

BENCHMARK MUTUAL FUND													
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HALF-YEARLY FINANCIAL RESULTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2006													
REVENUE ACCOUNT OF BENCHMARK MUTUAL FUND FOR THE HALF YEAR ENDED SEPTEMBER 30, 2006													
Sl No	PARTICULARS	NIFTY BEES (Rs in lakhs) September 2006	NIFTY BEES (Rs in lakhs) September 2005	JUNIOR BEES (Rs in lakhs) September 2006	JUNIOR BEES (Rs in lakhs) September 2005	LIQUID BEES (Rs in lakhs) September 2006	LIQUID BEES (Rs in lakhs) September 2005	BANK BEES (Rs in lakhs) September 2006	BANK BEES (Rs in lakhs) September 2005	BDF (Rs in lakhs) September 2006	BDF (Rs in lakhs) September 2005	SCF (Rs in lakhs) September 2006	SCF (Rs in lakhs) September 2005
1	INCOME												
1.1	Dividend / Premium or Discount on CP	181.31	39.31	5.18	9.90	48.07	15.72	1,224.84	898.31	69.89	68.06	1.92	0.55
1.2	Interest	-	-	-	-	320.28	288.64	0.00	7.92	392.04	176.43	8.82	2.41
1.3	Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	617.83	394.28	116.69	162.70	1.34	-	1,662.03	927.80	1,806.46	990.63	2.39	0.04
1.4	Profit/(loss) on inter-scheme transfer/sale of investments	-	-	-	-	-	-	-	-	-	-	-	-
1.5	Other Income	-	0.02	-	-	-	-	-	-	-	83.19	-	-
1.6	Appreciation / (Depreciation) in Equity	1,432.96	680.42	(118.43)	116.44	-	-	30,652.54	29,253.71	(80.73)	304.13	7.48	12.47
	TOTAL INCOME (1.1 to 1.6)	2,232.11	1,114.03	3.43	289.04	369.71	304.36	33,539.42	31,087.74	2,187.66	1,622.44	20.60	15.47
2	EXPENSES												
2.1	Management, Trusteeship, Administrative & Other Operating Expenses	37.30	11.09	2.33	4.04	33.38	36.12	211.86	199.77	125.15	84.88	2.01	0.48
2.2	Provision for Doubtful Income	-	-	-	-	-	-	-	-	-	-	-	-
2.3	Provision for Doubtful Deposits/Current Assets	-	-	-	-	-	-	-	-	-	-	-	-
2.4	Loss on Sale/Redemption of Investments (Other than inter scheme transfer/sale)	29.39	4.24	11.62	14.50	-	-	6,413.64	111.55	1,466.44	1,206.04	0.36	0.03
2.5	Loss on inter-scheme transfer/sale of investments	-	-	-	-	-	-	-	-	-	-	-	-
	TOTAL EXPENSE (2.1 to 2.5)	66.69	15.33	13.95	18.54	33.38	36.12	6,625.50	311.32	1,591.60	1,290.92	2.37	0.51
	Excess of Income over Expenses	2,165.41	1,098.70	(10.52)	270.50	336.32	268.24	26,913.92	30,776.42	596.06	331.51	18.23	14.96
	Balance Transferred from Income Equalisation A/c	-	-	-	-	-	-	-	-	-	-	-	-
	Dividend Distribution / Reinvestment	-	-	-	-	284.05	226.24	-	-	423.64	-	-	-
	Dividend Tax Thereon	-	-	-	-	52.27	42.00	-	-	-	-	-	-
	Surplus / (deficit) after adjustments	2,165.41	1,098.70	(10.52)	270.50	0.00	0.00	26,913.92	30,776.42	172.42	331.51	18.23	14.96
BALANCE SHEET OF BENCHMARK MUTUAL FUND AS ON 30 th SEPTEMBER , 2006													
Sl No	PARTICULARS												
LIABILITIES													
1	Unit Capital	2,098.75	578.75	5.64	10.44	13,210.25	12,331.99	5,189.75	6,194.75	18,603.84	9,429.46	416.23	416.23
2	Reserves & Surplus	-	-	-	-	0.00	-	-	-	-	-	-	-
2.1	Unit Premium Reserve	66,712.97	12,996.89	(325.69)	(86.27)	-	-	240,313.48	255,013.59	(247.54)	(47.24)	-	-
2.2	Other Reserves	8,021.14	1,632.23	619.75	526.33	-	-	32,368.43	31,436.16	1,140.92	431.62	87.49	14.96
3	Loans & Borrowings	-	-	-	-	-	-	-	-	-	-	-	-
3.1	From Banks	-	-	-	-	-	-	-	-	-	-	-	-
3.2	From Others	-	-	-	-	-	-	-	-	-	-	-	-
4	Current Liabilities & Provisions	-	-	-	-	-	-	-	-	-	-	-	-
4.1	Provision for Doubtful Income/Deposits	-	-	-	-	-	-	-	-	-	-	-	-
4.2	Proposed Income Distribution	-	-	-	-	2.35	-	-	-	-	-	-	-
4.3	Other Current Liabilities & Provisions	955.77	12,505.51	(5.43)	3.22	(7,427.26)	24.24	4,076.05	80,138.53	462.79	67.39	-	9.37
	TOTAL...	77,788.63	27,713.39	294.27	453.72	5,785.33	12,356.23	281,947.71	372,783.03	19,960.02	9,881.23	503.72	440.56
ASSETS													
1	Investments												
1.1	Equity & Preference Shares	76,620.94	15,177.79	298.75	448.94	-	-	272,743.55	287,255.28	3,578.21	4,281.54	200.07	143.35
1.2	Privately Placed Debentures/Bonds	-	-	-	-	-	-	-	-	1496.877	494.41	-	-
1.3	Debentures & Bonds Listed/Awaiting Listing on Recognised Stock Exchange	-	-	-	-	-	-	-	-	-	-	-	-
1.4	Term Loans	-	-	-	-	-	-	-	-	-	-	-	-
1.5	Government Securities	-	-	-	-	-	-	-	-	-	-	-	-
1.6	Others	-	-	-	-	1,961.45	492.58	-	-	-	-	-	-
2	Deposits												
2.1	With Scheduled Banks	-	-	-	-	-	-	-	304.04	-	-	270.50	270.50
2.2	With Others	-	-	-	-	10,900.02	11,729.17	-	-	12,407.00	4,461.00	-	-
3	Other Current Assets												
3.1	Cash & Bank Balance	246.81	174.67	3.42	4.30	484.02	2.43	4,776.66	5,220.89	1,970.86	395.06	5.60	12.29
3.2	Others	920.89	12,360.93	(7.90)	0.48	(7,560.16)	132.05	4,427.50	80,002.82	507.07	249.22	20.06	14.42
4	Fixed Assets (At Depreciated Value)	-	-	-	-	-	-	-	-	-	-	-	-
5	Deferred Revenue Expenditure (To the extent not written off)	-	-	-	-	-	-	-	-	-	-	7.50	-
	TOTAL...	77,788.63	27,713.39	294.27	453.72	5,785.33	12,356.23	281,947.71	372,783.03	19,960.02	9,881.23	503.72	440.56

