

# Abridged Annual Report

2008-2009

**Equity Scheme**

Edelweiss ELSS Fund

**Debt Schemes**

Edelweiss Short Term Bond Fund

Edelweiss Monthly Interval Fund-Series 1

Edelweiss Quarterly Interval Fund-Series 1

**Liquid Scheme**

Edelweiss Liquid Fund



<p style="text-align: center;"><b>SPONSOR</b></p> <p style="text-align: center;"><b>Edelweiss Capital Limited</b></p> <p>Registered Office: 14th Floor, Express Towers, Nariman Point, Mumbai - 400 021</p>	<p style="text-align: center;"><b>STATUTORY AUDITORS</b></p> <p style="text-align: center;"><b>M/s. S.R.Batliboi &amp; Co.</b></p> <p style="text-align: center;">Chartered Accountants, 6th Floor, Express Towers Nariman Point Mumbai -400 021</p>
<p style="text-align: center;"><b>TRUSTEE</b></p> <p style="text-align: center;"><b>Edelweiss Trusteeship Company Limited</b></p> <p style="text-align: center;"><b>Registered Office:</b> 14th Floor, Express Towers, Nariman Point, Mumbai-400 021</p> <p style="text-align: center;"><b>Corporate Office:</b> 10th Floor, Chandermukhi Nariman Point, Mumbai-400 021</p>	<p style="text-align: center;"><b>BOARD OF DIRECTORS</b></p> <p style="text-align: center;"><b>Edelweiss Trusteeship Company Limited</b></p> <p style="text-align: center;">*Mr. Rashesh Shah – Chairman Mr. K.V. Hegde Mr. S. Santhanakrishnan Mr. Sunil Phatarphekar</p> <p style="text-align: center;">*With effect from April 6, 2009 Mr. Anurag Madan ceased to be a Director and Mr. Rashesh Shah was appointed as a Director.</p>
<p style="text-align: center;"><b>ASSET MANAGEMENT COMPANY</b></p> <p style="text-align: center;"><b>Edelweiss Asset Management Limited</b></p> <p style="text-align: center;"><b>Registered Office:</b> 14th Floor, Express Towers, Nariman Point, Mumbai-400 021</p> <p style="text-align: center;"><b>Corporate Office:</b> 10th Floor, Chandermukhi Nariman Point, Mumbai-400 021</p>	<p style="text-align: center;"><b>BOARD OF DIRECTORS</b></p> <p style="text-align: center;"><b>Edelweiss Asset Management Limited</b></p> <p style="text-align: center;">Mr. Rujan Panjwani- Chairman **Mr. Anurag Madan Mr. Kanu H. Doshi Mr. U.R.Bhat</p> <p style="text-align: center;">**With effect from March 6, 2009 Mr. Rashesh Shah ceased to be a Director; with effect from April 9, 2009 Mr. Anurag Madan was appointed as a Director.</p>
<p style="text-align: center;"><b>CUSTODIAN &amp; FUND ACCOUNTANTS</b></p> <p style="text-align: center;"><b>Citibank N.A.</b></p> <p>Ramnord House, 77, Dr. Annie Besant Road, Worli, Mumbai-400 018</p>	<p style="text-align: center;"><b>REGISTRAR AND TRANSFER AGENT</b></p> <p style="text-align: center;"><b>Karvy Computershare Pvt. Ltd.</b></p> <p style="text-align: center;">UNIT - EMF, Karvy Plaza, 21, Road No.4, Street No.1, Banjara Hills, Hyderabad-500 034.</p>

**TRUSTEE REPORT for the year ended March 31, 2009**

We have pleasure in presenting the first report on the schemes of Edelweiss Mutual Fund ("the Fund") for the year ended March 31<sup>st</sup> 2009 along with the abridged financial statements for the schemes.

The fund has five schemes as on March 31, 2009 of this report – Edelweiss Liquid Fund, Edelweiss Short Term Bond Fund, Edelweiss Monthly Interval Fund – Series 1, Edelweiss Quarterly Interval Fund – Series 1, and Edelweiss ELSS Fund.

**1. Scheme Performance, Future Outlook and Operations of the Schemes**

The performance of the schemes since inception to March 31, 2009 vis-a-vis the benchmark is given in the table below. Since none of the schemes have completed one year of existence, the one year performance has not been depicted in the table below.

Scheme Name	AUM (Rs. in lacs) (as on 31-03-2009)	NAV (in Rs.) (as on 31-03-2009)	Performance	
			Scheme Returns (since Inception)	Benchmark Returns
Edelweiss Liquid Fund	343.19	Institutional DD – 10.0000 G – 10.4858 MD – 10.0403 WD – 10.0038	4.86%	5.18%
Edelweiss Short Term Bond Fund	948.06	Institutional DD – 10.0000 G – 10.5242 Retail DD – 10.0000 WD – 10.0080 MD – 10.0525 G – 10.5138	5.14%	5.18%
Edelweiss Monthly Interval Fund – Series 1	42.08	Institutional G – 10.0553 Retail G – 10.4465 D – 10.0125	4.47%	4.77%
Edelweiss Quarterly Interval Fund – Series 1	20.22	Institutional G – 10.4885 D – 10.0142 Retail D – 10.0137 G – 10.4877	4.88%	4.77%
Edelweiss ELSS Fund	17.81	Retail G – 10.64 D – 10.64	6.41%	-2.04%

Past performance may or may not be sustained in the future.

Notes:

- G- Growth Option; D- Dividend Option; DD- Daily Dividend Option; WD – Weekly Dividend Option; MD- Monthly Dividend Option.
- Since the Schemes have not completed one year of existence, absolute returns have been calculated from the date of allotment of units of the respective schemes including Interval Funds(as indicated below), on the face value of units of Rs. 10 per unit upto March 31, 2009.

Sr.No.	Scheme Name	Allotment date
1.	Edelweiss Liquid Fund	September 9,2008
2.	Edelweiss Short Term Bond Fund	September 9,2008
3.	Edelweiss Monthly Interval Fund – Series 1	September 26,2008
4.	Edelweiss Quarterly Interval Fund – Series 1	September 26,2008
5.	Edelweiss ELSS Fund	December 30, 2008

- NAVs of growth option of the schemes have been considered for calculation of returns.

**Future Outlook of the Market**

Indian economy's GDP growth has slowed down from 9% in FY08 to 6.5-6.7% expectation in FY09. Global credit crisis has impacted India's GDP growth. However, the GDP is still amongst one of the highest in the World. Inflation and interest rates have been on a downward trend in last 6 months with RBI cutting rates aggressively to pump up the demand. We expect interest rates to head further down from current levels given slowing GDP growth (expected to be 6% in FY10) and

lower inflation (WPI currently at 0.3% and expected to go into negative territory over next 2-3 months). This would provide enough headroom for RBI to cut rates further. Government's borrowing programme remains high, given high fiscal deficit and this would put some pressure on interest rates on the upside.

Indian equity market appears attractive given low valuations which are closer to the lower end of its historical range. We expect India's GDP growth to start improving in the second half of the financial year 2009-2010 which would provide a boost for the markets. Indian corporates have strong balance sheets (low debt and high ROE's). Uncertainty due to elections would keep the markets volatile in near term though. Overall, our equity outlook is positive in the medium term, driven by strong fundamentals of the economy and reasonable valuations

**Operations of the schemes** – The Mutual Fund currently has 4 branches in addition to R&T agent service locations with a view to rendering timely and efficient customer service.

**2. Brief Background of Sponsor, Fund, Trustee Company and AMC**
**(a) Edelweiss Mutual Fund**

Edelweiss Mutual Fund (EMF) is set up as a Trust under the Indian Trusts Act, 1882 vide Trust Deed dated 30th January 2008 and is duly registered under the Indian Registration Act, 1908, executed between Edelweiss Capital Limited (ECL) and Edelweiss Trusteeship Company Limited with restricted liability to of Rs. 1 lac of ECL. The Trustee has entered into an Investment Management Agreement dated 30<sup>th</sup> January 2008 with Edelweiss Asset Management Ltd to act as Investment Manager to all the schemes of the Mutual Fund. The Mutual Fund was registered with SEBI on 30<sup>th</sup> April 2008.

