

**BENCHMARK MUTUAL FUND**

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**HALF-YEARLY FINANCIAL RESULTS (UNAUDITED) FOR THE PERIOD ENDED 30th Sept, 2004**

**REVENUE ACCOUNT OF BENCHMARK MUTUAL FUND FOR THE HALF YEAR ENDED 30th Sept, 2004**

Sl No	PARTICULARS	NIFTY (Rs in lakhs) Sept. 2004	NIFTY (Rs in lakhs) Sept. 2003	Junior (Rs in lakhs) Sept 2004	Junior (Rs in lakhs) Sept 2003	Liquid (Rs in lakhs) Sept 2004	Liquid (Rs in lakhs) Sept 2003	Bank Bees (Rs in lakhs) Sept 2004	FOF-Junior Bees Plan (Rs in lakhs) Sept 2004	FOF-Nifty Bees Plan (Rs in lakhs) Sept 2004	FOF-Nifty 100 Plan (Rs in lakhs) Sept 2004	FOF-Nifty Balanced Plan (Rs in lakhs) Sept 2004
<b>1</b>	<b>INCOME</b>											
1.1	Dividend / Premium or Discount on CP	27.08	20.61	7.78	2.82	19.96	-	7.72	-	-	-	0.01
1.2	Interest	-	-	-	-	102.70	14.17	-	-	-	-	-
1.3	Profit on sale/redemption of investments (other than inter-scheme transfer/sale)	108.83	144.55	54.02	21.33	-	-	2.13	0.03	0.20	0.17	0.16
1.4	Profit/(loss) on inter-scheme transfer/sale of investments	-	-	-	-	-	-	-	-	-	-	-
1.5	Other Income	0.11	0.00	-	-	-	-	-	-	-	-	-
1.6	Appreciation / (Depreciation) in Equity/Futures	262.11	241.13	23.70	63.95	-	-	(55.23)	2.93	0.17	0.67	0.16
	<b>TOTAL INCOME (1.1 to 1.6)</b>	<b>398.13</b>	<b>406.29</b>	<b>85.49</b>	<b>88.10</b>	<b>122.66</b>	<b>14.17</b>	<b>(45.38)</b>	<b>2.96</b>	<b>0.37</b>	<b>0.83</b>	<b>0.34</b>
<b>2</b>	<b>EXPENSES</b>											
2.1	Management, Trusteeship, Administrative & Other Operating Expenses	6.00	3.49	2.45	0.65	15.17	0.36	1.37	0.30	0.09	0.10	0.12
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)	15.92	54.23	12.79	1.64	-	-	-	-	-	-	0.00
2.5	Loss on inter-scheme transfer/sale of investments	-	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL EXPENSE (2.1 to 2.5)</b>	<b>21.91</b>	<b>57.71</b>	<b>15.24</b>	<b>2.29</b>	<b>15.17</b>	<b>0.36</b>	<b>1.37</b>	<b>0.30</b>	<b>0.09</b>	<b>0.10</b>	<b>0.12</b>
	<b>Excess of Income over Expenses</b>	<b>376.22</b>	<b>348.58</b>	<b>70.25</b>	<b>85.81</b>	<b>107.49</b>	<b>13.81</b>	<b>(46.75)</b>	<b>2.66</b>	<b>0.29</b>	<b>0.74</b>	<b>0.22</b>
	Balance Transferred from Income Equalisation A/c	-	-	-	-	-	-	-	-	-	-	-
	Dividend Distribution / Reinvestment	-	14.33	-	-	93.59	12.24	-	-	-	-	-
	Dividend Tax Thereon	-	-	-	-	13.91	1.57	-	-	-	-	-
	Surplus /(deficit) after adjustments	<b>376.22</b>	<b>334.25</b>	<b>70.25</b>	<b>85.81</b>	<b>(0.00)</b>	<b>0.00</b>	<b>(46.75)</b>	<b>2.66</b>	<b>0.29</b>	<b>0.74</b>	<b>0.22</b>

