

6. BANK ACCOUNT DETAILS (MANDATORY FOR REDEMPTION / DIVIDEND AND REFUND PAYOUT) (REFER INSTRUCTION NO. III)

A/c. type SB Current NRO NRE FCNR Account No. M I a i n d i a I t o r y | | | | |
 Bank M I a n d i a I t o r y | | | | | Branch M I a n d i a I t o r y | | | | |
 Branch City M I a n d i a I t o r y | | | | | Payable Location M I a n d i a I t o r y | | | | |
 PIN | | | | | 9 Digit MICR Code M I a n d i a I t o r y | | | | | IFSC Code F o r C r e d i t v i a N E F T | | | | |

7. INVESTMENT & PAYMENT DETAILS (Separate Application Form is required for investment in each plan/Option (Refer instruction no. IV) PAYMENT BY CASH IS NOT PERMITTED.

Plan	Option	Gross Amount	DD Charges	Net Cheque / DD Amount Rs.	Cheque / DD No. & Date	Bank / Branch
<input type="checkbox"/> Growth Plan	<input type="checkbox"/> Growth <input type="checkbox"/> Bonus Option					
<input type="checkbox"/> Dividend Plan	<input type="checkbox"/> Reinvestment Option <input type="checkbox"/> Payout Option					

8. NOMINATION

I/ We do hereby nominate the person(s) more particularly described hereunder in respect of the Units

Name of Nominee(s)	Date of Birth	Name of Guardian (to be furnished in case the Nominee is a minor)	Proportion (%) by which the units will be shared by each Nominee (should aggregate to 100%)
1			
2			
3			

9. DECLARATION

I/We would like to invest in Reliance Small Cap Fund subject to terms of the Statement of Additional Information (SAI) and Scheme Information Document (SID) and subsequent amendments thereto. I/We have read, understood (before filling application form) and is/are bound to the details of the SAI and SID including details relating to various services including but not limited to ATM/ Debit Card. I/We have not received nor been induced by any rebate or gifts, directly or indirectly, in making this investment. I accept and agree to be bound by the said Terms and Conditions including those excluding/ limiting the Reliance Capital Asset Managements Limited (RCAM) liability. I understand that the RCAM may, at its absolute discretion, discontinue any of the services completely or partially without any prior notice to me. I agree RCAM can debit from my folio for the service charges as applicable from time to time. The ARN holder has disclosed to me/us all the commissions (in the form of trail commission or any other mode), payable to him for the different competing Schemes of various Mutual Funds from amongst which the Scheme is being recommended to me/us. I hereby declare that the above information is given by the undersigned and particulars given by me/us are correct and complete. Applicable for NRI Investors: I confirm that I am resident of India. I/We confirm that I am/We are Non-Resident of Indian Nationality/Origin and I/We hereby confirm that the funds for subscription have been remitted from abroad through normal banking channels or from funds in my/our Non-Resident External / Ordinary Account/FCNR Account. I/We undertake that all additional purchases made under this folio will also be from funds received from abroad through approved banking channels or from funds in my/ our NRE/FCNR Account.

Sole / 1st Applicant / Guardian /Authorised Signatory	➔	M a n d a t o r y
2nd Applicant / Authorised Signatory	➔	M a n d a t o r y
3rd Applicant / Authorised Signatory	➔	M a n d a t o r y

10. SIP AUTO DEBIT REGISTRATION MANDATE WITH HDFC/AXIS BANK ONLY (The 2nd SIP installment should not be before 10th october,2010) (Refer Instruction for SIP Auto Debit)

Name of the Scheme : Reliance Small Cap Fund SIP Date 2 10 18 28 (Select any one Date) (Default 10th)
 Enrolment Period (Regular) From: | | | | To: | | | | Monthly (Default)
 Enrolment Period (Perpetual) From: | | | | To: 1.2.9.9(Default) Quarterly
 I/We, Mr./Ms./M/s. _____ hereby authorise HDFC Bank / AXIS Bank to debit (as a Standing Instruction) from my/our Account No. _____ for Rs. | | | | | (In words) _____ and remit the same on account of Reliance Mutual Fund, as per declaration(s) mentioned overleaf.

