



3rd Floor, GYS Infinity, Paranjpe 'B' Scheme, Subhash Road, Vile Parle (East), Mumbai - 400 057
Tel: +91 22 67310000. Fax: +91 22 28371565. Website: www.religaremf.com

ADDENDUM

- **Religare Equity Fund**
An Open-ended Equity Scheme
Investment Objective: To generate long-term capital growth from a focused portfolio of predominantly equity and equity-related securities.
 - **Religare Contra Fund**
An Open-ended Equity Scheme
Investment Objective: To generate capital appreciation through investment in equity and equity related instruments. The Scheme will seek to generate capital appreciation through means of contrarian investing.
 - **Religare Growth Fund**
An Open-ended Diversified Equity Scheme
Investment Objective: To generate long-term capital growth from a diversified portfolio of predominantly equity and equity-related securities.
 - **Religare Banking Fund**
An Open-ended Banking Sector Scheme
Investment Objective: To generate long-term capital growth from a portfolio of equity and equity-related securities of companies engaged in the business of banking and financial services.
 - **Religare Tax Plan**
An Open-ended Equity Linked Savings Scheme with a lock-in period of 3 years
Investment Objective: To generate long term capital growth from a diversified portfolio of predominantly equity and equity-related securities.
 - **Religare AGILE Fund**
An Open-ended Equity Scheme
Investment Objective: To generate capital appreciation through investment in equity and equity related instruments. The scheme will seek to generate capital appreciation by investing in a passive portfolio of stocks selected from the industry Leaders on the basis of a mathematical model.
 - **Religare Business Leaders Fund**
An Open-ended Equity Scheme
Investment Objective: To generate long term capital appreciation by investing in equity and equity related instruments including equity derivatives of companies which in our opinion are leaders in their respective industry or industry segment.
 - **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.
 - **Religare Arbitrage Fund**
An Equity Oriented Interval Scheme
Investment Objective: To generate income through arbitrage opportunities emerging out of mis-pricing between the cash market and the derivatives market and through deployment of surplus cash in fixed income instruments.
 - **Religare Mid Cap Fund**
An Open-ended Equity Scheme
Investment Objective: To provide long term capital appreciation by investing in a portfolio that is predominantly constituted of equity and equity related instruments of mid cap companies.
 - **Religare AGILE Tax Fund**
A Close-ended Equity Linked Saving Scheme with the Maturity of 10 Years
Investment Objective: To generate capital appreciation through investment in equity shares. The Scheme will seek to generate capital appreciation by investing in a passive portfolio of stocks selected from the industry Leaders on the basis of a mathematical model.
 - **Religare Infrastructure Fund**
A Close-ended Equity Scheme with a maturity of 3 Years
Investment Objective: To provide long term capital appreciation by investing in a portfolio that is predominantly constituted of equity and equity related instruments of infrastructure companies.
 - **Religare Mid n Small Cap Fund**
A 3 Years Close-ended Equity Scheme
Investment Objective: To provide long term capital appreciation by investing in a portfolio that is predominantly constituted of equity and equity related instruments of mid and small cap companies.
 - **Religare Short Term Plan**
An Open-ended Income Fund
Investment Objective: To generate steady returns with a moderate risk for investors by investing in a portfolio of short-medium term debt and money market instruments.
 - **Religare Active Income Fund**
An Open-ended Income Scheme
Investment Objective: To generate optimal returns while maintaining liquidity through active management of the portfolio by investing in debt and money market instrument.
 - **Religare Gilt Fund**
An Open-ended Dedicated Gilt Fund
Investment Objective: To generate optimal returns by investing in a portfolio of securities issued and guaranteed by Central and State Government.
 - **Religare Ultra Short Term Fund**
An Open-ended Debt Scheme
Investment Objective: To provide liquidity and optimal returns to the investor by investing primarily in a mix of short term debt and money market instruments which results in a portfolio having marginally higher maturity and moderately higher credit risk as compared to a liquid fund at the same time maintaining a balance between safety and liquidity.
 - **Religare Liquid Fund**
An Open-ended Liquid Scheme
Investment Objective: To provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through a portfolio of money market and debt securities.
 - **Religare Overnight Fund**
An Open-ended Liquid Scheme
Investment Objective: To provide liquidity to the investors while mirroring overnight returns.
 - **Religare Credit Opportunities Fund**
An Open-ended Income Scheme
Investment Objective: To generate high level of current income (vis-à-vis treasury bills) consistent with preservation of capital and maintenance of liquidity by investing primarily in investment-grade debt securities and money market instruments.
 - **Religare Gold Exchange Traded Fund**
An Open-ended Gold Exchange Traded Fund
Investment Objective: To generate returns that closely correspond to the returns provided by investment in physical gold in the domestic market, subject to tracking error.
 - **Religare Monthly Income Plan**
An Open Ended Income Scheme. Monthly income is not assured and is subject to availability of distributable surplus.
Investment Objective: To generate regular income through a portfolio of predominantly high quality fixed income securities and with a small exposure to equity and equity related instruments.
 - **Religare Monthly Income Plan (MIP) Plus**
An Open Ended Income Scheme. Monthly income is not assured and is subject to availability of distributable surplus. The term 'Plus' has been used in terms of the asset allocation and not in terms of returns/yield.
Investment Objective: To generate regular income through a portfolio of fixed income securities, Gold ETFs and equity & equity related instruments.
 - **Religare Fixed Maturity Plan**
A Close-ended Debt Scheme
Investment Objective: To generate income by investing in a portfolio of debt and money market instruments normally maturing in line with the duration of the scheme.
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Addendum to Statement of Additional Information (SAI) of Religare Mutual Fund