**(b) Edelweiss Trusteeship Company Ltd (Trustee)**

The Trustee is the exclusive owner of the Trust Fund and holds the same in the trust for the benefit of the unitholders. The Trustee has been discharging its duties and carrying out the responsibilities as provided in the Regulations and the Trust Deed. The Trustee seeks to ensure that the Fund and the Schemes floated there under are managed by the AMC in accordance with the Trust Deed, the Regulations, directions and guidelines issued by SEBI, the Stock Exchanges, the Association of Mutual Funds in India and other regulatory agencies.

**(c) Edelweiss Capital Ltd (Sponsor)**

Edelweiss Capital Limited (Edelweiss) offers a full range of services and transactions expertise, including capital raising services in public markets, private placements of equity, mezzanine and convertible debt, mergers and acquisitions and restructuring advisory services.

**(d) Edelweiss Asset Management Ltd (AMC)**

Edelweiss Asset Management Limited, a subsidiary of Edelweiss Capital Limited (ECL) is the asset management company acting as an investment manager to Edelweiss Mutual Fund (EMF).

**3. Investment Objectives of the Schemes:**

**Edelweiss ELSS Fund** – Scheme Type: An Open Ended Equity Linked Savings Scheme, Investment Objective: To generate long-term capital appreciation with an option of periodic payouts at the end of lock in periods from a portfolio that invests predominantly in equity and equity related instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

**Edelweiss Liquid Fund** - Scheme Type: An Open Ended Liquid Scheme, Investment Objective: To provide optimal returns, commensurate with low risk and high degree of liquidity, through a portfolio constituted of money market & short term debt instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

**Edelweiss Short Term Bond Fund** - Scheme Type: An Open Ended Debt Scheme, Investment Objective: To provide reasonable returns, commensurate with moderate level of risk and high degree of liquidity, through a portfolio constituted of money market and debt instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

**Edelweiss Monthly Interval Fund – Series 1**– Scheme Type: An Interval Income Scheme, Investment Objective: To generate regular income through investments in Debt & Money Market Instruments. However,

there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

**Edelweiss Quarterly Interval Fund – Series 1** - Scheme Type: An Interval Income Scheme, Investment Objective: To generate regular income through investments in Debt & Money Market Instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

4. **Significant Accounting Policies** – Accounting Policies are in accordance with Securities Exchange Board of India (Mutual Fund) Regulations 1996
5. **Unclaimed Dividends and Redemptions** – There are no unclaimed dividend and redemption proceeds for the year ended March 31<sup>st</sup> 2009
6. **Statutory Information**
  - a. The Sponsor (Edelweiss Capital Limited) is not responsible or liable for any loss resulting from the operations of the schemes of the Fund beyond their initial contribution (to the extent contributed) of Rs 100,000/- for setting up the Fund and such other accretions/additions to the same.
  - b. The price and redemption value of the units, and income from them, can go up as well as down with fluctuations in the market value of its underlying investments.
  - c. Full Annual Report shall be disclosed on the website ([www.edelweissmf.com](http://www.edelweissmf.com)) and shall be available for inspection at the Head Office of the Mutual Fund. Present and prospective unit holders can obtain copy of the Trust Deed, the full Annual Report of the Fund/EAML at a price.

#### For Edelweiss Trusteeship Company Ltd

Director                      Director

Place – Mumbai

Date - April 28, 2009

## AUDITORS' REPORT

### To the Trustee of Edelweiss Mutual Fund

We have examined the abridged balance sheets of the schemes mentioned below (collectively 'the Schemes') as at March 31, 2009 and the abridged revenue accounts (collectively 'abridged financial statements'), for the period from date of launch of the respective schemes to March 31, 2009 ('the period'), together with the notes thereon, annexed thereto. These abridged financial statements have been prepared by Edelweiss Asset Management Limited, the Schemes' asset manager ('the AMC') pursuant to Regulation 56 (1) of Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 ('the SEBI Regulations'), as per the format prescribed by SEBI circular number SEBI/IMD/CIR No.8/132968/2008 dated July 24, 2008 and are based on the accounts of the Schemes for the period then ended prepared in accordance with the accounting policies and standards specified in the Eighth, Ninth and Tenth Schedules to the SEBI Regulations and covered by our report of even date to the Trustee of Edelweiss Mutual Fund, which report is attached. These abridged financial statements are the responsibility of the AMC. Our responsibility is to express an opinion on these financial statements based on our audit. Presentation of these separate abridged balance sheets and abridged revenue accounts in a columnar form is not intended to indicate that they bear any relation to each other, or are interdependent or comparable in any way.

- Edelweiss Liquid Fund;
- Edelweiss Short Term Bond Fund;
- Edelweiss ELSS Fund;
- Edelweiss Monthly Interval Fund-Series 1; and
- Edelweiss Quarterly Interval Fund -Series 1.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii. The abridged balance sheets and abridged revenue accounts, dealt with by this report are in agreement with the books of account.
- iii. In our opinion, the abridged balance sheet and abridged revenue accounts dealt with by this report have been prepared in conformity with the accounting policies and standards specified in the Eighth, Ninth and Tenth Schedules to the SEBI Regulations and as per the format prescribed by SEBI circular number SEBI/IMD/CIR No.8/132968/2008 dated July 24, 2008.
- iv. In our opinion, and on the basis of information and explanations given to us, the methods used to value non traded securities, where applicable, as at March 31, 2009, are in accordance with the SEBI Regulations and other guidelines issued by the Securities and Exchange Board of India as applicable and approved by the Board of Directors of Edelweiss Trusteeship Company Limited, and are fair and reasonable.
- v. In our opinion, and to the best of our information and according to the explanations given to us, the said financial statements give the information required by the SEBI Regulations as applicable and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - a) in the case of the abridged balance sheets, of the state of affairs of the Schemes as at March 31, 2009; and
  - b) in the case of the abridged revenue accounts, of the surplus, for the period ended on March 31, 2009.

**For S. R. Batliboi & Co.**

Chartered Accountants

**Shrawan Jalan**

Partner

Membership No.: 102102

Mumbai

Date - April 28, 2009

## ABRIDGED BALANCE SHEET AS AT MARCH 31, 2009

	<b>EDELWEISS SHORTTERM BOND FUND</b>	<b>EDELWEISS LIQUID FUND</b>	<b>EDELWEISS MONTHLY INTERVAL FUND - SERIES 1</b>	<b>EDELWEISS QUARTERLY INTERVAL FUND - SERIES 1</b>	<b>EDELWEISS ELSS FUND</b>
	As at 31.03.2009 Rs.in lacs	As at 31.03.2009 Rs.in lacs	As at 31.03.2009 Rs.in lacs	As at 31.03.2009 Rs.in lacs	As at 31.03.2009 Rs.in lacs
<b>LIABILITIES</b>					
1 Unit Capital	932.60	341.34	40.93	19.77	16.73
2 Reserves & Surplus					
2.1 Unit Premium Reserves	0.21	0.01	(0.08)	0.01	0.13
2.2 Unrealised Appreciation Reserve	-	-	-	-	0.83
2.3 Other Reserves	15.25	1.84	1.23	0.44	0.12
3 Current Liabilities & Provisions	-	-	-	-	-
3.1 Other Current Liabilities & Provisions	0.48	0.30	0.03	0.92	0.69
<b>TOTAL</b>	<b>948.54</b>	<b>343.49</b>	<b>42.11</b>	<b>21.14</b>	<b>18.50</b>
<b>ASSETS</b>					
1 Investments					
1.1 Listed Securities:					
1.1.1 Equity Shares	-	-	-	-	15.28
1.2 Certificate of Deposits	353.97	-	38.27	19.14	-
<b>Total Investments</b>	<b>353.97</b>	<b>-</b>	<b>38.27</b>	<b>19.14</b>	<b>15.28</b>
2 Deposits	26.00	-	-	-	-
3 Other Current Assets					
3.1 Cash & Bank Balance	3.64	0.54	0.84	0.00	0.57
3.2 CBLO/ Reverse Repo Lending	564.85	342.90	3.00	2.00	2.00
3.3 Others	0.08	0.05	-	(0.00)	0.65
<b>TOTAL</b>	<b>948.54</b>	<b>343.49</b>	<b>42.11</b>	<b>21.14</b>	<b>18.50</b>

Note : Amount Rs. "0.00" represents amount below Rs.5,000. The notes to accounts form an integral part of the accounts.

