

ADDENDUM

Conversion of Religare Mid Cap Fund into open ended equity scheme

Religare Mid Cap Fund

A Closed-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 mid cap companies.

Investors/Unit holders of Religare Mid Cap Fund are requested to note that Religare Mid Cap Fund (erstwhile 'Lotus India Mid Cap Fund'), a close ended equity scheme with a maturity of 3 years (**'the Scheme'**) is maturing on April 19, 2010. In order to provide investors with an opportunity to continue with their investments in Scheme and offer the advantages associated with open ended scheme, the Board of Directors of Religare Asset Management Company Limited (**'RAMC'**) and Religare Trustee Company Limited (**'Trustee'**) have decided to convert the Scheme into an open-ended scheme with effect from **April 20, 2010**.

The following changes are made to the Scheme Information Document of the Scheme:

Change in Load Structure:

A. Transactions other than Systematic Investment Plan (SIP) / Systematic Transfer Plan (STP)

Entry Load	Nil In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase /additional purchase /switch-in. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.
Exit Load	<ul style="list-style-type: none"> • In respect of each purchase / switch-in of units, an exit load of 1% is payable, if units are redeemed /switched-out on or before 1 year from the date of allotment. • In respect of each purchase / switch-in of units, no exit load is payable, if units are redeemed / switched-out after 1 year from the date of allotment.

- No Entry/Exit Load will be levied on Units issued on dividend reinvested.
- No Entry/Exit Load will be levied on Units issued as bonus units.
- No Exit Load shall be charged for investments by Fund of Fund Scheme(s) launched under SEBI (Mutual Funds) Regulations, 1996. However, the waiver of Exit Load will be at the sole discretion of the Trustees and subject to change as the Trustees may decide from time to time.

B. Investments through Systematic Investment Plan (SIP)

Entry Load	Nil In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase /additional purchase /switch-in. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.
Exit Load	<ul style="list-style-type: none"> • In respect of each SIP installment, an exit load of 1% is payable, if units are redeemed / switched-out on or before 1 year from the date of allotment. • In respect of each SIP installment, no exit load is payable, if units are redeemed /switched-out after 1 year from the date of allotment.

C. Investments through Systematic Transfer Plan (STP)

Load structure for investment through Systematic Transfer Plan (STP) to Religare Mid Cap Fund (transferee scheme) from eligible source schemes (Religare Liquid Fund / Religare Ultra Short Term Fund / Religare Short Term Plan / Religare Active Income Fund / Religare Credit opportunities Fund) is as under:

Entry Load	Nil In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase /additional purchase /switch-in. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.
Exit Load	<ul style="list-style-type: none"> • In respect of each investment through STP, an exit load of 1% is payable, if units are redeemed/ switched-out on or before 1 year from the date of allotment. • In respect of each investment through STP, no exit load is payable, if units are redeemed/ switched-out after 1 year from the date of allotment.

The revised load structure will be applicable on a prospective basis in respect of investments made in the Scheme after conversion of the scheme into an open-ended scheme. The Trustee reserves the right to change/modify the Load Structure at a later date on a prospective basis.

In addition to the change specified above, on conversion of the Scheme into an open ended scheme with effect from commencement of business hours on April 20, 2010, all the provisions pertaining to close ended scheme shall cease to operate and those pertaining to open ended scheme e.g. subscription /redemptions /switches on all business days, cut-off timing for subscriptions/ redemptions/ switches, minimum number of investors and maximum holding by single investor, facilities such as systematic investment plan, systematic transfer plan, systematic withdrawal plan, dividend transfer plan, event trigger plan, switching options and purchase and redemption of units through electronic transaction platform of stock exchange(s) shall be applicable.

In accordance with provisions of regulation 18(15A) of SEBI (Mutual Funds) Regulations, 1996 and Scheme Information Document of the Scheme, the conversion of Scheme from close ended into open ended scheme amounts to change in fundamental attributes of the Scheme. Accordingly, pursuant to the provisions of regulation 18 (15A) of SEBI (Mutual Funds) Regulations, 1996, the Unit holders are hereby given an exit option at applicable NAV without payment of exit load. The Unit holders are entitled to exercise exit option during the period commencing from March 19, 2010 and closing on April 19, 2010 (both days inclusive) (**“Option Exercise Period”**). During the Option Exercise Period, the Unit holders have following options:

- (a) Redeem their units [partly or fully] at applicable NAV; or
- (b) Switch their units [partly or fully] to any of the schemes of Religare Mutual Fund at applicable NAV.

Alternatively, investors can continue to remain invested in the Scheme and enjoy the benefits associated with open ended scheme. In that case, no action is required by the Unit holder and it will be deemed as acceptance of these changes.

Unit holders who do not opt for redemption/switch-out on or before April 19, 2010 shall be deemed to have consented to the conversion of the Scheme from close ended scheme to open ended scheme and shall continue to hold units in the Scheme. Unit holders are requested to note that in case they have pledged or encumbered Units of the Scheme, they will not have the option to redeem/switch unless they procure a release of their pledges/encumbrances prior to submission of redemption /switch requests.

All other terms & conditions of the Scheme will remain unchanged.

This addendum forms an integral part of the Scheme Information Document / Key Information Memorandum of the Scheme 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: March 16, 2010

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. Investment in mutual fund units involve investment risks 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 may go up or down depending upon the factors and forces affecting the securities markets.** The mid cap stocks carry higher liquidity risk as they are less extensively researched compared to large cap stocks. This may lead to abnormal illiquidity and consequent higher impact cost. 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 Mid Cap Fund, a close ended equity scheme with a maturity of 3 years is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme, its future prospects and returns. Asset Allocation Pattern:** Equity and Equity Related Instruments out of which: Mid Cap Companies: 65% - 100% and Companies other than Mid Cap Companies: 0% - 35%. Debt* & Money Market Instruments: 0%-35%. *Debt instruments may include securitized debt (excluding foreign securitised debt) upto 35% of the net assets. Maximum derivative position <= 50% of the net assets. **Please read the Scheme Information Document and Statement of Additional Information before investing.** The units will be available for subscription and redemption (after a lock in period of three years from the date of allotment of units) on all business days at applicable NAV, subject to applicable load. **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.