PERSPECTIVE HISTORICAL PER UNIT STATISTICS OF BENCHMARK MUTUAL FUND AS AT SEPTEMBER 30, 2006													
SI No	PARTICULARS	NIFTY BEES	NIFTY BEES	JUNIOR BEES	JUNIOR BEES	LIQUID BEES	LIQUID BEES	BANK BEES	BANK BEES	BDF	BDF	SCF	SCF
		Rupees (Sept 06)	Rupees (Sept 05)	Rupees (Sept 06)	Rupees (Sept 05)	Rupees (Sept 06)	Rupees (Sept 05)	Rupees (Sept 06)	Rupees (Sept 05)	Rupees (Sept 06)	Rupees (Sept 05)	Rupees (Sept 06)	Rupees (Sept 05)
A.	Net Asset Value, per unit	366.0902	262.7721	66.3766	53.9413	1,000.0000	1,000.0000	535.4488	472.4075	-	-	-	-
	i) Growth									1,117.0161	1,040.8503	120.5688	103.9092
	ii) Dividend									1,006.8864	N.A.	122.7819	102.3884
B.	Gross Income per-unit broken into following components:												
	i) Income other than profit on sale of investment, per unit	7.69	12.44	(25.10)	15.13	27.89	24.68	61.45	48.69	24.83	60.93	4.38	3.71
	ii) Income from Profit on inter scheme sales/transfer of investment, per unit	-	-	-	-	-	-	-	-	-	-	-	-
	iii) Income from profit on sale of investment to third party, per unit	2.94	6.81	25.86	19.48	0.10	-	3.20	1.50	97.10	95.53	0.57	0.01
	iv) Transfer to Revenue account from past year's reserve, per unit	-	-	-	-	-	-	-	-	-	-	-	-
C.	Aggregate of Expenses, Write off, Amortisation & Charges, per unit (including separately provision for depreciation in value of investments & loss on sale of investment, per unit)	0.32								89.89			
			0.26	3.09	2.22	2.53	2.93	12.77	0.50		124.49	0.57	0.13
D.	Net Income, per unit	10.32	18.98	(2.33)	32.39	25.46	21.75	51.88	49.69	32.04	31.97	4.38	3.59
E.	Repurchase Price during the period												
	i) Highest	387.5855	263.7680	73.06890	55.0368	1,000.0000	1,000.0000	540.5951	472.4075				
	Growth/ Class A									1,117.0161	1035.0430	123.3682	103.8526
	Dividend/Class B									1,036.3935	N.A.	122.7819	100.0000
	ii) Lowest	267.1589	190.3085	46.01310	40.7019	1,000.0000	1,000.0000	350.1991	321.6533				
	Growth/ Class A									1,086.1328	1024.6428	104.4392	102.3040
	Dividend/Class B									1,006.8864	N.A.	113.8217	97.3700
F.	Resale Price during the period												
	i) Highest	387.5855	263.7680	73.0689	55.0368	1,000.0000	1,000.0000	540.5951	472.4075				
	Growth/ Class A									1,117.0161	1040.8503	123.3682	103.8526
	Dividend/Class B									1,036.3935	N.A.	122.7819	100.0000
	ii) Lowest	267.1589	190.3085	46.0131	40.7019	1,000.00	1,000.0000	350.1991	321.6533				
	Growth/ Class A									1,086.1328	1024.795	104.4392	102.3040
	Dividend/Class B									1,006.8864	N.A.	113.8217	97.3700
G.	Market Price (The National Stock Exchange of India)												
	i) Highest	444.0000	312.1200	73.8500	63.8500	1,000.0500	1,189.9000	541.0000	500.0000				
	Growth/ Class A									N.A.	N.A.	110.0000	103.8526
	Dividend/Class B									N.A.	N.A.	N.A.	100.0000
	ii) Lowest	217.2500	183.2500	43.0000	40.0500	999.0000	816.4000	350.0000	333.0000				
	Growth/ Class A									N.A.	N.A.	85.0000	102.3040
	Dividend/Class B									N.A.	N.A.	N.A.	97.3700
H.	Price Earning Ratio	35.28	13.65	(28.49)	1.65	39.28	45.97	10.43	9.42	N.A.	N.A.	N.A.	N.A.
	Units outstanding	20,987,476.559	5,787,476.559	451,190.00000	835,190.0000	1,321,024.511	1,233,198.66	51,897,474.00	61,947,474.00	1,860,384.221	1,036,953.8140	416,234.000	416,234.0000