**For S.R. Batliboi & Co.**  
Chartered Accountants

**Shrawan Jalan**  
Partner

Membership no. 102102

**Mumbai**

Date - April 28, 2009

**For Edelweiss Trusteeship Company Limited**

Director

Director

**Mumbai**

Date - April 28, 2009

**For Edelweiss Asset Management Limited**

Director

Director

Chief Executive Officer

Fund Manager  
(Debt)

**Mumbai**

Date - April 28, 2009

Fund Manager  
(Equity)

## ABRIDGED REVENUE ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2009

	EDELWEISS SHORTTERM BOND FUND	EDELWEISS LIQUID FUND	EDELWEISS MONTHLY INTERVAL FUND - SERIES 1	EDELWEISS QUARTERLY INTERVAL FUND - SERIES 1	EDELWEISS ELSS FUND
	09.09.2008 to 31.03.2009	09.09.2008 to 31.03.2009	26.09.2008 to 31.03.2009	26.09.2008 to 31.03.2009	30.12.2008 to 31.03.2009
	Rs.in lacs	Rs.in lacs	Rs.in lacs	Rs.in lacs	Rs.in lacs
<b>1 INCOME</b>					
1.1 Dividend	-	-	-	-	0.00
1.2 Interest	312.10	376.39	14.75	56.36	0.07
1.3 Realised Gains / (Losses) on Interscheme sale of investments	(2.27)	(0.84)	(0.24)	(0.08)	-
1.4 Realised Gains / (Losses) on External sale / redemption of investments	1.69	(5.20)	-	-	0.08
	<b>(A)</b>	<b>311.52</b>	<b>370.35</b>	<b>14.51</b>	<b>56.28</b>
<b>2 EXPENSES</b>					
2.1 Management fees	6.57	7.46	0.44	0.61	0.04
2.2 Service tax on Management fees	0.81	0.91	0.05	0.07	0.00
2.3 Other operating expenses	0.05	0.08	0.00	0.01	0.00
	<b>(B)</b>	<b>7.43</b>	<b>8.45</b>	<b>0.49</b>	<b>0.69</b>
<b>3 NET REALISED GAINS / (LOSSES) FOR THE YEAR / PERIOD (A - B = C)</b>	<b>304.09</b>	<b>361.90</b>	<b>14.02</b>	<b>55.59</b>	<b>0.11</b>
<b>4 NET UNREALISED DEPRECIATION IN VALUE OF INVESTMENTS (D)</b>	<b>0.31</b>	<b>-</b>	<b>0.00</b>	<b>0.00</b>	<b>-</b>
<b>5 NET GAINS / (LOSSES) FOR THE YEAR / PERIOD (C - D = E)</b>	<b>303.79</b>	<b>361.90</b>	<b>14.01</b>	<b>55.59</b>	<b>0.11</b>
<b>6 NET APPRECIATION IN THE VALUE OF INVESTMENTS (F)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.83</b>
<b>7 NET SURPLUS / (DEFICIT) FOR THE YEAR / PERIOD (E + F = G)</b>	<b>303.79</b>	<b>361.90</b>	<b>14.01</b>	<b>55.59</b>	<b>0.93</b>
7.1 Add: Opening balance transfer from Unrealised Appreciation Reserve	-	-	-	-	-
7.2 Less: Balance transfer to Unrealised Appreciation Reserve	-	-	-	-	-
7.3 Add / (Less): Equalisation	(37.74)	(307.35)	(4.91)	(16.36)	0.01
<b>TOTAL</b>	<b>266.05</b>	<b>54.55</b>	<b>9.10</b>	<b>39.23</b>	<b>0.94</b>
<b>8 DIVIDEND APPROPRIATION</b>					
8.1 Income Distributed during the year / period	207.29	41.07	6.74	33.54	-
8.2 Tax on income distributed during the year / period	43.50	11.63	1.14	5.25	-
<b>9 RETAINED SURPLUS / (DEFICIT) CARRIED FORWARD TO BALANCE SHEET</b>	<b>15.26</b>	<b>1.84</b>	<b>1.22</b>	<b>0.44</b>	<b>0.94</b>

Note : Amount Rs. "0.00" represents amount below Rs.5,000. The notes to accounts form an integral part of the accounts.

For S.R. Batliboi & Co.  
Chartered Accountants

Shrawan Jalan  
Partner

Membership no. 102102

Mumbai

Date - April 28, 2009

For Edelweiss Trusteeship Company Limited

Director

Director

Mumbai

Date - April 28, 2009

For Edelweiss Asset Management Limited

Director

Director

Chief Executive Officer

Fund Manager  
(Debt)

Fund Manager  
(Equity)

Mumbai

Date - April 28, 2009

**KEY STATISTICS FOR THE PERIOD ENDED AS ON 31.03.09**

	EDELWEISS SHORTTERM BOND FUND.				EDELWEISS LIQUID FUND	
	Period Ended 31.03.09				Period Ended 31.03.09	
	Regular	Institutional	Regular	Institutional	Super - Institutional	
1. NAV per unit (Rs.): Declared NAV excluding Load						
<b>Open **</b>						
Growth	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Daily Dividend	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Weekly Dividend	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Monthly Dividend	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Fortnightly Dividend	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Dividend	-	-	-	-	-	-
<b>High</b>						
Growth	10.5138	10.5242	10.4858	10.1286	10.2844	10.2844
Daily Dividend	10.0003	10.0003	10.0000	10.0000	10.0000	10.0000
Weekly Dividend	10.0220	10.0221	10.0291	10.0000	10.0199	10.0199
Monthly Dividend	10.0940	10.0317	10.0908	10.0000	10.0029	10.0029
Fortnightly Dividend	10.0506	10.0000	10.0000	10.0000	10.0000	10.0000
Dividend	-	-	-	-	-	-
<b>Low</b>						
Growth	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Daily Dividend	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Weekly Dividend	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Monthly Dividend	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Fortnightly Dividend	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Dividend	-	-	-	-	-	-
<b>End</b>						
Growth	10.5138	10.5242	10.4858	-	-	-
Daily Dividend	10.0000	10.0000	10.0000	-	-	-
Weekly Dividend	10.0080	-	10.0038	-	-	-
Monthly Dividend	10.0525	-	10.0403	-	-	-
Fortnightly Dividend	-	-	-	-	-	-
Dividend	-	-	-	-	-	-
2. Closing Assets Under Management (Rs. in Lakhs)						
End	948.06		343.19			
Average (AAuM)	5792.21		16097.24			
3. Gross income as % of AAuM	5.38%		2.30%			
4. Expense Ratio:						
a. Total Expense as % of AAuM (plan wise)	0.44%	0.18%	0.48%	0.08%	0.19%	
b. Management Fee as % of AAuM (plan wise)	0.39%	0.16%	0.41%	0.07%	0.17%	
5. Net Income as a percentage of AAuM	5.25%		2.25%			
6. Portfolio turnover ratio	10.90		7.98			
7. Total Dividend per unit distributed during the year / period	IND.	OTH.	IND.	OTH.	IND.	OTH.
Daily Dividend	0.438745	0.408343	0.391009	0.379422	0.368676	0.368676
Weekly Dividend	0.432081	0.402147	0.037610	0.073741	0.366122	0.366122
Fortnightly Dividend	0.333030	0.266226	-	-	-	-
Monthly Dividend	0.393943	0.366651	-	-	0.331156	0.331156
Dividend	-	-	-	-	-	-
8. Returns:						
<b>a. Last One Year</b>						
Scheme #	N.A	N.A	N.A	N.A	N.A	N.A
Benchmark #	N.A	N.A	N.A	N.A	N.A	N.A
<b>b. Since Inception *</b>						
Scheme	5.14%	5.24%	4.86%	-	-	-
Benchmark ##	5.18%	5.18%	5.18%	N.A	N.A	N.A
Benchmark Index	CRISIL Liquid Fund Index			CRISIL Liquid Fund Index		

IND - Individual, OTH - Others

\* Since the scheme / Plan has not completed one year, returns are computed in absolute terms from the date of launch.

