

**Edelweiss Asset Management Limited - Investment Manager: Edelweiss Mutual Fund**
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**NOTICE CUM ADDENDUM TO THE STATEMENT OF ADDITIONAL INFORMATION (SAI), SCHEME INFORMATION DOCUMENT (SID) AND KEY INFORMATION MEMORANDUM (KIM), OF THE DESIGNATED SCHEMES OF EDELWEISS MUTUAL FUND**
**I. Applicable to the Unit holders/investors of the designated Schemes of Edelweiss Mutual Fund viz. Edelweiss Liquid Fund, Edelweiss Short Term Bond Fund, Edelweiss Gilt Fund, Edelweiss Income Advantage Fund and Edelweiss Interval Fund:**

Pursuant to SEBI circular Cir / IMD / DF / 19 / 2010 dated November 26, 2010, following changes are being carried out in the cut-off timings for applicability of NAV for subscription and switches under the designated Schemes of Edelweiss Mutual Fund ("the Fund") with effect from December 1, 2010:

1. **Cut-off timing for determining the Applicable NAV under Edelweiss Liquid Fund, an open ended liquid scheme ("the Scheme"):**
  - i. where the application is received upto 2.00 p.m. on a day and funds are available for utilization before the cut-off time, the applicable NAV shall be the closing NAV of the day immediately preceding the day of receipt of application;
  - ii. where the application is received after 2.00 p.m. on a day and funds are available for utilization on the same day, the applicable NAV shall be the closing NAV of the day immediately preceding the next business day; and
  - iii. irrespective of the time of receipt of application, where the funds are not available for utilization before the cut-off time, the applicable NAV shall be the closing NAV of the day immediately preceding the day on which the funds are available for utilization.

**For allotment of units in respect of purchase in the Scheme, it shall be necessary that:**

- i. Application is received before the applicable cut-off time.
- ii. Funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the Scheme before the cut-off time.
- iii. The funds are available for utilization before the cut-off time.

**For allotment of units in respect of switch-in to the Scheme, it shall be necessary that:**

- i. Application for switch-in is received before the applicable cut-off time.
- ii. Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the Scheme before the cut-off time.
- iii. The funds are available for utilization before the cut-off time.

2. **Determining the Applicable NAV for income/debt oriented schemes/plans (in respect of purchase of units for ₹ 1 crore or more) other than Edelweiss Liquid Fund of Edelweiss Mutual Fund viz. Edelweiss Short Term Bond Fund, Edelweiss Gilt Fund, Edelweiss Income Advantage Fund and Edelweiss Interval Fund, in terms of clause 6 (2A) of SEBI circular no. SEBI/IMD/CIRNO. 11/142521/08 dated October 24, 2008 :**

- a. **For allotment of units in respect of purchase in the aforementioned schemes/plans, it shall be necessary that:**
  - i. Application is received before the applicable cut-off time.
  - ii. Funds for the entire amount of subscription/purchase as per the application are credited to the bank account of the respective scheme before the cut-off time.
  - iii. The funds are available for utilization before the cut-off time.
- b. **For allotment of units in respect of switch-in to any aforementioned schemes/plans from any other schemes/plans of the Fund, it shall be necessary that:**
  - i. Application for switch-in is received before the applicable cut-off time.
  - ii. Funds for the entire amount of subscription/purchase as per the switch-in request are credited to the bank account of the respective switch-in scheme before the cut-off time.
  - iii. The funds are available for utilization before the cut-off.

This is applicable to prospective investors only. All other features and terms and conditions as stated in the SID and KIM of the respective Scheme shall remain unchanged.

**II. Applicable to the Unit holders/investors of Edelweiss Short Term Bond Fund, an Open Ended Debt Scheme of Edelweiss Mutual Fund - Change in Name:**

Notice is hereby given that the Trustee of Edelweiss Mutual Fund has approved changing the name of Edelweiss Short Term Bond Fund to "Edelweiss Ultra Short Term Bond Fund". The proposed change will be with effect from November 30, 2010.

All other features and terms and conditions as stated in the SID and KIM of the Scheme shall remain unchanged.

