

# Deutsche Mutual Fund

DWS Equity Schemes

Abridged Annual Report 2007-2008

**1<sup>ST</sup> CHOICE FOR YOUR MONEY.**



Deutsche Bank Group

## Sponsors / Co-Sponsors

### Deutsche Asset Management (Asia) Limited

#### Registered Office :

20 Raffles Place, #27-01 Ocean Towers,  
Singapore 048620.

### Deutsche India Holdings Private Limited

5th Floor, Nicholas Piramal Tower,  
Peninsula Corporate Park, Ganpatrao Kadam Marg,  
Lower Parel, Mumbai 400 013.

## Asset Management Company

### Deutsche Asset Management (India) Private Limited

#### Registered & Corporate Office :

2nd Floor, 222, Kodak House, Dr. D. N. Road, Fort,  
Mumbai 400 001.

## Trustee

### Deutsche Trustee Services (India) Private Limited

#### Registered Office :

2nd Floor, 222, Kodak House, Dr. D. N. Road,  
Fort, Mumbai 400 001.

## Custodian

### JP Morgan Chase Bank

Mafatlal Centre, 9th Floor,  
Nariman Point, Mumbai 400 021.

## Registrars & Transfer Agents

### Karvy Computershare Private Limited

46, Road No. 4, Street No. 1,  
Banjara Hills, Hyderabad 500 034.

## Auditors to the Fund & Tax Advisors

### Price Waterhouse

252, Veer Savarkar Marg, Opp. Shivaji Park,  
Dadar (West), Mumbai 400 028.

## Board of Directors of the Trustee Company

Mr. Gunit Chadha - Chairman

Mr. M. H. Kania

Mr. A. S. Mitra

Mr. Y. B. Desai

Mr. Debabrata Bhadury

## Board of Directors of the Asset Management Company

Mr. K. M. Gherda - Chairman

Mr. V. P. Gokhale

Mr. Paul King (w.e.f. February 12, 2008)

Mr. Bhalchandra Bhide

Mr. Suresh Soni (w.e.f. August 28, 2008)

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# Trustee Report

## 1 Scheme Performance, Future Outlook and Operations of the Schemes

### DWS Alpha Equity Fund

It is a diversified equity fund launched in January 2003 with Dividend and Growth options. The scheme had a corpus of Rs 102.73 Crores as at 31st March 2007 which fell to Rs. 97.77 crores as at 31st March 2008. The performance record of the Scheme as at March 31, 2008 is as follows:

Particulars	DWS Alpha Equity Fund	Benchmark Returns NSE Nifty
Last 1Year*	35.66%	23.89%
Since Inception	43.61%	32.96%

### DWS Investment Opportunity Fund

It is a dynamic allocation fund. Launched in January 2004, it has Dividend and Growth options. The scheme had a corpus of Rs 8.93 Crores as at 31st March 2007 which has increased to Rs. 75.26 crores as at 31st March 2008. The performance record of the Scheme as at March 31, 2008 is as follows:

Particulars	DWS Investment Opportunity Fund	Benchmark Returns BSE 200
Last 1Year*	49.70%	24.13%
Since Inception	32.98%	25.50%

### DWS Tax Saving Fund

The scheme was launched in February 2006. The scheme had a corpus of Rs 32.94 Crores as at 31st March 2007 which has risen to Rs. 58.86 crores as at 31st March 2008. The performance record of the Scheme as at March 31, 2008 is as follows:

Particulars	DWS Tax Saving Fund	Benchmark Returns S&P Cnx 500
Last 1Year*	31.64%	21.64%
Since Inception	13.76%	16.34%

### DWS Global Thematic Offshore Fund

This feeder fund was launched in September 2007. The scheme has a corpus of Rs 65.80 Crores as at 31st March 2008. The performance record of the Scheme as at March 31, 2008 is as follows:

Particulars	DWS Global Thematic Offshore Fund	Benchmark Returns Msci World Index Benchmark
Last 1Year	NA	NA
Since Inception *	-8.60%	-7.72%

*\*Absolute Returns, other performance figures are based on CAGR. Past Performance may or may not be sustained in future and should not be used as basis of comparison with other investments. Performances calculated on Growth Plan NAV. Returns do not take in to account the entry load. Since inception returns are calculated on Rs. 10 invested on inception. Inception date is deemed as date of NFO closing for scheme.*

### Future Outlooks :

The high level of crude oil and other commodity prices have dampened the macro-economic outlook to some extent. The current environment of high inflation and high interest rates is likely to persist in this financial year. Consequently, it is likely that the GDP growth for the year will be in the range of 7 to 7.5% for the current year, which is lower than that of the previous year. However, the growth rate is still quite strong on an absolute basis. Considering the credit contraction in the western markets and the tighter liquidity in the local markets, it is likely that institutional activity in the stock markets will remain subdued. Hence, in spite of reasonable valuations and longer term prospects remaining positive, it is likely that markets may remain range bound markets for most of the current year.

The key agenda for the Government this year would be to control inflation and at the same time, ensure that the economy continues to grow at a high rate. While global trends indicate a general slow down, it is more of fall in growth rates than the signals of recessionary trends.

Investors should continue to get guided by appropriate asset allocation to minimize risks and build a strong portfolio of investments for realizing their investment objectives.

## 2 Brief background of Sponsors, Trustee Company and AMC Company

### a. Deutsche Mutual Fund

Deutsche Mutual Fund had 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. The Fund has been registered with SEBI vide registration number MF/047/02/10 dated 28th October 2002. Deutsche Trustee Services (India) Private Limited is the trustee to the Fund and Deutsche Asset Management (India) Private Limited has been appointed as Asset Management Company for all the Schemes of Mutual Fund vide Investment Management Agreement dated 29th May 2002.

# Trustee Report

## b. Deutsche Trustee Services (India) Private Limited

The Trustee is the exclusive owner of the Trust Fund and holds the same in trust for the benefit of the unitholders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Trust Deed. The Trustee seeks to ensure that the Fund and the Schemes floated there under are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by the SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies

## 3 Investment Objective of the scheme

### DWS Alpha Equity Fund

The Investment objective of the scheme is to generate long-term capital growth from a diversified portfolio of equity and equity related securities of companies registered in, and/or listed on a regulated market of India.

### DWS Investment Opportunity Fund

The Investment objective of the scheme is to generate capital appreciation on the portfolio over a long term by actively investing in different asset classes as per market conditions.

### DWS Tax Saving Fund

The Investment objective of the scheme is to generate long term capital appreciation from a portfolio that is invested predominantly in equity and equity related instruments

### DWS Global Thematic Offshore Fund

The Investment objective of the scheme is to generate long-term capital growth from a diversified portfolio of units of overseas mutual funds.

- 4 Accounting policies followed by the scheme are in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (the "Regulations") and amendments thereto, as applicable.

