



Press Release

Religare MF unveils Religare Business Leaders Fund

NFO Now Open ; Closes: 31st July, 2009

Mumbai, July 14, 2009: Religare MF today formally announced the launch of its new fund '**Religare Business Leaders Fund**' (an open ended equity scheme). The fund seeks to generate capital appreciation by investing in companies which in Religare AMC's opinion are leaders in their respective industry or industry segment. These companies are expected to do better than others in their industry in all economic environments in terms of growth, margins and profitability. Typically, companies which are leaders are expected to exhibit one or more of the following attributes

1) Better Pricing Power 2) Superior Cost Structure / Efficiencies 3) Significant Sustainable Competitive Advantages 4) Better Access to Capital. These then reflect in the company being in Top 3 – 5 in terms of market share, having margins and growth rates better than the industry or industry segment average.

Speaking on the occasion, **Saurabh Nanavati, Chief Executive Officer, Religare Mutual Fund** said, "The ability of business leaders to survive the hard times, when marginal players are taking a beating and thrive in good times makes them an attractive long term investment proposition and this fund is recommended for all investors as core holding for their investment portfolio"

The fund will adopt a bottom up & top down approach to create a diversified portfolio of stocks aided by Religare AMC's proprietary Stock Categorisation Philosophy. The fund universe will consist of leaders across sectors. In many industries or sectors (total of 38 as per AMFI) the leaders are midcap companies. The fund will therefore invest in both the large cap and midcap space. The fund offers both Growth and Dividend options. Units will be issued at Rs. 10 per unit plus applicable load. There is no entry load charged for investments made through the SIP route. For Lumpsum purchase, the minimum application amount is Rs. 5000/- and in multiples of Re.1/- thereafter. For SIP investments the minimum application amount is Rs. 1000/- and in multiples of Re.1/- thereafter per month .The minimum tenure for SIP enrollment is 6 months. The fund is benchmarked to S&P CNX Nifty. The fund opened for subscription on 10th July, 2009 and will close for subscription on 31st July, 2009.

Added Mr. Saurabh Nanavati, CEO, Religare Mutual Fund "Post acquisition of Lotus Mutual Fund in December 2008, this is the first equity fund launch from the Religare stable. Religare Mutual Fund had acquired Lotus Mutual Fund with roughly Rs. 3,500 crores in AUM – of which Rs. 2,000 crores were in FMPs maturing by March 2009. As of June 2009, Religare MF is Rs. 10,030 crores in average AUM and has risen rapidly in AUM rankings in the last 6 months to being in the top 15 as of June 2009. The Financial Services space and Asset Management business within that space is a key focus area for Religare Enterprises and the group is looking at growing this business rapidly through organic and inorganic opportunities. Religare Mutual Fund today has a presence in 56 cities through 60 own branches and sales staff and is aiming to further expand this reach to 100 cities in the next 9 months. **In a tough operating environment, we are glad to announce that the promoters have infused an additional Rs. 35 crores in equity capital on 13th July 2009, in addition to Rs. 37 crores infused in December 2008. While the AMC is breaking even operationally for the last 2 months, the new capital will be utilized for**

expanding existing business operations, setting up new infrastructure, investing in new business opportunities and a brand-building campaign.”

Speaking about the newly introduced norms of No Entry-Loads in the MF industry, Mr. Nanavati commented “Norms are changing globally in the financial selling place and disclosures are becoming mandatory in various parts of the world. The decision has already been taken by SEBI and we need to look ahead. Religare Mutual Fund sees itself as a manufacturer of products and will keep launching new products to complete its product suite in all categories – viz. equity, debt and alternative asset classes. We also firmly believe in transparency and the reason for the NFO remaining open only up to 31st July 2009 i.e for 21 days as against 1 month which is the industry norm, is that investors should not feel confused with the new SEBI rules of No-Load, coming in force from 1st August 2009, while an NFO opening before 31st July can actually charge the load even after 1st August 2009 as per the SEBI circular.”

About Religare Asset Management

With average assets under management of over **INR 100bn** (for June 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

Religare Enterprises Limited (REL), (NSE Code-RELIGARE, BSE Code-532915, Bloomberg Code-RELG IN), is a diversified financial services group of India. REL's businesses are broadly clubbed across three key verticals, the Retail, Institutional and Wealth spectrums, catering to a diverse and wide base of clients.

The vision is to build Religare as a globally trusted brand in the financial services domain and present it as the 'Investment Gateway of India'. All employees of the group guided by an experienced and professional management team are committed to providing financial care, backed by the core values of diligence and transparency.

REL offers a multitude of investment options and a diverse bouquet of financial services with its pan India reach in 1837 locations across 498 cities and towns. REL also currently operates from nine international locations globally following its acquisition of London's brokerage & investment firm, Hichens, Harrison & Co. plc.

With a view to expand, diversify and introduce offerings benchmarked against global best practices, Religare operates its Life Insurance business in partnership with the global major - Aegon. For its wealth management business Religare has partnered with Australia based financial services major-Macquarie. Religare has also partnered with Vistaar Entertainment to launch India's first SEBI approved Film Fund offering a unique alternative asset class of investments.

“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."

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