SIGNATURE (As in Bank Record) if opting for SIP

Sole / 1st Applicant / Guardian /Authorised Signatory

2nd Applicant / Authorised Signatory

3rd Applicant / Authorised Signatory

DECLARATION

This is to inform you that I/We have registered with Reliance Mutual Fund through their respective banks for Auto Debit Facility and that my payment towards my investment in Reliance Mutual Fund shall be made from my/our below mentioned bank account with your bank. I/We authorise the representative carrying this Auto Debit mandate to get it verified & execute. I/We undertake to keep sufficient funds in the funding account on the date of execution of standing instruction. I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the Mutual Fund or the Bank responsible. If the SIP debit date to my/ our account happens to be a non business day as per the Mutual Fund or a Bank holiday, execution of the SIP will happen on the next working day and allotment of units will happen as per the Terms and Conditions listed in the Scheme Information Document/statement of additional information of the Mutual Fund. The above mentioned Bank shall not be liable for, nor be in default by reason of, any failure or delay in completion of this service, where such failure or delay is caused, in whole or in part, by any acts of God, civil war, civil commotion, riot, strike, mutiny, revolution, fire, flood, fog, war, lightning, earthquake, change of Government policies, Unavailability of Bank's computer system, force majeure events, or any other cause of peril which is beyond the above mentioned Banks reasonable control and which has the effect of preventing the performance this service by the above mentioned Bank. The ARN holder has disclosed to me/us all the commissions (in the form of trail commission or any other mode), payable to him for the different competing Schemes of various Mutual Funds from amongst which the Scheme is being recommended to me/us.

ACKNOWLEDGEMENT SLIP (To be filled in by the Applicant)

I. GENERAL INSTRUCTIONS FOR FILING UP THE APPLICATION FORMS

1. Please read the Key Information Memorandum and the Scheme Information Document /statement of additional information carefully before investing. All applicants are deemed to have read, understood and accepted the terms subject to which this offer is being made and bind themselves to the terms upon signing the Application Form and tendering payment.
2. The application form must be filled in English in BLOCK letters using Black or Dark Blue colored ink. Incomplete applications are liable to be rejected. Please ensure that the requisite details and documents have been provided. This will help in avoiding processing delays and / or rejection of your Application Form. All subscription application forms should be submitted only at designated branches of the collecting banks appointed by Reliance Mutual Fund.
3. The Applicant's name and address must be given in full (P.O. Box No. alone is not sufficient). In case of multiple applicants, all communication and payments towards redemption will be made in the name of / favoring first applicant only. If the first applicant is a minor, the name of the Guardian who will sign on behalf of the minor should be filled in the space provided. Please fill in your date of birth as this may be required for validating your identity for certain transactions/communication. Also, please provide Telephone No./E-mail Id. of the first applicant, so as to facilitate faster and efficient communication.
4. All applicants must sign the form, (quoting existing Folio no, if any). Thumb impressions must be attested by a Judicial Magistrate/Notary Public under his/her official seal. In case of HUF, the Karta should sign on behalf of the HUF. Authorised signatories, signing on behalf of a Co./Body Corp./Society/Trust etc should sign under their official seal, designation. A list of Authorised Signatories with their names & designations duly certified / attested by the bankers should be attached with the application form.
5. Please note that if no Plan is ticked / indicated in the Application form, the units will, by default, be allotted under the Growth Plan of the Scheme. Similarly, Growth Option of the Growth Plan and Dividend Re-investment Option of the Dividend Plan shall be the default sub-options.
6. In case of Mode of Holding is not mentioned for Joint Holder's the default mode of holding would be Joint.
7. Joint applicant with a Minor shall be permitted only where the Minor (represented by guardian) is the 1st named applicant / beneficiary and only natural parents shall be permitted as joint applicants with a minor and the Holding basis shall be 'Former or survivor' only. A Court-appointed Guardian shall not be permitted to apply as a joint applicant.
8. In case your PAN is KYC compliant. The address you have given in KYC will supersede the address provided in the form
9. If the SIP Application is rejected, your main application with initial investment is subject to rejection if the the minimum amount criteria is not satisfied
10. For Direct Investment Please Mention "Direct in the Column "Name & Broker Code/ARN"
11. NFO Application forms shall be accepted only at the Axis Bank designated 8 centres.