## 5 Unclaimed Dividends & Redemptions

Following are the Summary of number of Investors & Corresponding amount :

Scheme	Unclaimed Dividends		Unclaimed Redemptions	
	Amount (Rs.)	No. of Investors	Amount (Rs.)	No. of Investors
DWS Alpha Equity Fund	825,806	64	89,664	7
DWS Investment Opportunity Fund	43,102	11	–	–
DWS Tax Saving Fund	–	–	–	–
DWS Global Thematic Offshore Fund	–	–	–	–

## 6 Statutory Information:

- The Sponsors are not responsible or liable for any loss resulting from the operation of the Schemes of the Fund beyond their initial contribution of Rs. 1 lakh for setting up the Fund, and such other accretions / additions to the same.
- The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
- Full Annual Report shall be disclosed on the website [www.dws-india.com](http://www.dws-india.com) and shall be available for inspection at the Head Office of the mutual fund. Present and prospective unit holder can obtain copy of the trust deed, the full Annual Report of the Fund / AMC at a price.

For Deutsche Trustee Services (India) Private Limited

Gunit Chadha  
Director

A. S. Mitra  
Director

Place: Mumbai  
Date: August 28, 2008

# Auditors' Report

To the Trustee,

DEUTSCHE MUTUAL FUND

1. We have audited the Balance Sheet of Deutsche Mutual Fund - **DWS Alpha Equity Fund** ("The Scheme") as at March 31, 2008 and the related Revenue Account for the year ended on that date, both of which we have signed under reference to this report. These financial statements are the responsibility of the Trustee of Deutsche Mutual Fund and the Management of Deutsche Asset Management (India) Private Limited (the "Management"). Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned at March 31, 2008 by correspondence with the custodian and others. An audit also includes assessing the accounting principles used and significant estimates made by the Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of the Scheme.
4. In our opinion and to the best of our information and according to the explanations given to us,
  - (i) The Balance Sheet and the Revenue Account together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and also give respectively, a true and fair view of the state of affairs of Deutsche Mutual Fund - DWS Alpha Equity Fund as at March 31, 2008 and its net surplus for the year ended on that date.
  - (ii) The Balance Sheet as at March 31, 2008 and the Revenue Account for the year ended on that date, together with the notes thereon have been prepared in all material respects in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto as applicable.

**K. H. Vachha**  
*Partner*  
Membership No. F/30798

For and on behalf of  
**Price Waterhouse**  
*Chartered Accountants*

Place : Mumbai  
Date : August 29, 2008

# Abridged Balance Sheet

as at March 31, 2008

	Rupees in Lakhs	
	As at March 31, 2008	As at March 31, 2007
<b>Liabilities</b>		
<b>Unit Capital</b>	4,327.90	5,747.36
<b>Reserves and Surplus</b>		
Unit Premium Reserves	619.26	946.57
Unrealised Appreciation Reserve	351.54	–
Other Reserves	4,478.05	3,579.07
<b>Current Liabilities and Provisions</b>		
Other Current Liabilities and Provisions	268.89	69.64
<b>TOTAL</b>	<b>10,045.63</b>	<b>10,342.65</b>
<b>Assets</b>		
<b>Investments</b>		
<b>Listed Securities:</b>		
Equity Shares	9,333.65	9,993.95
Preference Shares	34.43	–
<b>Total Investments</b>	<b>9,368.07</b>	<b>10,065.77</b>
<b>Other Current Assets</b>		
Cash and Bank Balance	570.35	182.70
Others	107.21	94.18
<b>TOTAL</b>	<b>10,045.63</b>	<b>10,342.65</b>

Notes to Accounts - Annexure I

## For Deutsche Trustee Services (India) Private Limited

Gunit Chadha  
*Director*

M. H. Kania  
*Director*

Y. B. Desai  
*Director*

A. S. Mitra  
*Director*

Debabrata Bhadury  
*Director*

Place: Mumbai  
Date : August 28, 2008

## For Deutsche Asset Management (India) Private Limited

Kersi M. Gherda  
*Director*

Suresh Soni  
*Director*

Paul King  
*Director*

Bhalchandra Bhide  
*Director*

Vijay P. Gokhale  
*Director*

Aniket Inamdar  
*Portfolio Manager*



# Abridged Revenue Account

for the year ended March 31, 2008

Rupees in Lakhs

	April 01, 2007 to March 31, 2008	April 01, 2006 to March 31, 2007
<b>Income</b>		
Dividend	65.72	135.37
Interest	3.73	13.05
Realised Gains / (Losses) on External sale / redemption of investments	2,919.21	1,721.35
	<b>(A)</b>	<b>2,988.67</b>
<b>Expenses</b>		
Management fees	133.89	132.18
Service tax on Management fees	16.55	16.34
Transfer agents fees and expenses	13.04	13.24
Custodian fees	8.18	8.40
Trusteeship fees	1.10	1.10
Commission to Agents	76.50	92.75
Marketing and Distribution expenses	8.73	0.13
Audit fees	0.81	0.38
Other operating expenses	13.73	15.59
Expenses to be Reimbursed by the Investment Manager	-	(10.36)
	<b>(B)</b>	<b>272.54</b>
<b>NET REALISED GAIN FOR THE YEAR</b>	<b>(A - B = C)</b>	<b>1,600.02</b>
Change in Unrealised Depreciation in value of investments	(D)	-
<b>NET GAINS FOR THE YEAR</b>	<b>(E=(C-D))</b>	<b>1,600.02</b>
Change in unrealised appreciation in the value of investments	(F)	(520.93)
<b>NET SURPLUS FOR THE YEAR</b>	<b>(E + F = G)</b>	<b>1,079.09</b>
Add: Balance transfer from Unrealised Appreciation Reserve	51.84	572.76
Less: Balance transfer to Unrealised Appreciation Reserve	351.54	51.84
Add / (Less): Equalisation	71.53	3,067.36
<b>Total</b>	<b>2,787.66</b>	<b>4,667.38</b>
<b>Dividend appropriation</b>		
Income Distributed during the year	1,836.85	2,559.83
<b>Retained Surplus carried forward to Balance Sheet</b>	<b>950.81</b>	<b>2,107.55</b>

Notes to Accounts - Annexure I

For Deutsche Trustee Services (India) Private Limited

Gunit Chadha  
Director

M. H. Kania  
Director

Y. B. Desai  
Director

A. S. Mitra  
Director

Debabrata Bhadury  
Director

For Deutsche Asset Management (India) Private Limited

Kersi M. Gherda  
Director

Suresh Soni  
Director

Paul King  
Director

Bhalchandra Bhide  
Director

Vijay P. Gokhale  
Director

Aniket Inamdar  
Portfolio Manager

Place: Mumbai  
Date : August 28, 2008

# Key Statistics

for the year ended March 31, 2008

	April 01, 2007 to March 31, 2008	April 01, 2006 to March 31, 2007
<b>1. NAV per unit (Rs.):</b>		
<b>Opening</b>		
Growth Option	48.32	44.64
Dividend Option	14.51	16.45
<b>Highest</b>		
Growth Option	87.72	53.54
Dividend Option	26.35	19.63
<b>Lowest</b>		
Growth Option	46.16	33.49
Dividend Option	13.86	12.33
<b>Closing</b>		
Growth Option	65.55	48.32
Dividend Option	16.20	14.51
<b>2. Assets Under Management (Rs. in Lakhs)</b>		
Closing	9,777	1,197
Average (AAuM)	10,968	10,994
<b>3. Gross income as % of AAuM</b>	27.25%	17.01%
<b>4. Expense Ratio:</b>		
<b>a. Total Expense as % of AAuM</b>		
Growth Option	2.48%	2.45%
Dividend Option	2.48%	2.45%
<b>b. Management Fee as % of AAuM</b>		
Growth Option	1.22%	1.20%
Dividend Option	1.22%	1.20%
<b>5. Net Income as a percentage of AAuM</b>	24.77%	14.56%
<b>6. Portfolio turnover ratio</b>	2.66	2.61
<b>7. Total Dividend per unit distributed during the year</b>		
Dividend Option	4.0000	2.0000
<b>8. Returns:</b>		
<b>a. Last One Year</b>		
<b>Scheme</b>		
Growth Option	35.66%	8.24%
<b>Benchmark</b>		
NSE Nifty Index	23.89%	12.31%
<b>b. Since Inception</b>		
<b>Scheme</b>		
Growth Option	43.61%	45.62%
<b>Benchmark</b>		
NSE Nifty Index	32.96%	35.25%