**BALANCE SHEET OF BENCHMARK MUTUAL FUND AS ON SEPTEMBER 30, 2004**

Sl No	PARTICULARS											
	<b>LIABILITIES</b>											
1	Unit Capital	110.75	53.77	17.24	6.11	4,400.53	1,221.21	168.75	20.29	1.41	5.91	4.75
2	Reserves & Surplus											
2.1	Unit Premium Reserve	1,234.91	434.25	222.38	74.40	-	-	4,189.96	0.64	(0.12)	0.02	(0.05)
2.2	Other Reserves	618.35	277.02	248.78	71.49	-	-	(46.75)	2.66	0.29	0.74	0.22
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	5.33	1.88	2.92	0.38	119.72	0.69	1.04	1.75	0.12	0.96	0.09
	<b>TOTAL...</b>	<b>1,969.34</b>	<b>766.92</b>	<b>491.326</b>	<b>152.39</b>	<b>4,520.25</b>	<b>1,221.90</b>	<b>4,313.00</b>	<b>25.35</b>	<b>1.70</b>	<b>7.62</b>	<b>5.01</b>
	<b>ASSETS</b>											
1	Investments											
1.1	Equity & Preference Shares	1,956.24	760.88	486.24	151.07	-	-	4,221.91	-	-	-	-
1.2	Privately Placed Debentures/Bonds	-	-	-	-	-	-	-	-	-	-	-
1.3	Debentures & Bonds Listed/Awaiting Listing on Recognised Stock Exchange	-	-	-	-	-	-	-	-	-	-	-
1.4	Term Loans	-	-	-	-	-	-	-	-	-	-	-
1.5	Government Securities	-	-	-	-	-	-	-	-	-	-	-
1.6	Others	-	-	-	-	987.49	-	-	21.52	1.39	6.31	4.58
2	Deposits											
2.1	With Scheduled Banks	-	-	-	-	3,349.62	1,208.22	-	-	-	-	-
2.2	With Others	-	-	-	-	-	-	-	-	-	-	-
3	Other Current Assets	1.49	0.46	-	-	-	-	-	-	-	-	-
3.1	Cash & Bank Balance	4.59	2.73	4.08	0.96	29.21	1.49	91.08	2.61	0.11	0.50	0.43
3.2	Others	7.03	2.85	1.00	0.36	153.92	12.19	0.00	1.22	0.20	0.82	-
4	Fixed Assets											
	(At Depreciated Value)	-	-	-	-	-	-	-	-	-	-	-
5	Deferred Revenue Expenditure (To the extent not written off)	-	-	-	-	-	-	-	-	-	-	-
	<b>TOTAL...</b>	<b>1,969.34</b>	<b>766.92</b>	<b>491.321</b>	<b>152.39</b>	<b>4,520.25</b>	<b>1,221.90</b>	<b>4,313.00</b>	<b>25.35</b>	<b>1.70</b>	<b>7.62</b>	<b>5.01</b>

**PERSPECTIVE HISTORICAL PER UNIT STATISTICS OF BENCHMARK MUTUAL FUND AS AT 30th Sept, 2004**

Sl No	PARTICULARS	NIFTY Rupees (Sep 04)	NIFTY Rupees (Sep 03)	JUNIOR Rupees (Sep 04)	JUNIOR Rupees (Sep 03)	Liquid Rupees (Sep 04)	Liquid Rupees (Sep 03)	Bank Bees Rupees (Sep 04)	FOF-Junior Bees Plan (Rs in lakhs) Sept 2004	FOF-Nifty Bees Plan (Rs in lakhs) Sept 2004	FOF-Nifty 100 Plan (Rs in lakhs) Sept 2004	FOF-Nifty Balanced Plan (Rs in lakhs) Sept 2004
A.	Net Asset Value, per unit	177.3412	142.27	35.4124	248.7060	1,000.00	1,000.00	255.5270				
	Dividend Option								11.6291	11.2030	11.2724	10.3611
	Growth Option								11.6299	11.2026	11.2724	10.3614
B.	Gross Income per-unit broken into following components:											
	i) Income other than profit on sale of investment, per unit	2.46	3.83	0.5638	4.6091	27.8738	11.60	(2.69)	1.46	2.65	1.41	0.71