II. APPLICANT'S INFORMATION

1. In case the application is made under a Power of Attorney (PoA), a duly certified copy thereof, duly notarised should be submitted with the application. The POA document should contain the signatures of both the Applicant & the constituted Attorney.
2. Application made by a limited company or by a body corporate or a registered society or a trust, should be accompanied by a copy of the relevant resolution or authority to make the application, as the case may be, alongwith a certified copy of the Memorandum and Articles of Association or Trust Deed / Bye Laws / Partnership Deed, whichever is applicable.
3. In case of non-individual applicants, i.e. HUF / Companies / AOP / BOI / Trusts / Societies / FIIs etc. the name, email-ID and telephone number of the contact person to should be provided.
4. As per SEBI circular number MRD/DoP/Cir- 05/2007 dated April 27, 2007, PAN shall be the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction w.e.f. July 2, 2007.

Accordingly, it is mandatory for investor's to provide their PAN alongwith a self attested copy of PAN card.

If the investment is being made on behalf of a minor, the PAN of the minor or father or mother or the guardian, who represents the minor, should be provided.

Applications received without PAN/PAN card copy will be rejected. Refer SAI for more detail

5. Prevention of Money Laundering & Know Your Customer (KYC):

In terms of the Prevention of Money Laundering Act, 2002, the Rules issued there under and the guidelines issued by SEBI regarding the Anti Money Laundering (AML), all intermediaries, including Mutual Funds, have to formulate and implement a Client Identification Process, commonly referred to as Know Your Customer or KYC Process, verify and maintain the record of identity and address (es) of investors.

The investor's must ensure that the amount invested in the scheme is derived only through legitimate sources and does not involve and is not designed for the purpose of any contravention or evasion of the provisions of all the applicable laws, rules and regulations, directions issued by the appropriate authority (the applicable laws) in force from time to time including the Prevention of Money Laundering Act, the Income Tax Act, 1961, or the Prevention of Corruption Act, 1988, etc.

Pursuant to the above, the AMC may seek information or obtain and retain documentation used to establish Customers' identity. It may re-verify identity and obtain any missing or additional information for this purpose.

Reliance Mutual Fund / Reliance Capital Trustee Co. Limited / Reliance Capital Asset Management Limited reserve the right to take all steps and actions, including recording investor(s) / unitholder(s) telephonic calls, and / or obtain and retain documentation for establishing the identity of the investor, proof of residence, source of funds etc. in accordance with the applicable laws, from the investor(s) / unitholder(s), as may be required, to ensure the appropriate identification / verification / re-verification of the investor(s) / unitholder(s), the source of funds etc. under its KYC Policy.

The AMC, under powers delegated by the Trustee, shall have absolute discretion to reject any application, prevent further transactions by a Unit Holder, delay processing redemption as per applicable laws or regulations if

- (i) after due diligence, the investor / Unit Holder / a person making the payment on behalf of the investor does not fulfil the requirements of the "Know Your Customer" as determined by the AMC or the AMC believes that the transaction is suspicious in nature as regards money laundering.
- (ii) the AMC determines in its sole discretion that the application does not or will not comply with any applicable laws or regulations.

In this regard the AMC reserves the right to reject any application and effect a mandatory Redemption of Units. Refer SAI for more details.