# Notes to Accounts - Annexure I

to the Abridged Balance Sheet and Revenue Account for the year ended March 31, 2008

## 1 Investments:-

- 1.1 All Investments of the Scheme are registered in the name of Trustees for the benefit of the Scheme Unitholders.
- 1.2. Open Positions of derivatives as at the Year ended March 31, 2008 and March 31, 2007 are NIL.
- 1.3. There were no investments in Associates and Group Companies as at the Year ended March 31, 2008 and March 31, 2007.
- 1.4. There were no open position of Securities Borrowed and / or Lent by the scheme as at March 31, 2008 and March 31, 2007.
- 1.5. There were no Non-Performing Assets as at March 31, 2008 and March 31, 2007.
- 1.6. Aggregate Unrealised Gain / Loss as at the Year ended March 31, 2008 and March 31, 2007 and their percentages to net assets are as under :

Security Category	March 31, 2008		March 31, 2007	
	Amount (Rs.)	Percentage to Net Assets	Amount (Rs.)	Percentage to Net Assets
Equity Shares				
- Appreciation	98,663,671	10.09	68,559,725	6.67
- Depreciation	63,510,045	6.50	63,376,060	6.17

- 1.7. The aggregate value of investment securities purchased and sold (including matured) during the financial year March 31, 2008 are Rs.3,184,601,315 and Rs.3,576,262,125 respectively being 290.34% and 326.05% of the average daily net assets.

The aggregate value of investment securities purchased and sold during the financial Year March 31, 2007 is Rs.3,719,455,291 (excluding accretion of discount Rs. 37,164) and Rs.3,266,730,678 respectively being 338.33% and 297.15% of the average daily net assets.

- 1.8. Non-Traded securities in the portfolio as at the Year ended March 31, 2008 and March 31, 2007 are as under :

Security Category	March 31, 2008		March 31, 2007	
	Fair Value (Rs.)	Percentage to Net Asset	Fair Value (Rs.)	Percentage to Net Asset
Equity Shares	-	-	7,182,000	0.70

## 2 Details of Transaction with Associates under regulation 25(8).

Deutsche Bank AG, India Branches and Kotak Mahindra Bank Limited, associate entities of Deutsche Asset Management (India) Private Limited were paid commission amounting to Rs. 1,702,150 (2007 : Rs.2,577,496) and Rs. 86,843 (2007 : Rs.325,870) respectively for procuring unit subscriptions for the Scheme. Further, Deutsche Equities India Private Limited was paid brokerage of Rs. 472,847 (2007 : Rs.1,294,409) on purchase and sale of investments by the Scheme. The commission and brokerage paid were at rates similar to those offered to other distributors / brokers.

- 3 There were no unit holders holdings over 25% of the NAV of the Scheme as at March 31, 2008 and March 31, 2007.

## 4 Planwise details of movement in units -

Description	2007 - 2008				
	Opening	Subscription	Redemption	Closing	Face Value
Growth Option	5,716,678.316	4,074,402.389	4,190,349.962	5,600,730.743	56,007,307
Dividend Option	51,756,966.977	38,267,302.738	52,346,023.325	37,678,246.390	376,782,464
Description	2006 - 2007				
	Opening	Subscription	Redemption	Closing	Face Value
Growth Option	3,170,254.789	8,362,751.009	5,816,327.482	5,716,678.316	57,166,783
Dividend Option	19,427,651.347	111,302,943.489	78,973,627.859	51,756,966.977	517,569,670

- 5 Prior year's figures have been regrouped / rearranged where appropriate.

- 6 No contingent liabilities for the Year ended March 31, 2008 and March 31, 2007.

# Auditors' Report

To the Trustee,

DEUTSCHE MUTUAL FUND

1. We have audited the Balance Sheet of Deutsche Mutual Fund - **DWS Investment Opportunity Fund** ("The Scheme") as at March 31, 2008 and the related Revenue Account for the year ended on that date, both of which we have signed under reference to this report. These financial statements are the responsibility of the Trustee of Deutsche Mutual Fund and the Management of Deutsche Asset Management (India) Private Limited (the "Management"). Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned at March 31, 2008 by correspondence with the custodian and others. An audit also includes assessing the accounting principles used and significant estimates made by the Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of the Scheme.
4. In our opinion and to the best of our information and according to the explanations given to us,
  - (i) The Balance Sheet and the Revenue Account together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and also give respectively, a true and fair view of the state of affairs of Deutsche Mutual Fund - DWS Investment Opportunity Fund as at March 31, 2008 and its net deficit for the year ended on that date.
  - (ii) The Balance Sheet as at March 31, 2008 and the Revenue Account for the year ended on that date, together with the notes thereon have been prepared in all material respects in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto as applicable.

K. H. Vachha

*Partner*

Membership No. F/30798

For and on behalf of

Price Waterhouse

*Chartered Accountants*

Place : Mumbai

Date : August 29, 2008

# Abridged Balance Sheet

as at March 31, 2008

Rupees in Lakhs

	As at March 31, 2008	As at March 31, 2007
<b>Liabilities</b>		
<b>Unit Capital</b>	2,665.67	493.16
<b>Reserves &amp; Surplus</b>		
Unit Premium Reserves	256.17	(311.48)
Other Reserves	4,604.37	711.68
<b>Current Liabilities and Provisions</b>		
Other Current Liabilities and Provisions	267.51	5.74
<b>TOTAL</b>	<b>7,793.73</b>	<b>899.09</b>
<b>Assets</b>		
<b>Investments</b>		
<b>Listed Securities:</b>		
Equity Shares	7,327.55	831.03
<b>Securities Awaited Listing:</b>		
Equity Shares	–	15.63
<b>Total Investments</b>	<b>7,327.55</b>	<b>846.65</b>
<b>Other Current Assets</b>		
Cash and Bank Balance	353.90	36.39
Others	112.28	16.05
<b>TOTAL</b>	<b>7,793.73</b>	<b>899.09</b>