Investors/unit holders are advised to take note of the following changes made to the Statement of Additional Information ('SAI') of Religare Mutual Fund:

(A) Restriction on Acceptance of Third Party Payments for Subscription to Units of Scheme(s)

Pursuant to AMFI Best Practices Guidelines dated August 16, 2010 on 'Risk Mitigation Process against Third Party Cheques in Mutual Fund Subscription', Religare Asset Management Company Ltd. ('Religare AMC') has decided not to accept Third Party Payments for subscriptions to schemes of Religare Mutual Fund with effect from **November 15, 2010**. Accordingly, following changes are made under the heading 'Mode of Payment' in Section III - How to Apply of SAI of Religare Mutual Fund:

With effect from **November 15, 2010**, no application will be accepted for subscription to units of schemes of Religare Mutual Fund where such application is accompanied by Third Party Payment other than the exceptions given in para below. 'Third-Party Payment' means a payment made through instruments issued from a bank account other than that of bank account of first named applicant/investor. In case of payments from a joint bank account, the first named unit holder/investor must be one of the joint holders of bank account from which payment is made.

Exception to Third-Party Payments:

Religare AMC/Registrar will accept subscriptions to schemes of Religare Mutual Fund accompanied by Third-Party Payment Instruments only in following exceptional cases:

- Payment by Parents/Grand-Parents/Related Persons* on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding ` 50,000/- (each regular purchase or per SIP installment);
- Payment by employer on behalf of employee(s) under Systematic Investment Plans through payroll deductions;
- Custodian on behalf of a Foreign Institutional Investor (FII) or a client.

* 'Related Person' means any person investing on behalf of a minor in consideration of natural love and affection or as a gift.

In case of exceptions mentioned above, investors will be required to comply with the following requirements without which application for subscription to units will be rejected:

- Mandatory Know Your Customer (KYC) for all investors (guardian in case of minor) and the person making the payment. KYC Acknowledgement Letter for all the investors as well as the person making the payment should be attached to the application form.
- Third Party Declaration from the investors (guardian in case of minor) and the person making the payment (third party) stating details of bank account from which the payment is made and the relationship with the investor(s).

In addition, Religare AMC reserves the right to ask for cancelled cheque leaf or copy of bank statement / pass book page mentioning bank account number, account holders' name and address or such other document as Religare AMC may require for verifying the source of funds to ensure that funds have come from the drawer's account only.

