



Press Release

Religare PSU Equity Fund NFO collects over Rs.229 crores

Mumbai, November 12, 2009: Religare MF today announced collection figures of its recently concluded Religare PSU Equity Fund NFO. Religare PSU Equity Fund, an open ended equity scheme, seeks to generate capital appreciation by investing in companies where the Central / State Government (s) has majority shareholding or where the management control lies with the Government. The fund aims to select fundamentally sound companies having the potential to deliver superior growth in the long term. The new fund offer from September 29 to October 28, had sought minimum application amount of Rs. 5,000 from resident and non-resident investors.

Post the entry load ban that came into effect from August 1, 2009, and the lull witnessed with respect to sales of equity mutual funds, the response received to this new scheme from investors has been very encouraging.

Speaking on the occasion, **Saurabh Nanavati, Chief Executive Officer, Religare Mutual Fund** said, "The period August – October 2009 has actually seen equity outflows from the industry - both from a transaction perspective as well as AUM of over Rs. 3,900 crores moving out (as per AMFI data). This can be attributed to

- 1) Profit-booking by investors based on advice from their distributor and
- 2) Slowdown in fresh collections due to the distributor undergoing a change in his business model of charging advisory fees"

“In the backdrop of this tough environment for equity collections, I am extremely pleased to announce that the fund has collected over **Rs.229 crores**, with close to **37,000 applications (including 7,000 SIP applications)**, coming in from over **170 cities and towns** across the country.

“Religare AMC wishes to thank the distributor community, especially the IFA channel for their continued support, and we will continue to increase our ground presence in tier 2 and tier 3 cities in the next 2 years to ensure better service to them”

The Religare PSU Equity Fund will reopen for ongoing sale and repurchase (not later than) on November 27, 2009.

About Religare Asset Management

With average assets under management of over **INR 134bn** (for Oct, 2009), expertise that extends across equity and fixed income investments, Religare Asset Management offers you a broad range of funds designed to suit your investment needs with an aim to provide best-in-class investment products across asset classes, regions and risk spectrum with high standards of customer service.

Religare Asset Management is promoted by Religare Securities Ltd. - a wholly owned subsidiary of Religare Enterprises Ltd., which is one of India's leading integrated financial services group offering services ranging from equities, commodities and insurance broking to wealth management, investment banking, portfolio management and personal financial services.

For more information, log on to www.religaremf.com

About Religare Enterprises Limited

A diversified financial services group with a pan-India presence and presence in multiple international locations, Religare Enterprises Limited (“**REL**”) offers a comprehensive suite of customer-focused financial products and services targeted at retail investors, high net worth individuals and corporate and institutional clients.

REL, along with its joint venture partners, offers a range of products and services in India, including asset management, life insurance, wealth management, equity and commodity broking, investment banking, lending services, private equity and venture capital. Religare has also ventured into the alternative investments sphere through its holistic arts initiative and film fund. With a view to expand and diversify, REL operates in the life insurance space under 'Aegon Religare Life Insurance Company Limited' and has launched India's first wealth management joint venture under the brand name 'Religare Macquarie Private Wealth'. REL, through its subsidiaries, has launched India's first holistic arts initiative – with a gallery -- as well as the first SEBI approved film fund, which is an initiative towards innovation and spotting new opportunities for creation and maximization of wealth for investors. REL operates from seven domestic regional offices, 43 sub-regional offices, and has a presence in 498 cities and towns controlling 1,837 business locations all over India as on June 2009.

To make a mark in the global arena, REL acquired UK-based Hichens, Harrison & Co. in 2008 which was subsequently re-named as Religare Hichens Harrison PLC ("RHH"). Hichens, Harrison & Co. was incorporated in London in the year 1803 and is believed to be one of the oldest firms of stockbrokers in the City of London. Pursuant to expansion of REL's business, the company has grown from largely an equity trading company into a diversified financial services company. With the addition of RHH the REL group now operates out of multiple global locations, other than India, (the UK, the USA, Brazil, South Africa, Dubai and Singapore). For more information, please visit - www.religare.in

"Religare Enterprises Limited proposes, subject to receipt of requisite approvals, market conditions and other considerations, to make a rights issue of its equity shares to its existing shareholders and has filed a draft letter of offer ("DLOF") with the Securities and Exchange Board of India ("SEBI"). The DLOF is available on the website of SEBI at www.sebi.gov.in as well as on the websites of the lead manager at www.enam.com. Investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the section titled "Risk Factors" of the DLOF."

Risk Factors: All mutual funds and securities investments are subject to market risks and there can be no assurance that the objective of Scheme will be achieved. As with any investment in securities, the NAV of the units issued under Scheme may go up or down depending upon the factors and forces affecting the securities markets. In line with its investment objective, the Scheme will invest only in equity and equity related instruments of PSU companies and hence it will be affected by the policy of the government with respect to PSU companies. Equity and equity related instruments by nature are volatile and prone to price fluctuations on a daily basis due to macro and micro economic factors. Past performance of the Sponsor and its affiliates / AMC / Mutual Fund and its scheme(s) do not indicate the future performance of the Scheme of the Mutual Fund. Investors in the Scheme are not being offered any guaranteed / assured returns. **Religare**

PSU Equity Fund, an open ended equity scheme (*Investment Objective*: To generate capital appreciation by investing in equity and equity related instruments of companies where the Central / State Government(s) has majority shareholding or management control or has powers to appoint majority of directors.) is only the name of the Scheme and does not in any manner indicates either the quality of the Scheme or its future prospects and returns. **Asset Allocation Pattern**: Equity & Equity Related Instruments of the constituents of BSE PSU Index: 65%-100%. Equity & Equity Related Instruments of PSU companies other than the constituents of the BSE PSU Index:0%-35%. Equity & Equity Related Instruments of non PSU companies#: 0%-20%. Debt* & Money Market Instruments: 0%-35%. #Companies which are PSU at the time of investment and which may subsequently become non PSU because of privatization or disinvestment. *Investment in securitized debt including pass through certificate (PTC) <= 20% of the net assets. The Scheme will not invest in foreign securitized debt. Maximum derivative position <= 50% of the net assets. **Load Structure: Entry Load**: Nil. **Exit Load: 1%** if redeemed / switched out on or before 1 year from the date of allotment; **Nil** if units are redeemed / switched out after 1 year from the date of allotment. **Please read the Scheme Information Document (SID) and Statement of Additional Information (SAI) before investing. Terms of Issue**: The Scheme offers repurchase/redemption facility at NAV based prices on all the business days commencing not later than 30 days from close of new fund offer period. **Statutory Details**: Religare Mutual Fund has been set up as a trust sponsored by Religare Securities Ltd. (liability restricted to Rs. 1,50,000) with Religare Trustee Company Ltd. as the Trustee (Trustee under the Indian Trusts Act, 1882) and with Religare Asset Management Company Ltd. as the Investment Manager.

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