1. The names of the schemes are Nifty Benchmark Exchange Traded Scheme (Nifty BeES), Nifty Junior Benchmark Exchange Traded Scheme (Junior BeES), Liquid Benchmark Exchange Traded Scheme (Liquid BeES), Banking Index Benchmark Exchange Traded Scheme (Bank BeES), Benchmark Derivative Fund (BDF) and Benchmark Split Capital Fund – Balanced (SCF).
2. The above per unit calculations are based on the number of units outstanding as on September 30, 2006.
3. Price Earning Ratio is based on the closing price on the National Stock Exchange of India on September 30, 2006 and net income per unit. In case of Nifty BeES, Junior BeES, Liquid BeES and Split Capital Fund – Class A units, closing price as on September 29, 2006 and in case of Bank BeES, closing price of September 28, 2006 has been taken due to non availability of closing price as of September 30, 2006. No quotes were available for Split Capital Fund – Class B units.
4. A Unit-holder can obtain a copy of Annual Report of the mutual fund on request from Benchmark Mutual Fund.

NOTES TO ACCOUNTS

1 **Basis of Accounting**

The method of accounting is on accrual basis.

2 **Investments**

- a. Purchase and sale of securities are recognised on trade dates i.e. on the dates of transaction and not on the date of settlement.
- b. All investments are accounted at acquisition cost. Such cost includes stamp duty, brokerage and any other charge customarily included in broker's note.
- c. Cost of right equity shares, if any, is considered at issue price plus premium paid, if any, to acquire rights renunciation.
- d. Bonus entitlement, if any, are recognised on ex-bonus dates. Similarly right entitlements, if any, are recognized only when original shares on which the right entitlements accrue are traded on ex-right basis.
- e. **Portfolio Valuation**
For the purpose of financial statements, the Fund marks all investments to market and carries investments in the Balance Sheet at the market value. Unrealised gain, if any, arising out of appreciation of the investments, is carried to the Balance Sheet. Traded securities are valued at the last quoted closing price on the NSE, if such date is not preceding more than 30 days prior to the valuation date.
Non-traded equity securities, including those not traded within 30 days prior to the valuation date & thinly traded securities are valued in accordance with the guidelines issued by the SEBI. However, the Scheme does not hold thinly traded/non-traded securities.
- f. In determining the holding cost of investments and gain and loss on sale of investments, the "Weighted Average Method" has been followed.

