141-6451089/90. **Jalandhar:** EH-198, Civil lines, Office No. 311, 3rd Floor, Lotus Tower, Jalandhar-144001. Tel.: 0181-6535814/1043. **Jamnagar:** 106, Madhav Complex, P. N. Marg, Opp. D.K.V. College, Jamnagar-361004. Tel.: 0288-6452063/64. **Jamshedpur:** Bharat Business Center, Ground Floor, Ram Mandir Area, Beside Mithiala Motors, Bistupur, Jamshedpur-831001. Tel.: 0657-6450221/6510106. **Jodhpur:** Shop No. 6, Ground Floor, Adheshwar Tower, Chopasani Road, Jodhpur-342001. Tel.: 0291-6450296/302. **Kanpur:** Office No. 216 & 217, 2nd Floor, Kan Chambers, 14/113, Civil Lines, Kanpur-208001. Tel.: 0512-6451452/78. **Kochi:** C/O IL&FS Securities Services Ltd, 39/ 4967, USNAZ Towers, 3rd Floor, Medical Trust Hospital Jn, Pallimukku, M.G Road, Kochi-682016. Tel.: 0484-6452185. **Kolhapur:** Shop No. 84, Gemstone Rao Bahadur Vichare Complex, 517/2, New Shahupuri Near S T Stand, Kolhapur-416001, Tel.: 0231-6454001/02. **Kolkata:** Central Plaza, Flat 702, 2/6, Sarat Bose Road, Kolkata-700020 Tel.: 033-64600279/110. **Kolkata:** Martin Burn Building, 2nd floor, Room No. 225, R. N. Mukherjee Road, Kolkata-700001 Tel: 033-64600110. **Lucknow:** F-1-C, AF Tower, 1st Floor, Opp. Civil Hospital, Park Road, Lucknow-226001. Tel.: 0252-6560854/298. **Ludhiana:** Shop No-33, Lower Ground Floor, New Shopping Center, Gumhar Mandi, Ludhiana-141001. Tel.: 0161-6454801/02. **Madurai:** Office No. L-85, Basement, AR Plaza, 16-17 North Veli Street, Madurai-625009. Tel.: 0452-6464103/104. **Mangalore:** F1 & F2, 3rd Floor, Ramabhavan Complex, Kodialbail, Mangalore-575003. Tel.: 0824-6452067/68. **Moradabad:** 1st Floor, Sai Sadan Commercial Complex, Adjoining to Stock Holding Corporation of India Ltd, Jail Road, Moradabad-244001. Tel.: 0591-6452186/87. **Mumbai:** Prospect Chambers, G 02 B, D N Road, Fort, Mumbai-400001, Maharashtra. Tel.: 022-65990220/23. **Borivali:** Patel Shopping Center, Shop No. 25, Ground Floor, Chandawarkar Lane, Borivali (W), Mumbai-400092. Tel.: 022-28917161. **Ghatkopar:** 2-B Ground Floor, Kailash Plaza Building, Behind Raymond Showroom, Vallabh Baug Lane, Ghatkopar (East), Mumbai-400077. Tel.: 022-25127835. **Mulund:** Office No. 111, Sai Arcade, N.S.B Road, Mulund West, Mumbai-400080. Tel.: 022-25922322. **Mysore:** Vaishak Shares Ltd, C-282, 1st Floor, Laxmivilas Road, Near Jaganmohan Palace, Mysore-570024. Tel.: 0821-6452013/14. **Nagpur:** Shop No. 10, Prathiba Sankul, North Ambazari Road, Nagpur-440010. Tel.: 071-26455660/61. **Nasik:** Suyojit Chambers, Ground Floor, G-2, Trumbak Naka, Near CBS, Nasik-422002. Tel.: 0253-6579008/09. **Nellore:** Vasant Vihar, Door No.16/2/227 A&B Gandhi Nagar, 1st Floor, Near Kaizen Towers (ACN Building), Pogathota, Nellore-524001. Tel.: 0861-6456091/92. **New Delhi:** #10, Basement Community Centre, East of Kailash, New Delhi-110065. Tel.: 011-64733117/18. **Panipat:** N K Towers, 2nd Floor, Near IB College, G.T Road, Panipat-132103. Tel.: 0180-4022408/3252707. **Patiala:** 2nd Floor, 29, New Leela Bhawan, Patiala-147001. Tel.: 0175-6534809/10. **Patna:** Shop No. 2, Ground Floor, Holding No. 471/251, Circle-249, Ward No. 23, PS-Shrikrishnapuri, Patna-800001. Tel.: 0612-6500161/62. **Pune:** C/O IL&FS Securities Services Ltd., 675 Ananth Chambers, Shop No. 2, Ground Floor, Kumthekar Rd, Sadashev Peth, Pune-411030. Tel.: 020-65009115/16. **Rajmundry:** 36-7-8, 1st Floor, SBI Complex, Stadium Road, Innespet, Rajamundry-533101. Tel.: 0883-6452088/89. **Rajkot:** L-1, Puja Commercial Complex, Harihar Chowk, Near GPO, Panchnath Plot, Rajkot-360001. Tel.: 0281-6451993/94. **Ranchi:** Shop No. G08, Yamuna Apartment, Ground Floor, Anantpur, Ranchi-834001. Tel.: 0651-6457341. **Rourkela:** 2nd Floor, Khata No. 492/147, Rourkela Town Unit No. 35 Rourkela, Ps- Plantsite, Dist-Sundargarh, Orissa-769001. Tel.: 0661-6510142/43. **Salem:** Shop No. 9 & 10, 1st Floor, Raja Arcade, Opp. To RBS Bank, Sree Ram Nagar, Alagapuram, Salem-636016. Tel.: 0427-6455891/3347. **Siliguri:** Shop No. 2, 3rd Floor, Nanak Complex, Sevoke Road, Near Church, Above IDBI Bank, Siliguri-734001. Tel.: 0353-6450387. **Surat:** Office No. 213, Jolly Plaza, 2nd Floor, Athwa Gate, Opp. Athwa Gate Police Station, Surat-395001. Tel.: 0261-6452308/09. **Trichy:** 60/2 Sastri Road, 1st Floor, Thillainagar, Trichy-620017. Tel.: 0431-6450428. **Trivandrum:** Shop No. TC-15/49(4), 3rd Floor, Saran Chambers, Vellayambalam, Trivandrum-695001. Tel.: 0471-6451674. **Udaipur:** 406, 3rd Floor, 4-D, Daulat Chambers, Sardarpura, Udaipur, Rajasthan-313001. Tel.: 0294-6452611. **Vadodara:** No. 301, Gokulesh 2, R C Dutt Road, Alkapuri, Vadodara-390005. Tel.: 0265-6451103. **Valsad:** Office No. 303, 3rd Floor, Trade Centre, Near Hotel Adina Palace, Station Road, Valsad-396001. Tel.: 02632-650561/62. **Varanasi:** Kuber Chambers, 3rd Floor, Unit 16, Rath Yatra Crossing, Varanasi-221010. Tel.: 0542-6456312. **Vijayawada:** Door No. 40-5/6-10, 1st Floor, Next to Page Computer Institute, Beside Big C Mobile Showroom, Labipet, M G Road, Vijayawada-520010. Tel.: 0866-6461523/24. **Vizag:** Shop No. 1, Ground Floor, Rednam Regency, 2nd Lane, Dwaraka Nagar, Vizag-530016, Tel.: 0891-6463818. **Warangal:** Shop No. C-40, 1st Floor, Green Square, Opposite Public Garden, Hanamkonda, Warrangal-506001. Tel.: 0870-6451753.



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