

**BENCHMARK MUTUAL FUND**

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**HALF-YEARLY FINANCIAL RESULTS (UNAUDITED) FOR THE PERIOD ENDED SEPTEMBER 30, 2005**
**REVENUE ACCOUNT OF BENCHMARK MUTUAL FUND FOR THE HALF YEAR ENDED SEPTEMBER 30, 2005**

Sl No	PARTICULARS	NIFTY BEES (Rs in lakhs) September 2005	NIFTY BEES (Rs in lakhs) September 2004	JUNIOR BEES (Rs in lakhs) September 2005	JUNIOR BEES (Rs in lakhs) September 2004	LIQUID BEES (Rs in lakhs) September 2005	LIQUID BEES (Rs in lakhs) September 2004	BANK BEES (Rs in lakhs) September 2005	BANK BEES (Rs in lakhs) September 2004	FoF - Junior BeES Plan (Rs in lakhs) September 2005	FoF - Junior BeES Plan (Rs in lakhs) September 2004	BDF (Rs in lakhs) September 2005	SCF (Rs in lakhs) September 2005
<b>INCOME</b>													
1.1	Dividend / Premium or Discount on CP	39.31	27.08	9.90	7.78	15.72	19.96	898.31	7.72	-	-	68.06	0.55
1.2	Interest	-	-	-	-	288.64	102.70	7.92	-	-	-	178.43	2.41
1.3	Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	394.28	108.83	162.70	54.02	-	-	927.80	2.13	3.76	0.03	990.63	0.04
1.4	Profit/(loss) on inter-scheme transfer/sale of investments	-	-	-	-	-	-	-	-	-	-	-	-
1.5	Other Income	0.02	0.11	-	-	-	-	-	-	-	-	83.19	-
1.6	Appreciation / (Depreciation) in Equity	680.42	262.11	116.44	23.70	-	-	29,253.71	(55.23)	-	2.93	304.13	12.47
	<b>TOTAL INCOME (1.1 to 1.6)</b>	<b>1,114.03</b>	<b>398.13</b>	<b>289.04</b>	<b>85.50</b>	<b>304.36</b>	<b>122.66</b>	<b>31,087.74</b>	<b>(45.38)</b>	<b>3.76</b>	<b>2.96</b>	<b>1,622.44</b>	<b>15.47</b>
<b>EXPENSES</b>													
2.1	Management, Trusteeship, Administrative & Other Operating Expenses	11.09	6.00	4.04	2.45	36.12	15.17	199.77	1.37	0.01	0.30	84.88	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)	4.24	15.92	14.50	12.79	-	-	111.55	-	-	-	1,206.04	0.03
2.5	Loss on inter-scheme transfer/sale of investments	-	-	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL EXPENSE (2.1 to 2.5)</b>	<b>15.33</b>	<b>21.92</b>	<b>18.54</b>	<b>15.24</b>	<b>36.12</b>	<b>15.17</b>	<b>311.32</b>	<b>1.37</b>	<b>0.01</b>	<b>0.30</b>	<b>1,290.92</b>	<b>0.51</b>
	<b>Excess of Income over Expenses</b>	<b>1,098.70</b>	<b>376.21</b>	<b>270.50</b>	<b>70.26</b>	<b>268.24</b>	<b>107.49</b>	<b>30,776.42</b>	<b>(46.76)</b>	<b>3.75</b>	<b>2.66</b>	<b>331.51</b>	<b>14.96</b>
	Balance Transferred from Income Equalisation A/c	-	-	-	-	-	-	-	-	-	-	-	-
	Dividend Distribution / Reinvestment	-	-	-	-	226.24	93.59	-	-	-	-	-	-
	Dividend Tax Thereon	-	-	-	-	42.00	13.90	-	-	-	-	-	-
	<b>Surplus / (deficit) after adjustments</b>	<b>1,098.70</b>	<b>376.21</b>	<b>270.50</b>	<b>70.26</b>	<b>0.00</b>	<b>-</b>	<b>30,776.42</b>	<b>(46.76)</b>	<b>3.75</b>	<b>2.66</b>	<b>331.51</b>	<b>14.96</b>