If the payment for Purchase of Units are made by a third party (e.g. a power of attorney holder, a financing agency, a relative, etc.), the investor / applicant may be required to give such details of such transaction so as to satisfy the AMC of the source and / or consideration underlying the transaction.

6. In case of NRI/FII investors the Account Statements / Redemption Cheques / Other correspondence will be sent to the mailing address mentioned.
7. All applications are accepted subject to detailed scrutiny and verification. Applications which are not complete in all respects are liable for rejection, either at the collection point itself or subsequently after detail scrutiny/verification at the back office of the registrars.
8. If the details mentioned in the application are incomplete/incorrect, not matched with the depository data, the application shall be treated as invalid and shall be liable to be rejected. In case Unit holders do not provide their Demat Account details, an Account Statement shall be sent to them. Such investors will not be able to trade on the stock exchange till the holdings are converted in to demat form.
9. The Unit holders are given an Option to hold the units by way of an Account Statement or in Dematerialized ("Demat") form. Unit holders opting to hold the units in demat form must provide their Demat Account details in the specified section of the application form. The Unit holder intending to hold the units in Demat form are required to have a beneficiary account with the DP (registered with NSDL / CDSL as may be indicated by the Fund at the time of launch of the Plan) and will be required to indicate in the application the DP's name, DP ID Number and the beneficiary account number of the applicant with the DP. In case Unit holders do not provide their Demat Account details, an Account Statement shall be sent to them. The details available with the DP regarding demat account of the investor will be updated in the folio of the investor.

III. BANK DETAILS

1. As per the SEBI guidelines, it is mandatory for investors to mention their bank account details in the application form. In the absence of the bank details the application form will be rejected. Wherever possible / availability of electronic credit service, RMF will give instruction to the investor's bank for direct / electronic credit for dividend / redemption payments and such instructions will be adequate discharge of RMF towards the said payment. In case the credit is not affected by the unitholder's banker for any reason RMF reserves the right to make the payment by a cheque / DD, in case it is not possible to make the payment through electronic credit. If the electronic credit is delayed or not affected or credited to a wrong account, on account

of incomplete or incorrect information, RMF will not be held responsible.

Please provide the 9 digit MICR Code/IFSC code on the right bottom of your Cheque for us to help you in future for ECS/NEFT credit of dividend and redemption payout.

2. **DIRECT CREDIT OF REDEMPTION / DIVIDEND PROCEEDS / REFUND - IF ANY**

RMF will endeavour to provide payment of Dividend / Redemption / Refund (If any) through ECS, NEFT, Cheque, Demand Draft or Direct Credit into investors bank account wherever possible.

IV. INVESTMENT & PAYMENT DETAILS

1. Minimum Investment Amount – Resident investors & non Resident investor) – Rs 5,000/- per plan per option and in multiples of Re. 1 thereafter. For customers giving switch instructions. Please submit the switch/Auto switch instruction using the prescribed switch transaction slip to the nearest Investor Service Centre of RMF. Payment should be made by crossed cheques, / Demand Draft/payorder, favouring Reliance Small Cap Fund and marked "Account Payee" payable locally in the city where the application is submitted. Post dated or outstation cheques/draft are not permitted. Application received with outstation cheque/demand draft shall be rejected.

PAYMENT BY CASH IS NOT PERMITTED.

Investors from such centers, who do not have a facility to pay by local cheque, as there are no Collection Centres of RMF, will be permitted to deduct the actual DD commission's charges. Documentary proof, thereof is to be attached, if not attached the AMC reserves the right to call for the same at a later date. The amount of the DD commission charges will be limited to the actual charges paid or DD charges of State Bank of India, whichever is lower. (Separate application form is required for investment in each plan/option.)