\*\* Allotment date NAV

# Since the Scheme/Plan has not completed one year, the return are not computed.

## The Benchmark return have been computed from the launch date of the Scheme.

	EDELWEISS MONTHLY INTERVAL FUND - SERIES 1		EDELWEISS QUARTERLY INTERVAL FUND - SERIES 1		EDELWEISS ELSS FUND
	Period Ended 31.03.09		Period Ended 31.03.09		Period Ended 31.03.09
	Regular	Institutional	Regular	Institutional	Super - Institutional
1. NAV per unit (Rs.): Declared NAV excluding Load					
<b>Open **</b>					
Growth	10.0000	10.0000	10.0000	10.0000	10.0000
Daily Dividend	-	-	-	-	-
Weekly Dividend	-	-	-	-	-
Monthly Dividend	-	-	-	-	-
Fortnightly Dividend	-	-	-	-	-
Dividend	10.0000	10.0000	10.0000	10.0000	10.0000
<b>High</b>					
Growth	10.4465	10.0747	10.4877	10.4885	10.8500
Daily Dividend	-	-	-	-	-
Weekly Dividend	-	-	-	-	-
Monthly Dividend	-	-	-	-	-
Fortnightly Dividend	-	-	-	-	-
Dividend	10.0937	10.0937	10.2867	10.2866	10.8500
<b>Low</b>					
Growth	10.0000	10.0000	10.0000	10.0000	9.5800
Daily Dividend	-	-	-	-	-
Weekly Dividend	-	-	-	-	-
Monthly Dividend	-	-	-	-	-
Fortnightly Dividend	-	-	-	-	-
Dividend	10.0000	10.0000	10.0000	10.0000	9.5800
<b>End</b>					
Growth	10.4465	10.0553	10.4877	10.4885	10.6400
Daily Dividend	-	-	-	-	-
Weekly Dividend	-	-	-	-	-
Monthly Dividend	-	-	-	-	-
Fortnightly Dividend	-	-	-	-	-
Dividend	10.0125	-	10.0137	10.0142	10.6400
2. Closing Assets Under Management (Rs. in Lakhs)					
End	42.08		20.22		17.81
Average (AAuM)	409.39		1011.50		12.56
3. Gross income as % of AAuM	3.54%		5.56%		1.17%
4. Expense Ratio:					
a. Total Expense as % of AAuM (plan wise)	0.35%	0.17%	0.15%	0.12%	1.28%
b. Management Fee as % of AAuM (plan wise)	0.31%	0.15%	0.14%	0.11%	1.12%
5. Net Income as a percentage of AAuM	3.42%		5.50%		0.86%
6. Portfolio turnover ratio	3.65		3.76		0.05
7. Total Dividend per unit distributed during the year / period	IND. OTH.	IND. OTH.	IND. OTH.	IND. OTH.	IND. OTH.
Daily Dividend	-	-	-	-	-
Weekly Dividend	-	-	-	-	-
Fortnightly Dividend	-	-	-	-	-
Monthly Dividend	-	-	-	-	-
Dividend	0.373046 0.347202	0.084600 0.078740	0.410313 0.381887	0.410200 0.381783	-
8. Returns:					
<b>a. Last One Year</b>					
Scheme #	N.A	N.A	N.A	N.A	N.A
Benchmark #	N.A	N.A	N.A	N.A	N.A
<b>b. Since Inception *</b>					
Scheme	4.47%	0.55%	4.88%	4.89%	6.41%
Benchmark ##	4.77%	4.77%	4.77%	4.77%	-2.04%
Benchmark Index	CRISIL Liquid Fund Index		CRISIL Liquid Fund Index		BSE 500

IND - Individual, OTH - Others

\* Since the scheme / Plan has not completed one year, returns are computed in absolute terms from the date of launch.

\*\* Allotment date NAV

# Since the Scheme/Plan has not completed one year, the return are not computed.

## The Benchmark return have been computed from the launch date of the Scheme.



**ANNEXURE I: ABRIDGED NOTES TO ACCOUNTS****1. Organisation**

In conformity with Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 (the Regulations), Edelweiss Asset Management Limited has been set up to act as the Asset Management Company (AMC) to Edelweiss Mutual Fund (Fund). In terms of the Investment Management Agreement (IMA) dated January 30, 2008, entered into between Edelweiss Trusteeship Company Limited (Trustee) and the AMC, the AMC has been appointed as the Investment Manager to the Schemes of the Fund.

**2. Investments**

- 2.1 Investments of the Schemes are registered in the name of the Trustee for the benefits of the Schemes Unit holders.  
 2.2 Open Position of derivatives as of March 31, 2009 is Nil  
 2.3 Investments in Associates and Group Companies for the year 2008-2009 is Nil  
 2.4 Aggregate Unrealized Gain / Loss and percentage to net assets:

Rupees in Lacs

Scheme	Unrealised Gain / (loss)	% to Net Assets
	As of March 31, 2009	
Edelweiss Short Term Bond Fund	(0.31)	0.03%
Edelweiss Monthly Interval Fund - Series 1	(0.00)	0.01%
Edelweiss Quarterly Interval Fund - Series 1	(0.00)	0.01%
Edelweiss ELSS Fund	0.83	4.64%

- 2.5 The aggregate value of investments purchased and sold (including redeemed) during the year and these amounts as a percentage of average daily Net assets:

Scheme	Purchase (Rupees in Lacs)	Sale (Rupees in Lacs)	Purchase as a % to average daily net assets	Sale as % to average daily net assets
	2008-2009	2008-2009	2008-2009	2008-2009
Edelweiss Short Term Bond Fund	65,529	63,147	1131.32%	1090.20%
Edelweiss Liquid Fund	128,484	128,738	798.17%	799.75%
Edelweiss Monthly Interval Fund - Series 1	1,517	1,493	370.53%	364.60%
Edelweiss Quarterly Interval Fund - Series1	3,805	3,840	376.19%	379.66%
Edelweiss ELSS Fund	15	1	119.52%	5.13%

- 2.6 Non-Traded securities in the portfolio:

Scheme	As at March 31,2009					
	Equity	% to net asset value	Debt	% to net asset value	Money Market Instruments (Rs. in lacs)	% to net asset value
Edelweiss ELSS Fund	-	-	-	-	-	-
Edelweiss Liquid Fund	-	-	-	-	-	-
Edelweiss Short Term Bond Fund	-	-	-	-	354	37.34%
Edelweiss Monthly Interval Fund - Series 1	-	-	-	-	38	90.95%
Edelweiss Quarterly Interval Fund - Series 1	-	-	-	-	19	94.62%

- 2.7 Open position of securities borrowed and / or lent by the Scheme is Nil.  
 2.8 Details of NPA as at March 31, 2009 is Nil

**3 Details of transactions with Associates in terms of regulation 25(8):**

Name of Associate: Edelweiss Capital Limited, Edelweiss Broking Limited and Edelweiss Securities Limited.