**III. Applicable to the Unit holders/investors of Edelweiss ELSS Fund, an Open Ended Equity Linked Savings Scheme of Edelweiss Mutual Fund:**

Notice is hereby given that the Trustee of Edelweiss Mutual Fund has approved the following changes in the Scheme Information Document (SID) and Key Information Memorandum (KIM) of Edelweiss ELSS Fund with effect from November 30, 2010:

- i. In the SID under section - "Highlight - Summary of the Scheme", "Default plan/Option/facility", the sentence "Investors should note that till the units in the Plan are locked-in, only dividend reinvestment option will be available to the investors opting for Dividend Plan." shall stand deleted;
- ii. In the SID under section - "III. Units & Offer", "B. Ongoing Offer Details", "Plans/Options Offered", the note "Investors should note that till the units in the Plan are locked in, only dividend reinvestment option will be available to the investors opting for Dividend Plan i.e. Dividend Payout & Sweep facility will be available only after the completion of the lock in period." shall stand deleted.
- iii. In the KIM, under the product information for "Edelweiss ELSS Fund" under the section "Plans and Options", the note "1. Investors should note that till the units in the Plan are locked-in, only dividend reinvestment option will be available to the investors opting for Dividend Plan." shall stand deleted.

All other features and terms and conditions as stated in the SID and KIM of Edelweiss ELSS Fund shall remain unchanged.

**IV. Applicable to the Unit holders/investors of Edelweiss Diversified Growth Equity Top 100 Fund, Edelweiss Nifty Enhancer Fund, Edelweiss Absolute Return Equity Fund and Edelweiss ELSS Fund\*, Open-ended Equity Schemes of Edelweiss Mutual Fund (collectively termed as "the Schemes") - Change in the Minimum Redemption Amount:**

Notice is hereby given that, the minimum redemption amount for the Schemes shall stand revised as under:

Existing Minimum Redemption Amount criteria	Revised Minimum Redemption Amount criteria
Minimum of 50 units and in multiples of 1 unit thereafter or ₹ 500/- and in multiples of ₹ 1/- thereafter. For demat transactions, minimum redemption would be mandatorily 50 units. In case of the investors / unit holders having available balance less than ₹ 500/- or less than 50 units in their respective folio on the day of submission of valid redemption request, for the respective Plan, the minimum redemption limit would be the available balance.	Minimum Redemption Amount can be ₹ 1/- or any number of units. For demat transactions, minimum redemption would be mandatorily 50 units.

\*Redemption of Units can be made only after a period of 3 years of lock-in period from the date of allotment of the Units proposed to be redeemed.

This change will be applicable to all redemptions made under the aforementioned Schemes with effect from November 30, 2010. All other features and terms and conditions as stated in the SID and KIM of the Schemes shall remain unchanged.

**V. Applicable to the Unit holders/investors of Edelweiss Diversified Growth Equity Top 100 Fund, Edelweiss Nifty Enhancer Fund and Edelweiss Absolute Return Equity Fund, Open-ended Equity Schemes of Edelweiss Mutual Fund (collective termed as "the Schemes") - Change in Dividend Payout facility under the Dividend Option:**

Notice is hereby given that the sentence - "If Dividend under the Dividend Payout Option is less than or equal to ₹ 100 then it will be by default reinvested under the Dividend Reinvestment Option." - wherever it appears, in the SID and KIM of the aforementioned Schemes shall be substituted by the following sentence:

"Dividend for an amount of less than or equal to ₹ 100 under the Dividend Payout Option of the Scheme shall be paid out wherever possible through Electronic Fund Transfer system like RTGS, NEFT, Direct Credit etc. In other cases, such an amount will be by default reinvested under the Dividend Reinvestment Option"

All other features and terms and conditions as stated in the SID and KIM of the Schemes shall remain unchanged.

**VI. Applicable to the Unit holders/investors of Edelweiss Liquid Fund, Edelweiss Short Term Bond Fund, Edelweiss Gilt Fund, Edelweiss Income Advantage Fund, Edelweiss Diversified Growth Equity Top 100 Fund, Edelweiss Nifty Enhancer Fund, Edelweiss Absolute Return Equity Fund and Edelweiss ELSS Fund, Open-ended Schemes of Edelweiss Mutual Fund (collectively termed as "the Schemes"):**
**a. Change in frequency and minimum investment amount for investments through Systematic Investment Plan (SIP) and Systematic Transfer Plan (STP) under the Schemes:**

Notice is hereby given that the following revision in the frequency and minimum investment amount for investments through SIP and STP facility, available under the aforementioned Schemes, is being carried out with immediate effect:

Existing		Revised	
Frequency	Minimum Investment Amount	Frequency	Minimum Investment Amount
1. Daily	₹ 100/- & in multiples of ₹ 1/- thereafter	1. Daily	₹ 300/- & in multiples of ₹ 1/- thereafter
2. Weekly	₹ 500/- & in multiples of ₹ 1/- thereafter	2. Weekly	₹ 500/- & in multiples of ₹ 1/- thereafter
3. Fortnightly			
4. Monthly			
5. Quarterly			
6. Half-yearly		3. Monthly	

**b. Change in frequency of Systematic Withdrawal Plan (SWP), the facility available under the Schemes:**

Notice is hereby given that the following revision in the frequency of SWP facility, available under the aforementioned Schemes, is being carried out with immediate effect:

Existing Frequency	Revised Frequency
1. Daily	1. Monthly 2. Quarterly
2. Weekly	
3. Fortnightly	
4. Monthly	
5. Quarterly	
6. Half-yearly	

This is applicable to prospective investors only. All other features and terms and conditions as stated in the SID and KIM of the respective Schemes shall remain unchanged.

This addendum shall form an integral part of the SID/Common KIM of all the designated Schemes of Edelweiss Mutual Fund. All other features, terms and conditions of the Schemes remain unchanged.

For Edelweiss Asset Management Limited  
(Investment Manager to Edelweiss Mutual Fund)

Sd/-  
**Vikaas M. Sachdeva**  
Chief Executive Officer

Place: Mumbai

Date: November 29, 2010

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**Scheme classification and investment objective: Edelweiss Liquid Fund (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.

**Edelweiss Short Term Bond Fund (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.

**Edelweiss Gilt Fund (An Open Ended Gilt Scheme):** Investment Objective: The investment objective of the scheme is to generate income and capital appreciation by investing predominantly in securities issued by the Government of India or State Governments. 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 Income Advantage Fund (An Open Ended Debt Scheme):** Investment Objective: The investment objective of the scheme is to generate returns that are consistent with the moderate levels of risk and liquidity through active management of a diversified portfolio constituted of debt and money market instruments, securitized debt, Government securities, and equity & 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 Interval Fund (An Interval Income Scheme)** Investment Objective: The investment 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.

**Edelweiss ELSS Fund (An Open Ended Equity Linked Savings Scheme)** Investment Objective: The primary objective of the scheme 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.

**Edelweiss Diversified Growth Equity Top 100 (E.D.G.E. Top 100) Fund (An Open Ended Equity Scheme):** Investment Objective: The primary objective of the scheme is to generate capital appreciation, from a portfolio that is substantially constituted of equity securities and equity related securities of the 100 largest corporate by market capitalization, listed in India. 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 Nifty Enhancer Fund (An Open Ended Equity Scheme)** Investment Objective: The primary objective of the Fund is to generate capital appreciation and income distribution by investing in a portfolio that endeavours to outperform the S & P CNX Nifty index. 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 Absolute Return Equity Fund (An Open Ended Equity Scheme)** Investment Objective: The primary objective of the Scheme will be to generate absolute returns with low volatility over a longer tenure of time. The Scheme will accordingly invest in arbitrage opportunities and debt and money market instruments on the one hand and in pure equity investments and equity derivative strategies on the other. However there is no assurance that the investment objective of the scheme will be realized.

**Risk Factors: All Mutual Fund and securities investments are subject to market risk and there can be no assurance that the schemes' objectives will be achieved. As with any investment in securities, the NAV of the units issued under the schemes 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) do not indicate the future performance of the schemes 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 and uncertainty of dividend distribution. As the price / value / interest rates of the securities in which the schemes invest fluctuate, the value of your investment in the schemes may go up or down.

**The names of the schemes do not in any manner indicate either the quality of the schemes, their future prospects or returns.** The sponsor is not responsible or liable for any loss resulting from the operation of the schemes beyond the initial contribution of ₹ 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 Trusts Act, 1882 by Edelweiss Capital Limited. Sponsor: Edelweiss Capital Limited (liability restricted to initial contribution of ₹ 1 Lac). Trustee: Edelweiss Trusteeship Company Limited, a Company incorporated under the Companies Act, 1956. Investment Manager: Edelweiss Asset Management Limited, a Company incorporated under the Companies Act, 1956. Copy of Statement of Additional Information (SAI) / Scheme Information Document (SID) and Key Information Memorandum (KIM) can be obtained from any of our Investor Services Centers as well as from our website www.edelweissmf.com.

**Mutual Fund investments are subject to market risks. Please read the Statement of Additional Information (SAI) & Scheme Information Document (SID) of the respective schemes carefully before investing.**