Notes to Accounts - Annexure I

For **Deutsche Trustee Services (India) Private Limited**

Gunit Chadha  
*Director*

M. H. Kania  
*Director*

Y. B. Desai  
*Director*

A. S. Mitra  
*Director*

Debabrata Bhadury  
*Director*

Place: Mumbai  
Date : August 28, 2008

For **Deutsche Asset Management (India) Private Limited**

Kersi M. Gherda  
*Director*

Suresh Soni  
*Director*

Paul King  
*Director*

Bhalchandra Bhide  
*Director*

Vijay P. Gokhale  
*Director*

Aniket Inamdar  
*Portfolio Manager*

# Abridged Revenue Account

for the year ended March 31, 2008

	Rupees in Lakhs	
	April 01, 2007 to March 31, 2008	April 01, 2006 to March 31, 2007
<b>Income</b>		
Dividend	14.70	10.05
Interest	0.49	0.77
Realised Gains / (Losses) on External sale / redemption of investments	236.54	117.29
	<b>(A)</b>	<b>251.73</b>
<b>Expenses</b>		
Management fees	35.91	10.41
Service tax on Management fees	4.44	1.29
Transfer agents fees and expenses	6.01	5.36
Custodian fees	2.23	0.69
Trusteeship fees	0.29	0.08
Commission to Agents	0.97	5.22
Marketing and Distribution expenses	5.48	0.01
Audit fees	0.74	0.03
Other operating expenses	8.57	3.37
Expenses to be Reimbursed by the Investment Manager	-	(7.73)
	<b>(B)</b>	<b>64.64</b>
<b>NET REALISED GAINS FOR THE YEAR</b>	<b>(A - B = C)</b>	<b>187.10</b>
Change in Unrealised Depreciation in value of investments	(D)	919.74
<b>NET GAINS FOR THE YEAR</b>	<b>(E = (C - D))</b>	<b>(732.64)</b>
Change in unrealised appreciation in the value of investments	(F)	(43.71)
<b>NET SURPLUS FOR THE YEAR</b>	<b>(E + F = G)</b>	<b>(776.35)</b>
Add: Balance transfer from Unrealised Appreciation Reserve	43.71	94.35
Less: Balance transfer to Unrealised Appreciation Reserve	-	43.71
Add / (Less): Equalisation	4,669.05	51.53
<b>Total</b>	<b>3,936.41</b>	<b>160.90</b>
<b>Dividend appropriation</b>		
Income Distributed during the year	-	0.03
Retained Surplus carried forward to Balance Sheet	<b>3,936.41</b>	<b>160.87</b>

Notes to Accounts - Annexure I

For **Deutsche Trustee Services (India) Private Limited**

Gunit Chadha  
*Director*

M. H. Kania  
*Director*

Y. B. Desai  
*Director*

A. S. Mitra  
*Director*

Debabrata Bhadury  
*Director*

Place: Mumbai  
Date : August 28, 2008

For **Deutsche Asset Management (India) Private Limited**

Kersi M. Gherda  
*Director*

Suresh Soni  
*Director*

Paul King  
*Director*

Bhalchandra Bhide  
*Director*

Vijay P. Gokhale  
*Director*

Aniket Inamdar  
*Portfolio Manager*



# Key Statistics

for the year ended March 31, 2008

	April 01, 2007 to March 31, 2008	April 01, 2006 to March 31, 2007
<b>1. NAV per unit (Rs.):</b>		
<b>Opening</b>		
Growth Option	21.94	20.25
Dividend Option	16.74	15.45
<b>Highest</b>		
Growth Option	46.93	24.50
Dividend Option	35.85	18.69
<b>Lowest</b>		
Growth Option	21.18	15.07
Dividend Option	16.16	11.49
<b>Closing</b>		
Growth Option	32.84	21.94
Dividend Option	25.09	16.74
<b>2. Assets Under Management (Rs. in Lakhs)</b>		
Closing	7,526	893
Average (AAuM)	2,873	833
<b>3. Gross income as % of AAuM</b>	8.76%	15.38%
<b>4. Expense Ratio:</b>		
<b>a. Total Expense as % of AAuM</b>		
Growth Option	2.25%	2.25%
Dividend Option	2.25%	2.25%
<b>b. Management Fee as % of AAuM</b>		
Growth Option	1.25%	1.25%
Dividend Option	1.25%	1.25%
<b>5. Net Income as a percentage of AAuM</b>	6.51%	13.13%
<b>6. Portfolio turnover ratio</b>	1.70	1.71
<b>7. Returns:</b>		
<b>a. Last One Year</b>		
<b>Scheme</b>		
Growth Option	49.70%	24.87%
<b>Benchmark</b>		
BSE 200	24.13%	10.20%
<b>b. Since Inception</b>		
<b>Scheme</b>		
Growth Option	32.98%	28.13%
<b>Benchmark</b>		
BSE 200	25.50%	25.96%

# Notes to Accounts - Annexure I

to the Abridged Balance Sheet and Revenue Account for the Year ended March 31, 2008

## 1 Investments:-

- 1.1. All Investments of the Scheme are registered in the name of Trustees for the benefit of the Scheme Unitholders.
- 1.2. Open Positions of derivatives as at the Year ended March 31, 2008 and March 31, 2007 are NIL.
- 1.3. There were no investments in Associates and Group Companies as at the Year ended March 31, 2008 and March 31, 2007.
- 1.4. There was no open position of Securities Borrowed and / or Lent by the scheme as at March 31, 2008 and March 31, 2007.
- 1.5. There were no Non-Performing Assets as at March 31, 2008 and March 31, 2007.
- 1.6. Aggregate Unrealised Gain / Loss of the scheme as at the Year ended March 31, 2008 and March 31, 2007 and their percentages to net assets are as under :

Security Category	Amount (Rs.)	Percentage to Net Assets	Amount (Rs.)	Percentage to Net Assets
	March 31, 2008		March 31, 2007	
Equity Shares				
- Appreciation	16,534,105	2.20	10,298,198	11.53
- Depreciation	108,507,856	14.42	5,926,866	6.63

- 1.7. The aggregate value of investment securities purchased and sold (including matured) during the financial year is Rs. 1,233,077,738 and Rs. 512,297,338 respectively being 426.54% and 177.21% of the average daily net assets.

The aggregate value of investment securities purchased and sold (including matured) during the financial year is Rs. 162,473,178 (excluding accretion of discount Rs. 2,366) and Rs. 153,176,367 respectively being 195.04% and 183.88% of the average daily net assets.

- 1.8. Non-Traded securities in the portfolio as of the Year ended March 31, 2008 and March 31, 2007 and their percentages to net assets are as under :

Security Category	Fair Value (Rs.)	Percentage to Net Asset	Fair Value (Rs.)	Percentage to Net Asset
	March 31, 2008		March 31, 2007	
Equities	-	-	1,562,730	1.75

## 2 Details of Transaction with Associates under Regulation 25(8).

Deutsche Bank AG, India Branches and Kotak Mahindra Bank Limited, associate entities of Deutsche Asset Management (India) Private Limited were paid commission amounting to Rs. 222,652 (2007 : Rs. 17,505) and Rs. 10,146 (2007 : Rs.4,488) respectively for procuring unit subscriptions for the Scheme. Further Deutsche Equities India Private Limited was paid brokerage of Rs. 20,864 (2007 : Rs.35,583) on purchase and sale of investments by the Scheme. The commission and brokerage paid were at rates similar to those offered to other distributors / brokers.