	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	9.83	26.88	3.9169	34.8962	-	-	0.13	0.02	1.42	0.29	0.34	-
	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)	1.98	10.73	1.1051	3.7477	3.4462	0.30	0.08	0.15	0.63	0.17	0.25	-
D.	Net Income, per unit	10.30	19.98	3.3755	35.7577	24.4276	11.30	(2.64)	1.33	3.43	1.53	0.80	-
E.	Repurchase Price during the period												
	i) Highest	189.6707	142.27	38.3797	248.7060	1,000.0000	1,000.00	266.1783					
	Dividend Option								11.6291	11.2263	11.2724	10.3611	
	Growth Option								11.6299	11.2259	11.2724	10.3614	
	ii) Lowest	139.4534	93.04	26.8726	127.0474	1,000.0000	1,000.00	219.8002					
	Dividend Option								9.7899	9.7664	9.8027	9.7931	
	Growth Option								9.7899	9.7664	9.8027	9.7931	
F.	Resale Price during the period												
	i) Highest	189.6707	142.27	38.3797	248.7060	1,000.0000	1,000.00	266.1783					
	Dividend Option								11.8617	11.4508	11.4978	10.5683	
	Growth Option								11.8625	11.4504	11.4978	10.5686	
	ii) Lowest	139.4534	93.04	26.8726	127.0474	1,000.0000	1,000.00	219.8002					
	Dividend Option								9.9857	9.9617	9.9987	9.9890	
	Growth Option								9.9857	9.9617	9.9988	9.9890	
G.	Market Price ( The National Stock Exchange of India)												
	i) Highest	191.00	149.00	41.0000	248.5000	999.9500	1,000.05	265.00	N/A	N/A	N/A	N/A	
	ii) Lowest	141.00	93.35	26.2300	105.0000	999.9500	999.90	223.00	N/A	N/A	N/A	N/A	
H.	Price Earning Ratio	0.06	0.14	0.0947	0.1439	0.0244	0.0113	(0.0102)	N/A	N/A	N/A	N/A	

The names of the Scheme's are Nifty Benchmark Exchange Traded Scheme (Nifty BeES), Junior Benchmark Exchange Traded Scheme ( BeES) , Liquid Benchmark Exchange Traded Scheme (Liquid BeES), Banking Index Benchmark Exchange Traded Scheme (Bank BeES) .

The above per unit calculations are based on the number of units outstanding as on September 30, 2004.

Price Earning Ratio is based on the Closing Price on the National Stock Exchange of India on September 30, 2004 and net income per unit.

A Unit-holder can obtain a copy of Annual Report of Nifty BeES, Junior BeES , & Liquid BeES on request from Benchmark Mutual Fund.

## **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 the scheme during the half year ended September 30, 2004. The details are:

<b>Company which has invested</b>	<b>Scheme in 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, 2004 at market value (Rs. In Lacs)</b>
Raymond Ltd.	Liquid BeES	Junior BeES	10.82	5.43

The investment in Raymond Ltd. is made, as it is a constituent of CNX Nifty Junior Index. The Scheme has invested in Raymond Ltd. in the same weightage as the weightage of that Company in CNX Nifty Junior Index.

**7 Previous year's figures**

As Bank BeES was launched on June 4, 2004 comparable figures for Half Year ended September 30, 2003 are not available.

As Fund of Funds was launched on July 9, 2004 comparable figures for Half Year ended September 30, 2003 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 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.

**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 and

Benchmark Fund of Funds are the names of the schemes and does not in any manner indicate either the quality of the Scheme(s) 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 and Benchmark Fund of Funds.