- 3.1 Securities transaction in the form of investments/disinvestment in various Public issues / Private placements where the associate was the sole or one of the several lead managers - Nil  
 3.2 Payment of Brokerage on Secondary Market Transactions - Nil  
 3.3 Payment of Brokerage for Distribution and Sale of Units

(Rupees)

Scheme Name	Edelweiss Broking Limited	Edelweiss Capital Limited	Edelweiss Securities Limited
Edelweiss ELSS Fund	7429	369	-
Edelweiss Liquid Fund	-	18,226	87,690
Edelweiss Short Term Bond Fund	-	151,137	36,191
Edelweiss Monthly Interval Fund - Series 1	-	249	1,195
Edelweiss Quarterly Interval Fund - Series 1	-	2,128	15,690

Note: Brokerage on distribution and sale of units paid / payable represents the amount paid / payable for the year and does not necessarily reflect the amount charged to the Scheme's revenue account. Out of the above amount of Rs. 7,467 (Rs. 7,115 - Edelweiss Broking Limited and Rs. 352 - Edelweiss Capital Limited) has been borne by the scheme (ELSS) by utilizing loan payable and balance amount has been borne by AMC.

4. Large Holding in the schemes (i.e. in excess of 25% of the net assets as at March 31, 2009): Nil

5. Unit Capital movement during the year ended / period ended 2008-09

Scheme	Plan	Face Value	Opening Units	NFO	Units Sold / Switch In	Redemption / Switch out	Closing Units
Edelweiss Liquid Fund	REGULAR	10	-	7,246,899.800	22,953,791.580	26,787,248.173	3,413,443.207
Edelweiss Liquid Fund	INSTITUTIONAL	10	-	79,500,000.000	146,949,210.168	226,449,210.168	-
Edelweiss Liquid Fund	SUPER INSTITUTIONAL	10	-	590,630,000.000	4,379,044,339.371	4,969,674,339.371	-
Edelweiss Short Term Bond Fund	REGULAR	10	-	15,656,703.400	24,658,573.636	37,381,019.753	2,934,257.283
Edelweiss Short Term Bond Fund	INSTITUTIONAL	10	-	209,680,000.000	56,888,987.186	260,177,267.117	6,391,720.069
Edelweiss Monthly Interval Fund-Series 1	REGULAR	10	-	1,706,250.000	5,765,772.019	7,162,688.613	309,333.406
Edelweiss Monthly Interval Fund-Series 1	INSTITUTIONAL	10	-	-	2,108,460.000	2,008,460.000	100,000.000
Edelweiss Quarterly Interval Fund-Series 1	REGULAR	10	-	4,422,000.000	633,499.047	4,911,509.572	143,989.475
Edelweiss Quarterly Interval Fund-Series 1	INSTITUTIONAL	10	-	7,120,000.000	5,439,555.268	12,505,812.585	53,742.683
Edelweiss ELSS Fund	REGULAR	10	-	62,755.341	104,643.373	-	167,398.714

6. Contingent Liability as at March 31, 2009: Nil

7. SEBI, vide circular no. SEBI/IMD/Cir No. 13/150975//09 dated January 19, 2009, advised Mutual Funds to carry out change in nomenclature of 'Liquid Plus Schemes'.

Consequently the name of following scheme of the Edelweiss Mutual Fund which contained the word 'Liquid Plus' has been changed.

OLD NOMENCLATURE	NEW NOMENCLATURE
Edelweiss Liquid Plus Fund	Edelweiss Short Term Bond Fund

8. Prior Period Comparatives

The schemes were launched during the current financial year and hence, there are no prior period comparatives.

9. Unit-holders can obtain from the mutual fund a copy of the Annual Report of the scheme in which he /she /it has invested.

For S.R. Batliboi & Co.  
Chartered Accountants

Shrawan Jalan  
Partner

Membership no. 102102

Mumbai

Date - April 28, 2009

For Edelweiss Trusteeship Company Limited

Director

Director

Mumbai

Date - April 28, 2009

For Edelweiss Asset Management Limited

Director

Director

Chief Executive Officer

Fund Manager  
(Debt)

Fund Manager  
(Equity)

Mumbai

Date - April 28, 2009

## 1. ADDENDUM TO THE SID & KIM OF EDELWEISS LIQUID PLUS FUND, EDELWEISS MONTHLY INTERVAL FUND - SERIES 1 AND EDELWEISS QUARTERLY INTERVAL FUND – SERIES 1 OF EDELWEISS MUTUAL FUND

Pursuant to SEBI Circular No. SEBI/IMD/CIR No.11/142521/08 dated October 24, 2008, the applicability of Net Asset Value (NAV) for Income/Debt oriented Mutual Fund scheme(s)/plan(s) (other than liquid fund schemes) is revised as under with effect from October 30, 2008:

The following para is added under Section III para B, regarding cut-off timing for subscriptions of the respective SIDs:

Irrespective of the time of receipt of application, in respect of all valid purchase applications with an amount equal to or more than Rs. 1 crore, applicable NAV will be the closing NAV of the day on which the funds are available for utilisation.

All other terms and conditions contained in the SID of the respective schemes will remain unchanged. This Addendum forms an integral part of the SID and Key Information Memorandum (KIM) of the designated Scheme(s) of Edelweiss Mutual Fund read with the addenda issued thereunder.

**This Addendum is dated October 27, 2008**

## 2. A. NOTICE CUM ADDENDUM TO ALL THE INVESTORS / UNIT HOLDERS OF EDELWEISS MONTHLY INTERVAL FUND - SERIES 1.

### Change in Minimum Application Amount & Load Structure:

Investors/ unit holders under Edelweiss Monthly Interval Fund- Series 1, are requested to note the changes in the features of the Series

Particulars	Retail Plan	Institutional Plan
Minimum Application Amount	Rs. 10,000/- & in multiples of Re. 1 thereafter	Rs. 10,00,000/- & in multiples of Re. 1 thereafter
Minimum Additional Application Amount	Rs. 1,000/- & in multiples of Re. 1 thereafter	
Load Structure - Entry Load	Nil	Nil
- Exit Load	If redeemed during Interval Period- 2.00% of the Applicable NAV	If redeemed during Interval Period- 2.00% of the Applicable NAV

This Notice cum Addendum forms an integral part of the SID of the aforesaid Scheme read with the addenda. All other features and terms and conditions of the aforesaid Schemes shall remain unchanged.

### B. NOTICE CUM ADDENDUM TO ALL THE INVESTORS / UNIT HOLDERS OF EDELWEISS MUTUAL FUND UNDER ALL ITS SCHEME.

Following Changes have been made to the list of Official Points of Acceptance of Edelweiss Mutual Fund W.e.f. close of business hours of November 28, 2008:

(a) Shifting of Official Point of Acceptance:

State / Location	Old Address	New Address
Gujarat / Ahmedabad	Broadway Business Centre, Cabin No. 12, 1st Floor, Shajananad Complex, Opp. CitiBank, Near Panchvati Petrol Pump, C.G. Road, Ahmedabad- 380 006 Tel - 079-44218800	402, Third Eye 1 Near Panchvati Circle C.G.Road Ahmedabad-380006 Tel - 079-44218800

(b) Closure of Official Point of Acceptance:

Official Point of acceptance of Edelweiss Mutual Fund based in Lucknow located at Office Number 6, Ground Floor, Saran chambers I, 5 Park Road, Lucknow – 226001 Tel - 0522-4421880, ceases its operation of accepting all subscriptions/redemptions/ switch applications/other transactions for all the Schemes of Edelweiss Mutual Fund. Investors are requested to route their transactions in Lucknow through the designated branch of Karyv Computershare Private Limited, Registrar and Transfer Agent for the Scheme(s) of Edelweiss Mutual Fund as disclosed earlier in the respective SID's.