➤ **Investors are required to comply with the following requirements while subscribing to units of schemes of Religare Mutual Fund:**

• **Source of Funds - if paid by Cheque:**

An investor at the time of his/her purchase should mention in the application form the details of his pay-in bank account (i.e. account from which a subscription payment is made) and his pay-out bank account (i.e. account into which redemption / dividend proceeds are to be paid). The details of pay-in and pay-out bank account provided by the investor will be used by Religare AMC/ The Fund/Registrar to verify whether the subscription is through Third Party Payment instrument. Alternatively, the Religare AMC will apply other measures like matching bank account number/ name/ signature of the first applicant/investor with the bank account number/ name/ signature on the cheque. In case the name is not printed on the cheque or the signature on the cheque does not match with the signature on the application form, investor is required to submit the following document(s):

- Copy of bank statement / pass book page mentioning the account number, account holders' name and address. The originals of the above documents should be produced for verification at the ISC or Official Points of Acceptance of Transactions of the Fund and the original will be returned across the counter after verification; or
- A certificate** (in original) on letter head from the bank certifying that the investor maintains a bank account with the bank and mentioning the details like bank account number, branch address, account type and IFSC code, if any, of the branch.

• **Source of Funds - if paid by Pre-Funded Instrument:**

If the subscription is settled with pre-funded instruments such as pay order, demand draft, banker's cheque etc., an investor should attach with the purchase application a certificate** (in original) from issuing bank stating account holders' name and account number which has been debited for issue of the instrument. The bank account number mentioned in the certificate must be the bank account which is registered with the Fund or the first named applicant /investor should be one of the holders of the said bank account.

• **Source of Funds - if paid by RTGS, NEFT, ECS, Bank Transfer etc.**

If payment is made by RTGS, NEFT, ECS, bank transfer, etc., the investor should attach with the purchase application, acknowledged copy of the instruction to the bank stating the account number to be debited. The bank account number mentioned in the instruction should be of the bank account which is registered with the Fund or the first named applicant /investor should be one of the holders of the said bank account.

• **Source of Funds - if paid by Pre-Funded Instrument issued against Cash:**

Religare AMC/ the Fund/ Registrar will not accept purchase application accompanied by pre-funded payment instrument issued by the bank against cash for investments of ` 50,000/- or more. Such purchase application (for amount less than ` 50,000) should be accompanied by a certificate** from the bank giving name, address and PAN (if available) of the person who has requested for the demand draft/ pay order. Religare AMC/ Registrar will check that the name as per the letter matches with the first named unit holder/investor.

** The certificate from Bank should be signed by the authorised person of the issuing bank mentioning his name, employee code, contact details and bank seal.

➤ **Safe Mode of Writing Payment Instrument**

In order to avoid fraud and prevent misuse of payment instruments, investors are advised to draw payment instrument (i.e. cheque, demand draft, pay order etc.) favouring either "XYZ Scheme A/c First Investor name" or "XYZ Scheme A/c Permanent Account Number of the First investor" or "XYZ Scheme A/c Folio number".

For example: Religare PSU Equity Fund A/c (Name of the Investor) or Religare PSU Equity Fund A/c ABPJ0750A or Religare PSU Equity Fund A/c 2341386.

(B) Registration of Multiple Bank Accounts for Pay-in and Pay-out:

Pursuant to AMFI Best Practices Guidelines vide Circular dated October 22, 2010, Religare AMC offers its investors a facility to register multiple bank accounts in a folio with effect from **November 15, 2010**. This facility enables the investors to mitigate risks related to simultaneous change of bank mandate and redemption on multiple occasions. The requisite form for registration of multiple bank accounts, registration of a default bank account and deletion of registered bank accounts (Multiple Bank Accounts Registration Form) is available on our website www.religaremf.com.

The registered bank account details will also be used by Religare AMC/ the Fund/ Registrar to ensure that the Third Party Payments are not made for subscription to units of schemes of Religare Mutual Fund.

Procedure for Registration of Multiple Bank Accounts:

1) Applicability:

- (a) Individuals and HUFs investors can register upto five bank accounts at the folio level and non-individual investors can register upto ten bank accounts at the folio level.
- (b) The first/sole unit holder in the folio should be one of the holders of the bank account being registered.

Note: In case of units held in electronic (demat) mode, the bank details as registered in records of the Depository will be final and will be used for credit of dividend and redemption proceeds. Any change in bank details should be communicated to Depository Participants and unit holder will be required to comply with the requirements specified by Depository (ies) in this regard from time to time.

2) Registration of Multiple Bank Accounts:

Investor should submit Part A of Multiple Bank Accounts Registration Form along with any one of the following documents to register bank mandate(s).