**BALANCE SHEET OF BENCHMARK MUTUAL FUND AS ON 30 th SEPTEMBER , 2005**

Sl No	PARTICULARS	NIFTY BEES (Rs in lakhs) September 2005	NIFTY BEES (Rs in lakhs) September 2004	JUNIOR BEES (Rs in lakhs) September 2005	JUNIOR BEES (Rs in lakhs) September 2004	LIQUID BEES (Rs in lakhs) September 2005	LIQUID BEES (Rs in lakhs) September 2004	BANK BEES (Rs in lakhs) September 2005	BANK BEES (Rs in lakhs) September 2004	FoF JUNIOR BEES PLAN (Rs in lakhs) September 2005	FoF JUNIOR BEES PLAN (Rs in lakhs) September 2004	BDF (Rs in lakhs) September 2005	SCF (Rs in lakhs) September 2005
<b>LIABILITIES</b>													
1	Unit Capital	578.75	110.75	10.44	17.24	12,331.99	4,400.53	6,194.75	168.75	-	20.29	9,429.46	416.23
2	Reserves & Surplus	-	-	-	-	-	-	-	-	-	-	-	-
2.1	Unit Premium Reserve	12,996.89	1,234.91	(86.27)	222.38	-	-	255,013.59	4,189.96	-	0.64	(47.24)	-
2.2	Other Reserves	1,632.23	618.35	526.33	248.78	-	-	31,436.16	(46.75)	-	2.66	431.62	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	-	-	-	-	-	-	-	-	-	-	-	-
4.3	Other Current Liabilities & Provisions	12,505.51	5.33	3.22	2.92	24.24	119.72	80,138.53	1.04	-	1.75	67.39	9.37
	<b>TOTAL...</b>	<b>27,713.39</b>	<b>1,969.34</b>	<b>453.72</b>	<b>491.32</b>	<b>12,356.23</b>	<b>4,520.25</b>	<b>372,783.03</b>	<b>4,313.00</b>	<b>-</b>	<b>25.34</b>	<b>9,881.23</b>	<b>440.56</b>
<b>ASSETS</b>													
1	Investments	-	-	-	-	-	-	-	-	-	-	-	-
1.1	Equity & Preference Shares	15,177.79	1,956.24	448.94	486.24	-	-	287,255.28	4,221.91	-	-	4,281.54	143.35
1.2	Privately Placed Debentures/Bonds	-	-	-	-	-	-	-	-	-	-	494.41	-
1.3	Debentures & Bonds Listed/Awaiting Listing on Recognised Stock Exchange	-	-	-	-	-	-	-	-	-	-	-	-
1.4	Term Loans	-	-	-	-	-	-	-	-	-	-	-	-
1.5	Government Securities	-	-	-	-	-	-	-	-	-	-	-	-
1.6	Others	-	-	-	-	492.58	987.49	-	-	-	-	21.52	-
2	Deposits	-	-	-	-	-	-	-	-	-	-	-	-
2.1	With Scheduled Banks	-	-	-	-	11,729.17	3,349.62	304.04	-	-	-	-	270.50
2.2	With Others	-	-	-	-	-	-	-	-	-	-	4,461.00	-
3	Other Current Assets	-	1.49	-	-	-	-	-	-	-	-	-	-
3.1	Cash & Bank Balance	174.67	4.59	4.30	4.08	2.43	29.21	5,220.89	91.09	-	2.60	395.06	12.29
3.2	Others	12,360.93	7.02	0.48	1.00	132.05	153.93	80,002.82	-	-	1.22	249.22	14.42
4	Fixed Assets (At Depreciated Value)	-	-	-	-	-	-	-	-	-	-	-	-
5	Deferred Revenue Expenditure (To the extent not written off)	-	-	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL...</b>	<b>27,713.39</b>	<b>1,969.34</b>	<b>453.72</b>	<b>491.32</b>	<b>12,356.23</b>	<b>4,520.25</b>	<b>372,783.03</b>	<b>4,313.00</b>	<b>-</b>	<b>25.34</b>	<b>9,881.23</b>	<b>440.56</b>

**PERSPECTIVE HISTORICAL PER UNIT STATISTICS OF BENCHMARK MUTUAL FUND AS AT 30 th SEPTEMBER , 2005**

Sl No	PARTICULARS	NIFTY BEES Rupees (Sept 05)	NIFTY BEES Rupees (Sept 04)	JUNIOR BEES Rupees (Sept 05)	JUNIOR BEES Rupees (Sept 04)	LIQUID BEES Rupees (Sept 05)	LIQUID BEES Rupees (Sept 04)	BANK BEES Rupees (Sept 05)	BANK BEES Rupees (Sept 04)	FOF JUNIOR BEES PLAN Rupees (Sept 05)	FOF JUNIOR BEES PLAN Rupees (Sept 04)	BDF Rupees (Sept 05)	SCF Rupees (Sept 05)
A.	Net Asset Value, per unit	262.7721	177.3412	53.9413	35.4124	1,000.0000	1,000.0000	472.4075	255.5270	-	-	1,040.8503	-
	Class A / Dividend Plan	-	-	-	-	-	-	-	-	-	11.6291	-	103.9092
	Class B / Growth Plan	-	-	-	-	-	-	-	-	-	11.6299	-	102.3884
B.	Gross Income per-unit broken into following components:	-	-	-	-	-	-	-	-	-	-	-	-
	i) Income other than profit on sale of investment, per unit	12.44	2.46	15.13	0.56	24.68	27.87	48.69	(2.69)	-	1.46	60.93	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	6.81	9.83	19.48	3.92	-	-	1.50	0.13	-	0.02	95.53	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)	0.26	-	2.22	-	2.93	-	0.50	-	-	-	-	-
D.	Net Income, per unit	18.98	10.31	32.39	3.38	21.75	24.43	49.69	0.08	-	0.15	124.49	0.13
E.	Repurchase Price during the period	-	-	-	-	-	-	-	(2.64)	-	1.33	31.97	3.59
	i) Highest	263.7680	189.6707	55.0368	38.3797	1,000.0000	1,000.0000	472.4075	266.1783	-	-	1,035.0430	-
	Class A / Dividend Plan	-	-	-	-	-	-	-	-	14.0855	11.6291	-	103.8526
	Class B / Growth Plan	-	-	-	-	-	-	-	-	-	11.6299	-	100.0000