- 3 There were no unit holders holdings over 25% of the NAV of the Scheme as at March 31, 2008 and March 31, 2007.
- 4 Planwise details of movement in units -

Description	2007 - 2008				
	Opening	Subscription	Redemption	Closing	Face Value
Growth	1,304,866.612	11,186,501.240	1,681,573.215	10,809,794.637	108,097,946
Dividend	3,626,693.485	20,289,687.226	8,069,492.386	15,846,888.325	158,468,883
Description	2006 - 2007				
	Opening	Subscription	Redemption	Closing	Face Value
Growth	1,180,755.671	885,385.762	761,274.821	1,304,866.612	13,048,666
Dividend	3,367,984.980	2,290,849.360	2,032,140.855	3,626,693.485	36,266,935

- 5 Prior year's figures have been regrouped / rearranged where appropriate.
- 6 No contingent liabilities for the Year ended March 31, 2008 and March 31, 2007.

# Auditors' Report

To the Trustee,

DEUTSCHE MUTUAL FUND

1. We have audited the Balance Sheet of Deutsche Mutual Fund - **DWS Tax Saving Fund** ("The Scheme") as at March 31, 2008 and the related Revenue Account for the year ended on that date, both of which we have signed under reference to this report. These financial statements are the responsibility of the Trustee of Deutsche Mutual Fund and the Management of Deutsche Asset Management (India) Private Limited (the "Management"). Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned at March 31, 2008 by correspondence with the custodian and others. An audit also includes assessing the accounting principles used and significant estimates made by the Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of the Scheme.
4. In our opinion and to the best of our information and according to the explanations given to us,
  - (i) The Balance Sheet and the Revenue Account together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and also give respectively, a true and fair view of the state of affairs of Deutsche Mutual Fund - DWS Tax Saving Fund as at March 31, 2008 and its net surplus for the year ended on that date.
  - (ii) The Balance Sheet as at March 31, 2008 and the Revenue Account for the year ended on that date, together with the notes thereon have been prepared in all material respects in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto as applicable.

K. H. Vachha  
*Partner*  
Membership No. F/30798

For and on behalf of  
**Price Waterhouse**  
*Chartered Accountants*

Place : Mumbai  
Date : August 29, 2008

# Abridged Balance Sheet

as at March 31, 2008

	Rupees in Lakhs	
	As at March 31, 2008	As at March 31, 2007
<b>Liabilities</b>		
<b>Unit Capital</b>	4,698.08	3,337.33
<b>Reserves and Surplus</b>		
Unit Premium Reserves	400.02	22.06
Other Reserves	787.41	(64.95)
<b>Current Liabilities and Provisions</b>		
Other Current Liabilities and Provisions	280.31	25.97
<b>TOTAL</b>	<b>6,165.82</b>	<b>3,320.40</b>
<b>Assets</b>		
<b>Investments</b>		
<b>Listed Securities:</b>		
Equity Shares	5,732.39	3,065.16
Preference Shares	14.34	-
<b>Total Investments</b>	<b>5,746.74</b>	<b>3,065.16</b>
<b>Other Current Assets</b>		
Cash and Bank Balance	236.78	101.02
Others	129.36	46.24
Deferred Revenue Expenditure (to the extent not written off)	52.94	107.99
<b>TOTAL</b>	<b>6,165.82</b>	<b>3,320.40</b>

Notes to Accounts - Annexure I

For **Deutsche Trustee Services (India) Private Limited**

Gunit Chadha  
*Director*

M. H. Kania  
*Director*

Y. B. Desai  
*Director*

A. S. Mitra  
*Director*

Debabrata Bhadury  
*Director*

Place: Mumbai  
Date : August 28, 2008

For **Deutsche Asset Management (India) Private Limited**

Kersi M. Gherda  
*Director*

Suresh Soni  
*Director*

Paul King  
*Director*

Bhalchandra Bhide  
*Director*

Vijay P. Gokhale  
*Director*

Aniket Inamdar  
*Portfolio Manager*





# Abridged Revenue Account

for the year ended March 31, 2008

Rupees in Lakhs

	April 01, 2007 to March 31, 2008	April 01, 2006 to March 31, 2007
<b>Income</b>		
Dividend	26.10	48.07
Interest	1.22	3.07
Realised Gains / (Losses) on External sale / redemption of investments	915.56	(17.44)
	<b>(A)</b>	<b>942.88</b>
<b>Expenses</b>		
Management fees	59.94	37.66
Service tax on Management fees	7.41	4.66
Transfer agents fees and expenses	6.23	5.62
Custodian fees	3.66	2.59
Trusteeship fees	0.49	0.31
Commission to Agents	38.57	42.71
Marketing and Distribution expenses	7.70	0.04
Audit fees	0.69	0.12
Other operating expenses	68.83	59.09
Expenses to be Reimbursed by the Investment Manager	(16.58)	(19.20)
	<b>(B)</b>	<b>176.95</b>
<b>NET REALISED GAINS / (LOSSES) FOR THE YEAR</b>	<b>(A - B = C)</b>	<b>765.94</b>
Change in Unrealised Depreciation in value of investments	(D)	(12.04)
<b>NET GAINS / (LOSSES) FOR THE YEAR</b>	<b>(E = (C - D))</b>	<b>777.98</b>
Change in unrealised appreciation in the value of investments	(F)	(320.85)
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR</b>	<b>(E + F = G)</b>	<b>457.13</b>
Add: Balance transfer from Unrealised Appreciation Reserve	-	149.14
Less: Balance transfer to Unrealised Appreciation Reserve	-	-
Add / (Less): Equalisation	301.69	(18.43)
<b>Total</b>	<b>1,079.67</b>	<b>(290.04)</b>
<b>Dividend appropriation</b>		
Income Distributed during the year	227.32	-
<b>Retained Surplus / (Deficit) carried forward to Balance Sheet</b>	<b>852.35</b>	<b>(290.04)</b>

Notes to Accounts - Annexure I

For Deutsche Trustee Services (India) Private Limited

Gunit Chadha  
Director

M. H. Kania  
Director

Y. B. Desai  
Director

A. S. Mitra  
Director

Debabrata Bhadury  
Director

Place: Mumbai  
Date : August 28, 2008

For Deutsche Asset Management (India) Private Limited

Kersi M. Gherda  
Director

Suresh Soni  
Director

Paul King  
Director

Bhalchandra Bhide  
Director

Vijay P. Gokhale  
Director

Aniket Inamdar  
Portfolio Manager

# Key Statistics

for the year ended March 31, 2008

	April 01, 2007 to March 31, 2008	April 01, 2006 to March 31, 2007
<b>1. NAV per unit (Rs.):</b>		
<b>Opening</b>		
Growth Option	9.8715	10.8080
Dividend Option	9.8715	10.8080
<b>Highest</b>		
Growth Option	19.2642	11.8980
Dividend Option	19.2642	11.8980
<b>Lowest</b>		
Growth Option	9.5201	7.7522
Dividend Option	9.5201	7.7522
<b>Closing</b>		
Growth Option	12.9960	9.8715
Dividend Option	12.1466	9.8715
<b>2. Assets Under Management (Rs. in Lakhs)</b>		
Closing	5,886	3,294
Average (AAuM)	4,876	3,148
<b>3. Gross income as % of AAuM</b>	19.34%	1.62%
<b>4. Expense Ratio:</b>		
<b>a. Total Expense as % of AAuM</b>		
Growth Option	2.50%	2.50%
Dividend Option	2.50%	2.50%
<b>b. Management Fee as % of AAuM</b>		
Growth Option	1.23%	1.25%
Dividend Option	1.23%	1.25%
<b>5. Net Income as a percentage of AAuM</b>	15.71%	-3.17%
<b>6. Portfolio turnover ratio</b>	2.25	2.15
<b>7. Total Dividend per unit distributed during the year</b>		
Dividend Option	1.0000	-
<b>8. Returns:</b>		
<b>a. Last One Year</b>		
<b>Scheme</b>		
Growth Option	31.64%	N.A.
<b>Benchmark</b>		
S&P CNX 500	21.64%	N.A.
<b>b. Since Inception</b>		
<b>Scheme</b>		
Growth Option	13.76%	-1.29%
<b>Benchmark</b>		
S&P CNX 500	16.34%	11.83%