3 **Unit Premium Reserve**

Unit Premium Reserve is debited or credited at the time of purchase and sale of units after taking into account the face value of units and Income Equalisation.

4 **Income Equalisation Reserve**

An appropriate portion of price of unit at the time of purchase and sale is transferred to Income Equalisation Account. In arriving at the portion of the price to be transferred to Income Equalisation Account, surplus/deficit (before considering unrealized appreciation/depreciation) upto the date of transaction is taken into account. The net balance in Income Equalisation Account is transferred to the Revenue Account.

5 **Disclosure under Regulation 25(8)**

The AMC has not paid any charges viz. agency commission, brokerage to parties associated with sponsor in which AMC or its major shareholder or its subsidiaries are having substantial interest.

6 **Disclosure under Regulation 25(11)**

Benchmark Mutual Fund has not invested in any company which has invested more than 5% of the NAV of any scheme of Benchmark Mutual Fund.

Scheme Classification:

Nifty BeES is an open ended Index Fund, tracking S&P CNX Nifty Index, in the nature of Exchange Traded Fund, listed on the Capital Market Segment of the National Stock Exchange of India Ltd. (NSE).

Junior BeES is an open ended Index Fund, tracking CNX Nifty Junior Index, in the nature of Exchange Traded Fund, listed on the Capital Market Segment of the National Stock Exchange of India Ltd. (NSE).

Liquid BeES is an open-ended, exchange listed Liquid Scheme, listed on the Capital Market Segment of the National Stock Exchange of India Ltd. (NSE), with daily dividend and compulsory reinvestment of dividend, with no assured returns, which aims to provide high liquidity to investors.

Bank BeES is an open ended Index Fund, tracking CNX Bank Index, in the nature of Exchange Traded Fund, listed on the Capital Market Segment of the National Stock Exchange of India Ltd. (NSE).

Benchmark Derivative Fund is an open ended debt scheme.

Benchmark Split Capital Fund – Balanced is a close ended balanced scheme with maturity period of three years, listed on the Capital market Segment of the National Stock Exchange of India Ltd. (NSE).

Investment Objective:

Nifty BeES: To provide returns that, before expenses, closely correspond to the total returns of securities as represented by S&P CNX Nifty Index.

Junior BeES: To provide returns that, before expenses, closely correspond to the returns of securities as represented by CNX Nifty Junior Index.

Liquid BeES: To enhance returns and minimize price risk by investing in basket of call money, short term government securities and money market instruments of short and medium maturities while maintaining the safety and liquidity.

Bank BeES: To provide returns that, before expenses, closely correspond to the total returns of securities as represented by CNX Bank Index.

BDF: The investment objective of the Scheme is to provide absolute returns over and above money market instruments by taking advantage in the underlying cash and derivative markets. Various strategies are used as return enhancers.

Benchmark Split Capital Fund: To invest in equities as represented by S&P CNX Nifty in the same proportion and debt securities and pass on the collection proceeds to Class A and Class B unit holders in accordance with priority of distribution specified in the offer document.

Statutory Details: Benchmark Mutual Fund has been set up as a Trust by Niche Financial Services Pvt. Ltd. with Benchmark Trustee Company Pvt. Ltd. as the Trustee (Trustee under the Indian Trust Act, 1882) and Benchmark Asset Management Company Pvt. Ltd. as the Investment Manager.

Risk Factors: 1. Mutual Funds and securities investments are subject to market risks and there can be no assurance or guarantee that the objective of the Scheme will be achieved. 2. As with any investment in securities, the NAV of the units of Scheme can go up or down depending on the factors and forces affecting the capital market. 3. Past performance of the Sponsor/its affiliates, AMC, Mutual Fund and its Schemes does not indicate the future performance of the Scheme(s) of Benchmark Mutual Fund. 4. The sponsor is not responsible or liable for any loss or shortfall resulting from the operations of the Schemes beyond the initial contribution of Rs. 1 Lac towards setting up of the Mutual Fund. 5. Investors in the Scheme are not being offered any guaranteed or assured returns. 6. Nifty BeES, Junior BeES, Liquid BeES, Bank BeES, BDF, Benchmark Split Capital Fund – Balanced are the names of the schemes and do not in any manner indicate either the quality of the schemes or their future prospects and returns. 7. This is not an advertisement soliciting subscription to units of Nifty BeES, Junior BeES, Liquid BeES, Bank BeES, BDF, Benchmark Split Capital Fund – Balanced.