

**BlackRock Inc, the largest quoted asset management company in the world,
to acquire a 40% stake in DSP Merrill Lynch Fund Managers.**

**DSP Merrill Lynch Fund Managers to be renamed
“DSP BlackRock Investment Managers”.**

January 25, 2008: DSP Merrill Lynch Fund Managers today announced that BlackRock Inc, the largest quoted asset management company in the world, managing assets in excess of USD 1.3 trillion (approximately Rs. 52,00,000 crore), in line with the realignment of Merrill Lynch’s asset management business globally and subject to regulatory approvals, will acquire a 40% stake in DSP Merrill Lynch Fund Managers. DSP Merrill Lynch Fund Managers will be renamed “DSP BlackRock Investment Managers” while DSP Merrill Lynch Mutual Fund will be renamed “DSP BlackRock Mutual Fund”.

The DSP Group is owned by Mr. Hemendra Kothari and has a track record of over 140 years. Through its investment companies, DSP Group will continue to retain its existing 60% stake in the joint venture.

On September 29, 2006, Merrill Lynch (NYSE: MER) combined its investment management business, Merrill Lynch Investment Managers (MLIM), with BlackRock in exchange for a 49% economic stake in the merged enterprise to form a new entity which operates under the BlackRock brand.

DSP Merrill Lynch Fund Managers was formed in 1996 as a joint venture between DSP Merrill Lynch and Merrill Lynch Investment Managers. Merrill Lynch Investment Managers has supported the efforts of the joint venture, working closely with employees of the Company to offer Indian investment products to international investors as well as international investment products to Indian investors. The participation and involvement of BlackRock will facilitate continuity and enhanced focus on the growth of the joint venture.

BlackRock is a premier provider of global investment management services to institutional and retail clients around the world. Headquartered in New York, BlackRock serves clients from offices in 19 countries, maintaining a major presence in North America, Europe, Asia-Pacific, and the Middle East. With approximately 5, 500 employees, including more than 700 investment

professionals worldwide, BlackRock offers clients in-depth local knowledge and understanding while leveraging the strength of their global presence and infrastructure to deliver focused investment solutions. Today, BlackRock services clients in over 60 countries.

Speaking on the occasion, Mr. Hemendra Kothari – Chairman, DSP Merrill Lynch Fund Managers, said “Blackrock is a strong brand globally and offers a wide range of top performing products across asset classes. We will now be in a unique position to provide a comprehensive basket of investment opportunities to the Indian investor to suit their diverse needs. In addition, the technology platform and expertise that the Blackrock team will provide to the joint venture will further strengthen our franchise.”

Speaking to media, Mr. Laurence D. Fink, Chairman and CEO of BlackRock, said, “As a global investment management firm, we recognize the growing prominence of India in international capital markets and the importance of working with strong local investment professionals to offer attractive products and services to Indian investors and our clients worldwide. We look forward to working with Mr. Kothari and all of our colleagues at DSP BlackRock Investment Managers to develop a comprehensive and diverse range of investment opportunities.”

Speaking at the occasion, Mr. S. Naganath – President & Chief Investment Officer, DSP Merrill Lynch Fund Managers, said, “We are excited and pleased with the opportunity to work closely with our colleagues at BlackRock. This partnership will provide us with an unparalleled global perspective as well as an array of interesting products for our clients.”

About DSP Merrill Lynch Fund Managers

DSP Merrill Lynch Fund Managers is one of India's leading asset management companies and offers investors a broad range of investment options across various asset classes and risk parameters. It currently manages products which include fixed income, equity and hybrid schemes. The firm also offers Portfolio Management Services and offshore advisory services. The Company began operations in 1997, and as on December 31, 2007 its assets under management were Rs. 34,083.7 crore (approximately USD 8.7 billion) (includes domestic asset management,

portfolio management services and offshore advisory). For additional information, please visit the Company's website at www.dspmlmutualfund.com .

About BlackRock

BlackRock is one of the world's largest publicly traded investment management firms. At December 31, 2007, BlackRock's AUM was \$1.357 trillion. The firm manages assets on behalf of institutions and individuals worldwide through a variety of equity, fixed income, cash management and alternative investment products. In addition, a growing number of institutional investors use BlackRock Solutions investment system, risk management and financial advisory services. Headquartered in New York City, as of December 31, 2007, the firm has approximately 5,500 employees in 19 countries and a major presence in key global markets, including the U.S., Europe, Asia, Australia and the Middle East. For additional information, please visit the Company's website at www.blackrock.com.

Statutory Details: DSP Merrill Lynch Mutual Fund was set up as a Trust by the settlors, DSP Merrill Lynch Ltd. (DSPML) and Merrill Lynch Investment Managers LP, USA. Sponsors: DSPML, DSP HMK Holdings Pvt. Ltd. and DSP ADIKO Holdings Pvt. Ltd. (collectively) (Liability restricted to Rs. 1 lakh). Trustee: DSP Merrill Lynch Trustee Company Pvt. Ltd. Investment Manager: DSP Merrill Lynch Fund Managers Ltd. **Risk Factors:** Mutual funds, like securities investments, are subject to market and other risks and there can be no assurance that the Schemes' objectives will be achieved. As with any investment in securities, the NAV of Units issued under the Schemes can go up or down depending on the factors and forces affecting capital markets. Past performance of the sponsor/AMC/mutual fund does not indicate the future performance of the Schemes of the mutual fund. Investors in the Schemes are not being offered a guaranteed or assured rate of return or dividend. **Please read the Offer Document and KIM (available at www.dspmlmutualfund.com/ ISCs / distributors) of the Schemes carefully before investing.**