# Notes to Accounts - Annexure I

## to the Abridged Balance Sheet and Revenue Account for the Year ended March 31, 2008

### 1 Investments:-

- 1.1. All Investments of the Scheme are registered in the name of Trustees for the benefit of the Scheme Unitholders.
- 1.2. Open Positions of derivatives as at the Year ended March 31, 2008 and March 31, 2007 are NIL.
- 1.3. There were no investments in Associates and Group Companies as at the Year ended March 31, 2008 and March 31, 2007.
- 1.4. There was no open position of Securities Borrowed and / or Lent by the scheme as at March 31, 2008 and March 31, 2007.
- 1.5. There were no Non-Performing Assets as at March 31, 2008 and March 31, 2007.
- 1.6. Aggregate Unrealised Gain / Loss as at the Year ended March 31, 2008 and their percentages to net assets is as under :

Security Category	Amount (Rs.)		Percentage to Net Assets	
	March 31, 2008		March 31, 2007	
Equity Shares				
- Appreciation	66,521,406	11.30	17,828,092	5.41
- Depreciation	67,573,080	11.48	20,084,039	6.10

- 1.7. The aggregate value of investment securities purchased and sold (including matured) during the financial year 2007 -2008 are Rs.1,271,072,401 and Rs.1,095,675,487 respectively being 260.68% and 224.71% of the average daily net assets.

The aggregate value of investment securities purchased and sold (including matured) during the financial year 2006 - 2007 are Rs. 713,333,726 and Rs. 676,138,352 respectively being 226.56% and 214.75% of the average daily net assets

- 1.8. Aggregate fair value of non-traded (including privately placed) investment as determined in good faith by Deutsche Asset Management (India) Private Limited under procedures approved by the Trustee as at March 31, 2008 and March 31, 2007 is Nil.

### 2 Details of Transaction with Associates under Regulation 25(8).

Deutsche Bank AG, India Branches and Kotak Mahindra Bank Limited, associate entities of Deutsche Asset Management (India) Private Limited were paid commission amounting to Rs. 8,628,019 (2007 : Rs.541,055) and Rs.793,828 (2007 : Rs.23,970) respectively for procuring unit subscriptions for the Scheme. Further, Deutsche Equities India Private Limited was paid brokerage of Rs.124,630 (2007 : Rs.139,499) on purchase and sale of investments by the Scheme. The commission and brokerage paid were at rates similar to those offered to other distributors / brokers.

- 3 There were no unit holders holdings over 25% of the NAV of the Scheme as at March 31, 2008 and March 31, 2007.

### 4 Planwise details of movement in units -

Description	2007 - 2008				
	Opening	Subscription	Redemption	Closing	Face Value
Growth	14,014,816.927	7,074,571.466	25,632.538	21,063,755.855	210,637,559
Dividend	19,358,434.401	6,590,965.001	32,334.071	25,917,065.331	259,170,654

Description	2007 - 2008				
	Opening	Subscription	Redemption	Closing	Face Value
Growth	11,369,993.141	2,656,723.786	11,900.000	14,014,816.927	140,148,170
Dividend	16,839,672.348	2,558,762.053	40,000.000	19,358,434.401	193,584,345

- 5 Prior year's figures have been regrouped / rearranged where appropriate.
- 6 No contingent liabilities for the Years ended March 31, 2008 and March 31, 2007.

# Auditors' Report

To the Board of Trustees of

DEUTSCHE MUTUAL FUND

1. We have audited the Balance Sheet of Deutsche Mutual Fund - **DWS Global Thematic Offshore Fund** ("The Scheme") as at March 31, 2008 and the related Revenue Account for the period July 31, 2007 to March 31, 2008, both of which we have signed under reference to this report. These financial statements are the responsibility of the Trustee of Deutsche Mutual Fund and the Management of Deutsche Asset Management (India) Private Limited (the "Management"). Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned at March 31, 2008 by correspondence with the custodian and others. An audit also includes assessing the accounting principles used and significant estimates made by the Management as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit. The Balance Sheet and the Revenue Account referred to above are in agreement with the books of account of the Scheme.
4. In our opinion and to the best of our information and according to the explanations given to us,
  - (i) The Balance Sheet and the Revenue Account together with the notes thereon give the information required by the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto, as applicable, and also give respectively, a true and fair view of the state of affairs of Deutsche Mutual Fund - Global Thematic Offshore Fund as at March 31, 2008 and its net deficit for the period July 31, 2007 to March 31, 2008.
  - (ii) The Balance Sheet as at March 31, 2008 and the Revenue Account for the period July 31, 2007 to March 31, 2008, together with the notes thereon have been prepared in all material respects in accordance with the accounting policies and standards specified in the Ninth Schedule of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 and amendments thereto as applicable.

K. H. Vachha

*Partner*

Membership No. F/30798

For and on behalf of

Price Waterhouse

*Chartered Accountants*

Place : Mumbai

Date: August 29, 2008

# Abridged Balance Sheet

as at March 31, 2008

Rupees in Lakhs

As at  
March 31, 2008

## Liabilities

<b>Unit Capital</b>	7,197.87
<b>Reserves and Surplus</b>	
Unit Premium Reserves	101.85
Other Reserves	(717.76)
<b>Current Liabilities and Provisions</b>	
Other Current Liabilities and Provisions	100.48
<b>TOTAL</b>	<b>6,682.44</b>

## Assets

<b>Investments</b>	
Units of Mutual Fund	6,334.31
<b>Total Investments</b>	<b>6,334.31</b>
<b>Other Current Assets</b>	
Cash and Bank Balance	155.29
Others	192.84
<b>TOTAL</b>	<b>6,682.44</b>

Notes to Accounts - Annexure I

For **Deutsche Trustee Services (India) Private Limited**

Gunit Chadha  
*Director*

M. H. Kania  
*Director*

Y. B. Desai  
*Director*

A. S. Mitra  
*Director*

Debabrata Bhadury  
*Director*

Place: Mumbai  
Date : August 28, 2008

For **Deutsche Asset Management (India) Private Limited**

Kersi M. Gherda  
*Director*

Suresh Soni  
*Director*

Paul King  
*Director*

Bhalchandra Bhide  
*Director*

Vijay P. Gokhale  
*Director*

Aniket Inamdar  
*Portfolio Manager*

# Abridged Revenue Account

for the period July 31, 2007 to March 31, 2008

Rupees in Lakhs

July 31, 2007 to  
March 31, 2008

## Income

Interest		0.22
Realised Gain / (Loss) on Foreign Exchange Transactions		131.76
Realised Gains / (Losses) on External sale / redemption of investments		(290.00)
	<b>(A)</b>	<b>(158.01)</b>