**This Addendum is dated November 18, 2008**

## 3. A. NOTICE CUM ADDENDUM TO ALL THE INVESTORS/UNITHOLDERS OF EDELWEISS QUARTERLY INTERVAL FUND SERIES -1

### Change in the Minimum Application Amount & Load Structure:

Investors/ unit holders under Edelweiss Quarterly Interval Fund- Series 1, are requested to note the changes in the features of the Series:

#### Minimum Application Amount:

	Retail Plan	Institutional Plan
Minimum Application Amount	Rs. 10, 000/- & in multiples of Re 1/-thereafter	Rs. 10,00,000/- & in multiples of Re 1/ thereafter
Minimum Additional Application Amount	Rs. 1,000/- & in multiples of Re. 1/- thereafter	

#### Load Structure

Load	Existing Load Structure	Revised Load Structure
Entry	Nil	Nil
Exit* (across Plans)	If redeemed before Maturity/during Interval Period-1.00%	If redeemed during Interval Period -5.00%

(If redeemed during the "Specified Transaction Period" - Nil)

### B. NOTICE CUM ADDENDUM TO ALL THE INVESTORS / UNIT HOLDERS OF EDELWEISS MUTUAL FUND UNDER ALL ITS SCHEME.

Following Change has been made to the list of Official Points of Acceptance of Edelweiss Mutual Fund w.e.f. close of business hours of December 30, 2008:

#### Shifting of Official Point of Acceptance:

State/ Location	Old	Address New Address
Rajasthan/Jaipur	Office Number 404, 4th floor, DBC Towers, M. I. Road, Flat no. 602, Green House Building, Ashok Marg,	Jaipur – 302001. Tel - 0141-4421880 C Scheme. Jaipur 302001. Tel - 0141-4421880

**This Addendum is dated December 16, 2008**

## 4. A. NOTICE CUM ADDENDUM TO ALL THE INVESTORS / UNIT HOLDERS OF EDELWEISS MONTHLY INTERVAL FUND SERIES-1

### Change in Load Structure of Monthly Interval Fund:

Edelweiss Mutual Fund has revised the Load Structure for this Scheme. Accordingly, the table under Section VI on Load Structure get revised as under:

Type of Load	Existing Load Structure (as % NAV)	Revised Load Structure (as % NAV)
Entry	Nil	Nil
Exit* (across all Plans)	If redeemed during Interval Period- 2%	If redeemed during Interval Period- 5%

(\*If redeemed during the "Specified Transaction Period" - Nil)

**B. NOTICE CUM ADDENDUM TO ALL THE INVESTORS / UNIT HOLDERS OF EDELWEISS MUTUAL FUND UNDER ALL ITS SCHEME.**

Following changes has been made to the list of Official Points of Acceptance of Edelweiss Mutual Fund w.e.f close of business hours of December 24, 2008.

State/ Location	Old Address	New Address
Andhra Pradesh/ Hyderabad	Office No 303, 3rd floor Mayak Plaza, Opp Green Park, Ameerpet, Hyderabad-500 016	MB Tower, 2nd Floor, Plot No. 5, MCH No. 8.2.120/86/7, Near L.V. Prasad Eye Hospital, Road No. 2, Banjara Hills, Hyderabad - 500 034 Ph.: 040 4031 6900 Fax: 040 4031 6905.

**This Addendum is dated December 23, 2008.**

**5. NOTICE CUM ADDENDUM TO ALL THE INVESTORS / UNIT HOLDERS OF EDELWEISS MUTUAL FUND UNDER ALL ITS SCHEME.**

Following changes has been made to the list of Official Points of Acceptance of Edelweiss Mutual Fund w.e.f close of business hours of February 5, 2009.

State/ Location	Old Address	New Address
Karnataka	Pan Asia Business Services, Executive Centre, 4/1, Millers Road, High Grounds, Bangalore- 560 052	No. 4009, 1st Floor, 100 Feet Road, HAL 2nd Stage, Indiranagar, Bangalore- 560 008.

**This Addendum is dated January 22, 2009.**

**6. I] Notice Cum Addendum to the Scheme Information Document (SID)/Key Information Memorandum of Edelweiss Liquid Fund due to change in characteristics of the Portfolio**

Notice is hereby given that pursuant to Circular SEBI/IMD/CIR No. 13/150975/09 dated January 19, 2009 issued by SEBI on Portfolio of Liquid Schemes, the characteristics of portfolio of Edelweiss Liquid Fund, An Open Ended Liquid Scheme, have been revised. Consequently, the SID of Edelweiss Liquid Fund stands modified as mentioned below:

1. The following paragraphs shall be inserted below the Asset Allocation Table in Section I (C) on Asset Allocation and Investment Pattern:

**(A) Effective February 1, 2009 till April 30, 2009:**

- (i) The Liquid Schemes shall make investment in/purchase debt and money market securities with maturity of upto 182 days only.
- (ii) In case of securities with put and call options (daily or otherwise) the residual maturity shall not be greater than 182 days.

**(B) Effective May 1, 2009:**

- (i) The Liquid Scheme shall make investment in/purchase debt and money market securities with maturity of upto 91 days only.
- (ii) In case of securities with put and call options (daily or otherwise) the residual maturity shall not be greater than 91 days.

**Explanatory notes to (A) and (B) above are as follows:**

- (a) In case of securities where the principal is to be repaid in a single payout, the maturity of the securities shall mean residual maturity. In case the principal is to be repaid in more than one payout then the maturity of the securities shall be calculated on the basis of weighted average maturity of security.
  - (b) In case the maturity of the security falls on a non-business day then settlement of securities will take place on the next business day.
  - (c) Further, inter-scheme transfers of securities having maturity of upto 365 days and held in other schemes as on February 1, 2009 shall be permitted in the Liquid Scheme till October 31, 2009. With effect from November 1, 2009 such inter-scheme transfers of securities held in other schemes having maturity of upto 91 days only shall be permitted in the Liquid Scheme.
2. The following line under Section 1 (B) on Investment Objective will stand deleted:  
The Scheme intends to invest primarily in CPs, commercial bills, Corporate Debt, T-Bills, and Government securities having an unexpired maturity upto one year, CDs, usance bills, CBLs, Repo/ Reverse Repo and any other like instruments having a maturity of 1 year or less, as specified by the RBI from time to time, details of which are mentioned underneath. The Scheme can also invest in Securitised Debts & Derivatives.
3. The paragraphs on Mark - To- Market Component and other Liquid Fund Investment Restrictions under Section I (J) on Investment Restrictions stand deleted.

All other terms and conditions of the Scheme shall remain unchanged.

This addendum forms an integral part of the Scheme Information Document/Key Information Memorandum of Edelweiss Liquid Fund, as amended from time to time.

**II] NOTICE CUM ADDENDUM TO ALL THE INVESTORS / UNIT HOLDERS OF EDELWEISS MUTUAL FUND UNDER ALL ITS SCHEME.**

Investors / Unitholders of all Schemes of Edelweiss Mutual Fund are informed that with effect from the closing hours of 28th February, 2009, the following locations of Edelweiss Asset Management Limited (EAML) will no longer be designated as Official Points of Acceptance of Transactions (OPAs) and will not accept any transactions/applications.

Location	Address
Indore	Unit No.212-A City Centre, 570 M G Road, Indore - 452003
Jaipur	Office Number 404, 4th floor, DBC Towers, M. I. Road, Jaipur - 302001
Vadodara	Office No. 108, Avanti Chambers, 1st Floor, Behind Express Hotel, R.C.Dutt Road, Vadodara.

Investors are requested to submit their transactions/applications in the aforesaid locations at the following addresses of our Registrar and Transfer Agent, Karvy Computershare Pvt. Ltd.