- (a) Cancelled cheque leaf for each of bank accounts to be registered (the name of bank account holder must be printed on the cheque leaf); or
- (b) Copy of bank statement / pass book page showing account number, account holders' name and address, for each of bank account to be registered.

Originals of above documents should be produced for verification at the ISC or Official Points of Acceptance of Transactions of Religare Mutual Fund and the original will be returned across the counter after verification.

3) Registration of a Default Bank Account:

- (a) Investor should use Part B of Multiple Bank Accounts Registration Form to register one of the registered bank accounts as the default bank account for credit of redemption and dividend proceeds. However, the investor may specify any other registered bank accounts for credit of redemption proceeds at the time of requesting for the redemption, which would be applicable for specific redemption and default bank account will not be changed.
- (b) In case of existing investors, the existing bank mandate will be treated as default bank account till the investor gives a separate request to change the same to any other registered bank account.
- (c) In case of new investors, the bank account mentioned on the purchase application form, used for opening the folio will be treated as default bank account till the investor gives a separate request to change the same to any other registered bank account.

4) Deletion of Registered Bank Accounts:

The investor shall use Part C of Multiple Bank Accounts Registration Form to delete a registered bank account. Investor shall not be allowed to delete a default bank account unless investor registers another registered account as a default account.

5) Change of bank account along with redemption:

Where a redemption request is received either along with a request for a change of bank account or before the validation of new bank account is completed, there will be cooling period of not more than 10 calendar days for validation and registration of new bank account. The process of validation would, inter-alia, include notifying the investor through letter, email, SMS, phone etc. about the registration of a new bank account and seeking confirmation of such change. In such cases, the redemption proceeds would be credited to currently registered default (old) bank account till the change of bank mandate is registered.

- 6) Religare AMC reserves the right to obtain such documents / proof of existing registered bank account, as Religare AMC may deem fit, prior to registering additional bank accounts or deleting bank accounts or modification in default bank account.
- 7) In case any of the registered bank accounts are closed/ altered, investor should intimate Religare AMC in writing of such change with an instruction to delete/alter the bank account.

(C) Change in Know Your Customer (KYC) Compliance Requirements

Pursuant to implementation of Know Your Customer (KYC) Compliance requirements under the Prevention of Money Laundering Act, 2002, it has been decided to revise the threshold limit for KYC Compliance for investment in schemes of Religare Mutual Fund by individual investors. Accordingly, it would be mandatory for all individual investors to be KYC Compliant irrespective of the amount of investment.

The individual investors for the purpose of KYC Compliance shall include (a) their constituted Power of Attorney (PoA) holder in case of investments through a PoA; (b) each of the applicants in case of investments in joint names; and (c) guardian in case of investments on behalf of minor.

The above change w.r.t. KYC will be effective from **January 1, 2011** and shall be applicable in respect of all investments made on or after **January 1, 2011**. Accordingly, all references to the above provisions in Statement of Additional Information shall stand modified with effect from **January 1, 2011**.

The Trustee/ Religare AMC reserves the right to change/modify above provisions at a later date. All other terms & conditions of Statement of Additional Information of Religare Mutual Fund will remain unchanged.

This addendum forms an integral part of the Statement of Additional Information of Religare Mutual Fund as amended from time to time.

**For Religare Asset Management Company Ltd.
(Investment Manager for Religare Mutual Fund)**

**Sd/-
Saurabh Nanavati
Chief Executive Officer**

Date: November 12, 2010

Risk Factors: All mutual funds and securities investments are subject to market risks and there can be no assurance that the scheme(s) objectives will be achieved. Investment in Mutual Fund Units involve investment risk such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of capital. **As with any investment in securities, the NAV of the units issued under scheme(s) may go up or down depending upon the factors and forces affecting the securities markets.** Past performance of the Sponsor and its affiliates / AMC / Mutual Fund and its scheme(s) do not indicate the future performance of the scheme(s) of the Mutual Fund. Investors in the scheme(s) are not being offered any guaranteed / assured returns. **The names of the scheme(s) do not in any manner indicate either the quality of the scheme(s), their future prospects and returns. Please read the Statement of Additional Information / Scheme Information Document(s) of Scheme(s) carefully before investing. Statutory Details:** Religare Mutual Fund has been set up as a trust sponsored by Religare Securities Ltd. (liability restricted to ₹ 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.