## Expenses

Management fees		4.08
Service tax on Management fees		0.50
Transfer agents fees and expenses		4.71
Custodian fees		0.10
Trusteeship fees		0.40
Commission to Agents		51.40
Marketing and Distribution expenses		1.43
Audit fees		0.21
Other operating expenses		4.83
Expenses to be Reimbursed by the Investment Manager		(37.70)
	<b>(B)</b>	<b>29.97</b>

**NET REALISED (LOSSES) FOR THE PERIOD** **(A - B = C)** **(187.97)**

Change in Unrealised Depreciation in value of investments (D) 647.57

**NET (LOSSES) FOR THE PERIOD** **(E = (C - D))** **(835.54)**

Change in unrealised appreciation in the value of investments (F) -

**NET (DEFICIT) FOR THE PERIOD** **(E + F = G)** **(835.54)**

Add: Balance transfer from Unrealised Appreciation Reserve -

Less: Balance transfer to Unrealised Appreciation Reserve -

Add / (Less): Equalisation 117.78

**Total** **(717.76)**

## Dividend appropriation

Income Distributed during the period -

Tax on income distributed during the period -

**Retained (Deficit) carried forward to Balance Sheet** **(717.76)**

Notes to Accounts - Annexure I

For **Deutsche Trustee Services (India) Private Limited**

Gunit Chadha  
Director

M. H. Kania  
Director

Y. B. Desai  
Director

A. S. Mitra  
Director

Debabrata Bhadury  
Director

Place: Mumbai  
Date : August 28, 2008

For **Deutsche Asset Management (India) Private Limited**

Kersi M. Gherda  
Director

Suresh Soni  
Director

Paul King  
Director

Bhalchandra Bhide  
Director

Vijay P. Gokhale  
Director

Aniket Inamdar  
Portfolio Manager



Deutsche Asset Management   
A Member of the Deutsche Bank Group

# Key Statistics

for the Period July 31, 2007 to March 31, 2008

July 31, 2007 to  
March 31, 2008

1. <b>NAV per unit (Rs.):</b>		
<b>Highest</b>		
Growth Option		10.61
Dividend Option		10.61
<b>Lowest</b>		
Growth Option		8.63
Dividend Option		8.63
<b>Closing</b>		
Growth Option		9.14
Dividend Option		9.14
2. <b>Assets Under Management (Rs. in Lakhs)</b>		
Closing		6,582
Average (AAuM)		7,165
3. <b>Gross income as % of AAuM</b>		-3.98%
4. <b>Expense Ratio:</b>		
a. <b>Total Expense as % of AAuM</b>		
Growth Option		0.75%
Dividend Option		0.75%
b. <b>Management Fee as % of AAuM</b>		
Growth Option		0.10%
Dividend Option		0.10%
5. <b>Net Income as a percentage of AAuM</b>		-4.73%
6. <b>Returns:</b>		
a. <b>Last One Year</b>		
<b>Scheme</b>		
Growth Option		N.A.
<b>Benchmark</b>		
MSCI World Index		N.A.
b. <b>Since Inception</b>		
<b>Scheme</b>		
Growth Option		-8.60%
<b>Benchmark</b>		
MSCI World Index		-7.72%

# Notes to Accounts - Annexure I

to the Abridged Balance Sheet as at March 31, 2008 and Revenue Account for the Period July 31, 2007 to March 31, 2008

## 1 Investments:-

- 1.1. All Investments of the Scheme are registered in the name of Trustees for the benefit of the Scheme Unitholders.
- 1.2. Open Positions of derivatives as at the Years ended March 31, 2008 is NIL
- 1.3. There were no investments in Associates and Group Companies as at the Year ended March 31, 2008.
- 1.4. There was no open position of Securities Borrowed and / or Lent by the scheme as at March 31, 2008.
- 1.5. There were no Non-Performing Assets as at March 31, 2008.
- 1.6. Aggregate Unrealised Gain / Loss of the scheme as at the Year ended March 31, 2008 and their percentages to net assets are as under :

Security Category	Amount (Rs.)	Percentage to Net Assets
Units of Mutual Fund		
- Appreciation	-	
- Depreciation	64,756,887	9.84

- 1.7. The aggregate value of investment securities purchased and sold (including matured) during the year is Rs. 868,299,998 and Rs. 154,357,716 respectively being 218.50% (annualised) and 38.84% (annualised) of the average daily net assets.
- 1.8. Aggregate fair value of non-traded (including privately placed) investment as determined in good faith by Deutsche Asset Management (India) Private Limited under procedures approved by the Trustee as at March 31, 2008 is Nil.

## 2 Details of Transaction with Associates under Regulation 25(8).

Deutsche Bank AG, Mumbai Branch and Kotak Mahindra Bank Limited, associate entities of Deutsche Asset Management (India) Private Limited were paid commission amounting to Rs. 315,807 and Rs. 601 respectively for procuring unit subscriptions for the Scheme. The commission paid was at rates similar to those offered to other distributors.

- 3 There were no unit holders holdings over 25% of the NAV of the Scheme as at March 31, 2008.
- 4 Planwise details of movement in units -

Description	2007 - 2008			
	Subscription	Redemption	Closing	Face Value
Regular Growth	44,328,581.169	7,628,708.661	36,699,872.508	366,998,725
Regular Dividend	48,109,037.580	12,830,201.041	35,278,836.539	352,788,365

- 5 As these are the first financial statements of the Scheme there are no comparative figures.
- 6 No contingent liabilities for the Years ended March 31, 2008 and March 31, 2007.



#### Statutory Details :

Deutsche Mutual Fund had been set up as a trust settled by Deutsche Asset Management (Asia) Ltd. (DeAM Asia) (liability restricted to Rs. 1 lakh). Pursuant to an internal restructuring the shareholdings of Deutsche Asset Management (Asia) Limited and United Associates Holdings India Pvt. Ltd. in Deutsche Asset Management (India) Pvt. Ltd. and Deutsche Trustee Services India Pvt. Ltd. have been acquired by Deutsche India Holdings Private Limited ('DIHPL'). The Co-sponsors to the Fund are DeAM Asia and DIHPL. The Trustee of the Mutual Fund is Deutsche Trustee Services (India) Private Limited and the Investment Manager is Deutsche Asset Management (India) Private Ltd. The Sponsors are not responsible or liable for any loss resulting from the operation of the Scheme beyond the initial contribution of an amount of Rs.1 lakh collectively made by them towards setting up the Fund or such other accretions and additions to the initial corpus set up by the Sponsors.