Location	Address
Indore	Lg - 3, Bombay Trade Centre, Lower Ground Floor, Grand Hotel, Opp Bombay Hospital, Scheme No 54, Indore - 452010. Ph No.- 0731 - 2553615
Jaipur	S-16 A, 3rd Floor, Land Mark, Opposite Jaipur Club, Mahavir Marg, C- Scheme, Jaipur - 302 001. Ph No.- 0141-2375039
Vadodara	Piccadilly, Office # 5, First Floor, Opp. Adani Super Market, Jetalpur Road, Vadodara - 390007. Ph No.- 0265-6640873

This addendum forms an integral part of the Statement of Additional Information /Scheme Information Document and Key Information Memorandum of all the Schemes of Edelweiss Mutual Fund.

**This Addendum is dated January 30, 2009.**

**7. I] Notice Cum Addendum to the Scheme Information Document (SID)/Key Information Memorandum of Edelweiss Liquid Plus Fund.**

Pursuant to SEBI Circular No SEBI / IMD / Cir No 13 / 150975 / 09 dated January 19, 2009 on nomenclature of "Liquid Plus" schemes, Edelweiss Liquid Plus Fund is being renamed as Edelweiss Short Term Bond Fund w.e.f 7th February, 2009.

All other terms and conditions of the Scheme shall remain unchanged.

This addendum forms an integral part of the Scheme Information Document/Key Information Memorandum of Edelweiss Liquid Plus Fund.

**II] NOTICE CUM ADDENDUM TO ALL THE INVESTORS/UNIT HOLDERS OF EDELWEISS MUTUAL FUND UNDER ALL ITS SCHEME.**

Investors / Unitholders of all Schemes of Edelweiss Mutual Fund are informed that with effect from the closing hours of 28th February, 2009, the following locations of Edelweiss Asset Management Limited (EAML) will no longer be designated as Official Points of Acceptance of Transactions (OPAs) and will not accept any transactions/applications.

Location	Address
Chandigarh	M/s. Seiz Communications, Unit No. 1, Cabin No. 202, SCO 333-334, Sector 35-B, Chandigarh- 160022
Pune	Unit No. 28, "C" Wing, First Floor, Sreenath Plaza, F.C. Road, Pune- 411004.
Bangalore	No. 4009, 1st Floor, 100 Feet Road, HAL 2nd Stage, Indiranagar, Bangalore - 560008.

Investors are requested to submit their transactions/applications in the aforesaid locations at the following addresses of our Registrar and Transfer Agent, Karvy Computershare Pvt. Ltd.

Location	Address
Chandigarh	Sco-371-372, First Floor, Above Hdfc Bank, Sector 35B, Chandigarh - 160 022. Ph No.-0172-5071725.
Pune	Srinath Plaza, C Wing, Office No. 58 And 59, 3 <sup>rd</sup> Floor, Dyaneshwar Paduka Chowk, Survy No. 184/4, F C Road, Pune - 411004. Ph No.-020-25533795.
Bangalore	No : 51/25, 1 <sup>st</sup> Floor, Surya Building, Ratna Avenue, Richmond Road, Bangalore - 560 025. Ph No.- 080 - 32008452.

This addendum forms an integral part of the Statement of Additional Information /Scheme Information Document and Key Information Memorandum of all the Schemes of Edelweiss Mutual Fund.

**This Addendum is dated February 6, 2009.**

**8. I] Notice Cum Addendum to the Scheme Information Document (SID)/Key Information Memorandum of Edelweiss ELSS Fund.**
**Systematic Investment Plan (SIP):**

In Section 'III- Units & Offer, Sub-section B - Ongoing Offer Details, in the first Para on Systematic Investment Plan(SIP) under 'Special Products available' the following line will be inserted.

In the case of Corporate SIPs, if the Corporate would provide direct credit for the cumulative SIP investments of their employees/officers, the requirement for submitting cheque/cancelled cheque during first time investment shall be waived off.

Further, the table on Systematic Investment Plan (SIP) under 'Special Products available' will be revised as under:

Frequency	Minimum Investment Amount	Minimum number of installments	Investment Dates
Weekly	Rs. 500/- & in multiples of Rs. 500/- thereafter	Min. Installments should be 12	7th & 14th & 21st & 28th of every month
Fortnightly	Rs. 500/- & in multiples of Rs. 500/- thereafter	Min. Installments should be 6	7th or/ & 14th or/ & 21st or/ & 28th of every month
Monthly	Rs. 500/- & in multiples of Rs. 500/- thereafter	Min. Installments should be 6	7th or 14th or 21st or 28th of every month
Quarterly	Rs. 500/- & in multiples of Rs. 500/- thereafter	Min. Installments should be 4	7th or 14th or 21st or 28th of every quarterly
Half Yearly	Rs. 500/- & in multiples of Rs. 500/- thereafter	Min. Installments should be 4	7th or 14th or 21st or 28th of every half yearly

The above mentioned changes will be effective from 21st February, 2009.

All other terms and conditions of the Scheme shall remain unchanged.

This addendum forms an integral part of the Scheme Information Document/Key Information Memorandum of Edelweiss ELSS Fund.

**II] NOTICE CUM ADDENDUM TO ALL THE INVESTORS/UNIT HOLDERS OF EDELWEISS MUTUAL FUND UNDER ALL ITS SCHEME.**

Investors / Unitholders of all Schemes of Edelweiss Mutual Fund are informed that with effect from the closing hours of 28th February, 2009, the following locations of Edelweiss Asset Management Limited (EAML) will no longer be designated as Official Points of Acceptance of Transactions (OPAs) and will not accept any transactions/applications.

Location	Address
Hyderabad	MB Tower, 2nd Floor, Plot No.5, MCH No. 8.2.120/86/7, Near L.V.Prasad Eye Hospital, Road No. 2 Banjara Hills, Hyderabad - 500 034
Ahmedabad	402, Third Eye 1, Near Panchvati Circle, C.G.Road, Ahmedabad - 380006
Kanpur	Cabin No. 711, Kan Chember, 14/113 Civil Lines, Kanpur - 208001

Investors are requested to submit their transactions/applications in the aforesaid locations at the following addresses of our Registrar and Transfer Agent, Karvy Computershare Pvt. Ltd.

Location	Address
Hyderabad	8-2-596 Karvy Plaza, Avenue 4, Street No.1, Banjara Hills, Hyderabad - 500 034. Ph No.-040-23312454
Ahmedabad	201, Shail Building, Opp: Madhusudhan House, Nr. Navrangpura Telephone Exchange, Navrangpura, Ahmedabad - 380 006 Ph No.- 079-26402967.
Kanpur	15/46, Opp: Muir Mills, Civil Lines, Kanpur - 208001. Ph No.- 0512-3209782.

This addendum forms an integral part of the Statement of Additional Information /Scheme Information Document and Key Information Memorandum of all the Schemes of Edelweiss Mutual Fund.

**This Addendum is dated February 20, 2009.**

**9. NOTICE CUM ADDENDUM TO DESIGNATED SCHEMES OF EDELWEISS MUTUAL FUND**

**1. Edelweiss Liquid Fund and Edelweiss Short Term Bond Fund**

**Clarification on the date of declaring dividend in the Monthly Dividend Frequency Option:**

It is, hereby, clarified that in the case of Monthly Dividend frequency option, the scheme will declare dividend, on a monthly basis, on the last business day of every month.

Accordingly, the Monthly frequency option will be excluded from the last paragraph under Units & Offer - Section II (D) (a) on Dividend Reinvestment Frequency. The aforesaid paragraph will now stand revised as under:

"In case of Weekly and Fortnightly Reinvestment option, if the selected date for dividend declaration falls on a holiday/non-Business Day then the next Business Day will be considered."