	ii) Lowest	190.3085	139.4534	40.7019	26.8726	1,000.0000	1,000.0000	321.6533	219.8002			1,024.6428	
	Class A / Dividend Plan									12.7227	9.7899		102.3040
	Class B / Growth Plan										9.7899		97.3700
F.	Resale Price during the period												
	ii) Highest	263.7680	189.6707	55.0368	38.3797	1,000.0000	1,000.0000	472.4075	266.1783			1,040.8503	
	Class A / Dividend Plan									14.0855	11.8617		103.8526
	Class B / Growth Plan										11.8625		100.0000
	ii) Lowest	190.3085	139.4534	40.7019	26.8726	1,000.0000	1,000.0000	321.6533	219.8002			1,024.7950	
	Class A / Dividend Plan									12.7227	9.9857		102.3040
	Class B / Growth Plan										9.9857		97.3700
G.	Market Price ( The National Stock Exchange of India)												
	ii) Highest	312.1200	191.0000	63.8500	41.0000	1,189.9000	999.9500	500.0000	265.0000			N.A.	
	Class A / Dividend Plan									N.A.	N.A.		103.8526
	Class B / Growth Plan									N.A.	N.A.		100.0000
	ii) Lowest	183.2500	141.0000	40.0500	26.2300	816.4000	999.9500	333.0000	223.0000			N.A.	
	Class A / Dividend Plan									N.A.	N.A.		102.3040
	Class B / Growth Plan									N.A.	N.A.		97.3700
H.	Price Earning Ratio	13.65	0.06	1.65	0.09	45.97	0.02	9.42	(0.01)			N.A.	-
	Units outstanding	5,787,476.5590	1,107,476.5590	835,190.0000	1,379,190.0000	1,233,198.6645	440,052.5879	61,947,474.0000	1,687,474.0000	-		1,036,953.8140	416,234.0000

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), Benchmark Split Capital Fund – Balanced (SCF) and Benchmark Fund of Funds (FoF).

The above per unit calculations are based on the number of units outstanding as on September 30, 2005.

Price Earning Ratio is based on the closing price on the National Stock Exchange of India on September 30, 2005 and net income per unit. In case of Junior BeES Closing price as on September 29, 2005 has been taken due to non availability of closing price as of September 30, 2005.

A Unit-holder can obtain a copy of Annual Report of the mutual fund on request from Benchmark Mutual Fund.

\*\* Junior BeES had declared dividend @ Rs.4/- per unit, and Bonus in the ratio of 1 unit for every 4 units held. After dividend and bonus each unit of Junior BeES having a face value of Rs.10/- was split into 8 units having a face value of Rs.1.25 each. The record date for all three corporate actions was February 21, 2004. Hence, the figure per unit of Junior BeES after February 21, 2004 are based on face value of Rs.1.25 each.

## NOTES TO THE 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 invested in the following company which has invested more than 5% of the NAV of any scheme of Benchmark Mutual Fund:

<b>Company Which has invested</b>	<b>Scheme which invested more than 5% of Net Assets</b>	<b>Scheme which has invested</b>	<b>Aggregate investment during the period at cost (Rs. In Lacs)</b>	<b>Outstanding as on September 30, 2005 at market value (Rs. In Lacs)</b>
GTL Ltd.	Liquid BeES	Junior BeES	3.42	Nil

The investment in GTL Ltd. is made, as it is a constituent of CNX Nifty Junior Index. The Scheme has invested in GTL Ltd. in the same weightage as the weightage of that Company in CNX Nifty Junior Index. GTL Limited has been excluded from CNX Nifty Junior Index w.e.f. March 1, 2004.

#### **7 Previous year's figures**

As Benchmark Derivative Fund was launched on December 18, 2004, comparable figures for half year ended September 30, 2004 are not available.

As Benchmark Split Capital Fund – Balanced was launched on August 16, 2005 comparable figures for half year ended September 30, 2004 are not available.

#### **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).

Benchmark Fund of Funds is an open-ended Fund of Funds Scheme investing in the underlying schemes of Benchmark Mutual Fund.

#### **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 would be 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.

**Benchmark Fund of Funds:** To generate returns and provide capital appreciation through investment primarily in underlying schemes of Benchmark Mutual Fund.

**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 and Benchmark Fund of Funds.