#### Standard Risk Factors :

Mutual funds, like securities investments, are subject to market and other risks and there can be no guarantee against loss resulting from an investment in the Scheme nor can there be any assurance that the Scheme's objectives will be achieved. As with any investment in securities, the NAV of the Units issued under the Scheme can go up or down depending on various factors that may affect the values of the Scheme's investments. In addition to the factors that affect the value of individual securities, the NAV of the Scheme can be expected to fluctuate with movements in the broader equity and bond markets and may be influenced by factors affecting capital markets in general, such as, but not limited to, changes in interest rates, currency exchange rates, changes in governmental policies, taxation, political, economic or other developments and increased volatility in the stock and bond markets. Neither the past performance of the Sponsor / AMC / Mutual Fund / Scheme nor their affiliates / associates indicate the future performance of the scheme of the mutual fund. As per SEBI Circular, each scheme and individual plan(s) under the scheme should have a minimum of 20 investors and no single investor should account for more than 25% of the corpus of such scheme / plan(s). The name of the Scheme(s) do not in any manner indicate the quality of the Scheme(s), its future prospects or returns. Investors in the Schemes are not being offered a guaranteed or assured rate of return. **Please refer to the Offer Document for scheme specific risk factors before investing.**

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## Contacts

### DWS Investments

**AHMEDABAD** : Broadway Business Centre, Cabin No. 3, 1st Floor, Sahjananad Complex, Opp. Citibank, Near Panchavati Petrol Pump, C. G. Road, Ahmedabad - 380 006. Tel: +91 (079) 6512 4445 / 2646 3005 / 26440810  
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**AURANGABAD** : Shop No. 214 / 215, Tapadiya City Centre, Nirala Bazar, Aurangabad 431 001. Tel.: 0240 - 2363530 / 517 / 523 / 524  
**BANGALORE** : 1st Floor, Surya Building, Ratna Avenue 51 / 25, Richmond Road, Bangalore - 560 025. Tel: 080 - 25320085.  
**BHAVNAGAR** : 1st Floor, Corporate House, Above Canara Bank, Waghawadi Road, Bhavnagar - 364 001. Tel: 0278- 2567005/006  
**BHUBANESHWAR** : 624, Sahid Nagar, Bhubaneswar - 751 007. Tel.: 0674 - 2547533 / 2547532 / 33.  
**CHANDIGARH** : SCO-371-372, First Floor, Above HDFC Bank, Sector 35B, Chandigarh - 160 022. Tel.: 0172 - 5071726 / 5071727 / 5071728.  
**CHENNAI** : Flat No. F11, First Floor, Akshya Plaza, (Erstwhile Harris Road), Opp. Chief City Metropolitan Court, #108, Adhithanar Salai, Egmore, Chennai - 600 002. Tel. : 044 - 28277383 / 42028512 / 13  
**COCHIN** : Shop No. II, 2nd Floor, Jewel Arcade, (Above Oriental Insurance Ltd.), Layam Road, Cochin - 682 011. Tel.: 0484 - 4010224 / 1885.  
**COIMBATORE** : 29/1, 1st Floor, Chinthamani Nagar, Opp. to Indian Overseas Bank, NSR Road, Saibaba Colony, Coimbatore - 641 011. Tel.: 0422 - 4384770 / 4382770.  
**DURGAPUR** : Old Dutta Automobiles Building, 1st Floor, Nachan Road, Benachity, Durgapur - 713 213. Tel.: 0343 - 2586376 / 377.  
**GURGAON** : Shop No. 18, Ground Floor, Sector - 14, Opp. AKD Tower, Near Huda Office, Gurgaon - 122 001. Tel.: 0124 - 4083854 / 4086914 / 3243535 / 4086419.  
**GUWAHATI** : 2nd Floor, Ram Kumar Plaza, Chatribari Road, Near Himatshinga Petrol Pump, Guwahati - 781 001. Tel.: 0361 - 2608122 / 2608016 / 2608102.  
**HYDERABAD** : Karvy Plaza, 8-2-596, Str. No. 1, Banjara Hills, Hyderabad - 500 034. Tel. : 040 - 23312454 Extn. 124  
**INDORE** : LG - 3, Bombay Trade Centre, Lower Ground Floor, Grand Hotel, Opp. Bombay Hospital, Scheme No. 54, Indore - 452 010. Tel.: 0731-3243601 / 05  
**JAIPUR** : S-16 A, 3rd Floor, Landmark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur - 302 001. Tel.: 0141 - 2363321 / 2375039 / 2364660.  
**JAMNAGAR** : Sanskriti, 5, Patel Colony Corner, Opp. UTI Bank, Jamnagar - 361 008. Tel: 0288- 3299330/332  
**JAMSHEDPUR** : Kanchan Tower, IIIrd Floor, Chhaganlal Dayalji & Sons, 3-S B Shop Area, (Near Traffic Signal), Main Road, Bistupur, Jamshedpur - 831 001. Tel.: 0657 - 2487045 / 2487048.  
**KANPUR** : 15/46, B, First Floor, Opp. Muir Mills, Civil Lines, Kanpur - 208 001. Tel.: 0512 - 3296000 / 3293222.  
**KOLHAPUR** : Omkar Plaza, 1st Floor, Unit - F2 & F4, Rajaram Road, Next to ICICI Bank Ltd., Kolhapur - 416 008. Tel.: 0231 - 2520650 / 55.  
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**MADURAI** : Rakesh Towers, 30-C, Bye Pass Road, 1st Floor, Opp. Nagappa Motors, Madurai - 625 010. Tel: 0452 - 2600852/53/54  
**MUMBAI** : Das Chambers, Ground Floor, Opp. BSE & Next to Corporation Bank, Dalal Street, Fort, Mumbai - 400 023. Tel. : 022 - 66235353  
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**NAGPUR** : Sadoday Arcade, Above Top N Town, Dharampeth, Nagpur - 440 001. Tel.: 0712 - 6619382 / 0513.  
**NASIK** : F-1 Suyojit Sankul, Sharanpur Road, Nasik - 422 002. Tel.: 0253 - 6602542 / 43 / 44  
**NEW DELHI** : Karvy Computershare Pvt. Ltd., 2E / 23, Jhandewalan Extn., New Delhi - 110 055. Tel.: 011 - 43681700  
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**PATNA** : 3A, 3rd Floor, Anand Tower, Beside Chankya Cinema Hall, Exhibition Road, Patna - 800 001. Tel.: 0612 - 3209296 / 2321534  
**PUNE** : Shrinath Plaza, C-Wing, 3rd Floor, Office No. 58 & 59, Dryaneshwar Paduka Chowk, F. C. Road, Survey No. 184 / 4, Pune - 411 004. Tel.: 020 - 25533795 / 3592 / 2783 / 9957.  
**RAJKOT** : Karvy Computershare Pvt. Ltd., 104, Siddhi Vinayak Complex, Dr. Yagnik Road, Opp. Ramkrishna Ashram, Rajkot. Tel. No.: 9328244392  
**SALEM** : 49 / 50, Fort Main Road, Old No.17, First Floor, Shevapet, Salem - 636 002. Tel: 0427- 2210835 / 836 / 983  
**SURAT** : G-16 Empire State Building, Nr. Udhna Darwaja, Ring Road, Surat - 395 009. Tel.: 0261 - 3017158 / 3237924.  
**TRICHY** : 2, Srikrishna Arcade, 1st Floor, Thennur High Road, Trichy - 621 017. Tel: 0431- 2791322 / 8200 / 3799 / 3800 / 1000  
**TRIVANDRUM** : 2nd Floor, Akshaya Towers, Sasthamangalam, Trivandrum - 695 010. Tel.: 0471 - 2725987 / 2725989 / 2725991.  
**VADODARA** : PICCADILLY, Office # 5, 1st Floor, Opp. Adani Super Market, Jetalpur Road, Vadodara - 390 007. Tel. : 0265 - 2225210 / 3243293.  
**VIJAYAWADA** : 39-10-7 Opp. Municipal Water Tank, Labbipet, Vijayawada - 520 010. Tel: 0866- 2495500/88  
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