Further, the paragraph under Units & Offer - Section II (D) (b) on Dividend Payout Frequency, will be replaced as under:

"Monthly Payout Facility: In the Monthly Dividend Payout Option, the Fund will endeavor to declare dividends on a monthly basis. Dividend will be declared on the last Business Day of every month. The Dividend declared will be paid to the Unit holders within 30 days from the declaration of the dividend though the Fund endeavors to pay the dividend proceeds within five Business Days"

**2. Edelweiss Monthly Interval Fund - Series 1 & Edelweiss Quarterly Interval Fund - Series 1**

\* Change in the name of the Dividend Option of Edelweiss Monthly Interval Fund - Series 1

Since the Scheme intends to endeavor to declare dividend on a monthly basis under the dividend option, the option would be renamed as Monthly Dividend Option.

Investors are requested to note that the requirement of giving notice to the public communicating the decision about dividend including the record date, within one calendar day of the decision made by the Board of Trustees in their meeting, shall no longer be applicable to this option.

\* Clarification on the Specified Transaction Period (STP) for Edelweiss Monthly Interval Fund - Series 1 and Edelweiss Quarterly Interval Fund - Series 1:

The Specified Transaction Period under the Schemes would be such last business day of the Interval period, which is preceded and followed by a business day.

To include clarity on the above aspect, the paragraph on Specified Transaction Period under Section I on Highlights would stand revised as under:

The Specified Transaction Period would be different for Monthly/Quarterly Interval Fund.

<b>Name of the Fund</b>	<b>Specified Transaction Period</b>
Monthly Interval Fund (30 days)	Shall be generally open for one or such Business Day(s) for subscription/Redemption/ Switch-out/Switch-in without any Load, on the last Business Day of the Interval Period (i.e. 30 days), which is preceded and followed by a business day. Example: If the date of th allotment is 1st March 2008 then the first Specified Transaction Period will fall on 30th March 2008, provided 29th and 31st March 2008 are business days & the Subsequent Transaction Period will fall due after the expiry of the interval period i.e. on 29th April th 2008 provided 28th & 30th April 2008 are business days & so on.
Quarterly Interval Fund (90 days)	Shall be generally open for one or such Business Day(s) for subscription/Redemption/ Switch-out/Switch-in without any Load, on the last Business Day of the Interval Period, (i.e. 90 days) which is preceded and followed by a business day. Example: If the date of allotment is 1st March 2008 then the first Specified Transaction Period will fall on 29th May 2008, provided 28th and 30th May 2008 are business days & the Subsequent Specified th Transaction Period will fall due after the expiry of the interval period i.e. on 27th August 2008 provided 26th & 28th August 2008 are business days & so on.

**3. Edelweiss Liquid Fund, Edelweiss Short Term Bond Fund and Edelweiss ELSS Fund**

\* Provision of additional facility under Systematic Investment Plan

The following paragraph would be inserted under the sub heading "Systematic Investment Plan" in Section III (B) on Special Products:

\* **Corporate SIP Facility:**

In case of Corporate SIPs, if the Corporate would provide direct credit for the cumulative SIP investments of their employees/officers, the requirement for submitting cheque/cancelled cheque during first time investment shall be waived off.

Further, the frequency of such SIPs may be customised by the AMC, at its discretion. In case of receipt of transfer of Funds by way of direct credit instructions / any other electronic mode of transfer of Funds for such SIPs, the date of allotting units under the Corporate SIP facility would be the date of receipt of a valid direct credit / transfer of Funds instruction by the AMC.

**This Addendum is dated March 6, 2009.**

## RISK FACTORS

**Edelweiss Liquid Fund** is An Open Ended Liquid Scheme. **Investment Objective:** The objective of the Scheme is to provide optimal returns, commensurate with low risk and high degree of liquidity, through a portfolio constituted of money market & short term debt instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns. **Load Structure:** Entry Load: Nil; Exit Load: Nil. **General Services Offered:** The Scheme will offer subscription and redemption facility at the Applicable NAV on every Business Day. **Edelweiss Short Term Bond Fund** is An Open Ended Debt Scheme. **Investment Objective:** The objective of the Scheme is to provide reasonable returns, commensurate with moderate level of risk and high degree of liquidity, through a portfolio constituted of money market and debt instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns. **Load Structure:** Entry Load: Nil; Exit Load: 0.10% if redeemed before 8th day of the allotment. **General Services Offered:** The Scheme will offer subscription and redemption facility at the Applicable NAV on every Business Day. **Edelweiss Quarterly Interval Fund - Series 1** is An Interval Income Scheme **Investment Objective:** The objective of the scheme is to generate regular income through investments in Debt & Money Market Instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns. **Load Structure:** Entry Load: Nil; Exit Load\*\*: If redeemed during Interval Period- 5.00% of the applicable NAV. (\*\*Nil- If redeemed during the "Specified Transaction Period"). **General Services Offered:** The Scheme will offer subscription facility during Specified Transaction Period & redemption facility at the Applicable NAV on every Business Day. **Edelweiss Monthly Interval Fund - Series 1** is An Interval Income Scheme **Investment Objective:** The objective of the scheme is to generate regular income through investments in Debt & Money Market Instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns. **Load Structure:** Entry Load: Nil; Exit Load\*\*: If redeemed during Interval Period- 5.00% of the applicable NAV. (\*\*Nil- If redeemed during the "Specified Transaction Period"). **General Services Offered:** The Scheme will offer subscription facility during Specified Transaction Period & redemption facility at the Applicable NAV on every Business Day. **Edelweiss ELSS Fund** is An Open Ended Equity Linked Saving Scheme: **Investment Objective:** The primary objective of the fund is to generate long-term capital appreciation with an option of periodic payouts at the end of lock in periods from a portfolio that invests predominantly in equity and equity related instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns. **Load Structure:** Entry Load: 2.25% of the Applicable NAV Exit Load: Nil. **General Services Offered:** The Scheme will offer subscription and redemption facility at the Applicable NAV on every Business Day. This Scheme is subject to 3 years lock-in period. Edelweiss Liquid Fund, Edelweiss Short Term Bond Fund, Edelweiss Quarterly Interval Fund - Series 1, Edelweiss Monthly Interval Fund - Series 1 and Edelweiss ELSS Fund are only the names of the schemes and does not in any manner indicate either the quality of the schemes, their future prospects and returns.

**Risk Factors:** All Mutual Fund and securities investments are subject to market risk and there can be no assurance that the scheme's objectives will be achieved. As with any investment in securities, the NAV of the Units issued under the Scheme can go up or down depending on the factors and forces affecting the capital markets. Past performance of the Sponsor and their Affiliates/AMC/Mutual Fund & its Scheme(s) does not indicate the future performance of the Scheme and may not necessarily provide a basis of comparison with other investments. Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal. As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down. The sponsor is not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of Rs. 1,00,000/- made by it towards setting up Edelweiss Mutual Fund. Investors are not being offered any guaranteed / assured returns under any scheme of Edelweiss Mutual Fund.

**Statutory Details:** Edelweiss Mutual Fund is set up as a Trust under the Indian Trust Act, 1882 by Edelweiss Capital Limited. **Sponsor:** Edelweiss Capital Limited (ECL) [liability restricted to initial contribution of Rs. 1 Lac]. **Trustee:** Edelweiss Trusteeship Company Limited (ETCL), a Company registered under the Companies Act, 1956. **Investment Manager:** Edelweiss Asset Management Limited (EAML), a Company registered under the Companies Act, 1956. A copy of the Statement of Additional Information (SAI) / Scheme Information Document (SID) and the Key Information Memorandum (KIM) can be obtained from any of our Investor Services Centers as well as from our website [www.edelweissmf.com](http://www.edelweissmf.com). On written request, present and prospective Unitholders/ investors can obtain a copy of the Trust Deed, the Annual Report at a price and the text of the relevant Scheme. Unit holders may obtain, on request, a copy of the Annual Report of the scheme in which he or she has invested, from Edelweiss Mutual Fund at its office at 10th Floor, Chandermukhi, Nariman Point, Mumbai – 400 021.

**Mutual Fund Investments are subject to market risks. Please read SAI & respective SID carefully before investing.**

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