If the Scheme name on the Application Form and on the Cheque is different, then the units will be allotted in the name of Reliance Small Cap Fund

2. Please mention the application serial no. on the reverse of the cheque/demand draft tendered with the application.
3. In case the payment is made through Indian Rupee draft purchased abroad or from FCNR or NRE A/c, an Account Debit Certificate from the Bank issuing the draft, confirming the debit should be submitted. For subscription made by NRE / FCNR Account cheques, the application forms must be accompanied with a photocopy of the cheque or Account Debit Letter / Certificate from the bankers.

V. NOMINATION:

1. Nomination facility is available to individuals applying on their own behalf i.e. singly or jointly.
2. Multiple nominee (Resident, NRI, Including Minor) can be nominated. Nomination can also be in favour of the Central Government, State Government, a local authority, any person designated by virtue of his office

or a religious or charitable trust. Refer SAI for more detail

VI. E-MAIL COMMUNICATION :

1. Communication for the investors.

If the investor(s) has/have provided his/their email address in the application form or any subsequent communication in any of the folio belonging to the investor(s), RMF / Asset Management Company reserves the right to use Electronic Mail (email) as a default mode to send various communication which include account statements for transactions done by the investor(s).

2. The investor(s) may request for a physical account statement by writing or calling RMF's Investor Service Center/ Registrar & Transfer Agent. In case of specific request received from the investor(s), RMF shall endeavor to provide the account statement to the investor(s) within 5 working days from the receipt of such request. RMF shall comply with SEBI Circular No. IMD/CIR/12/80083/2006 dated November 20, 2006 with respect to dispatch of the account statement.

VII. BENEFITS

1. Mobile No.: Get alerts on the move for Purchase, Dividend or Redemption, SIP Debit alert after it reflects in your account or two days prior to SIP debit
2. E-Mail ID: The Account Statement will be e-mailed instantly to your registered email address as and when you transact with Reliance Mutual Fund.
3. IFSC/MICR Code: With Reliance E-dividend you can have your dividend credited in your account through the Electronic Clearing Service (ECS) / National Electronic Fund Transfer (NEFT).

VIII. SEBI CIRCULAR OF JUNE 30, 2009 ON REMOVAL OF ENTRY LOAD

1. In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors' assessment of various factors including the service rendered by the distributor

INSTRUCTIONS FOR SIP AUTO DEBIT

1. This facility is offered only to the investors having bank accounts in HDFC Bank, Axis Bank,
2. The Auto Debit Bank in the list for Reliance Small Cap Fund may be modified/updated/changed/ removed at any time in future entirely at the discretion of Reliance Mutual Fund / Reliance Capital Asset Management Limited without assigning any reasons or prior notice. If any bank is removed, SIP instructions for investors in such Auto Debit route will be discontinued without prior notice. In such a case, the AMC at its sole discretion may accept post dated cheques (PDC's) from the investors for the balance period.
3. SIP Auto debit facility is available only on specific dates of the month i.e. 2nd or 10th or 18th or 28th.
4. Investor will not hold Reliance Mutual Fund / Reliance Capital Asset Management Limited, its registrars and other service providers responsible if the transaction is delayed or not effected or the investor bank account is debited in advance or after the specific SIP date due to local holidays.
5. Reliance Mutual Fund / Reliance Capital Asset Management Limited, its registrars and other service providers shall not be responsible nor liable for any damages/compensation for any loss, damage etc. incurred by the investor. The investor assumes the entire risk of using this facility and takes full responsibility.
6. Reliance Mutual Fund / Reliance Capital Asset Management Limited reserves the right to reject any application without assigning any reason thereof.
7. Please read the Key Information Memorandum and Scheme Information Document and Statement of Additional Information for Applicable NAV, Risk Factors, Load and other information.
8. Allotment of units would be subject to realisation of credit.
9. An investor can opt for Monthly or Quarterly frequency. In case the frequency is not selected the default option would be monthly.
10. Minimum investment amount
Monthly SIP Option – 60 installment of Rs. 100/- each or 12 installments of Rs. 500/- each or 6 installment Rs. 1,000/- each and in multiples of Re. 1/- thereafter.
Quarterly SIP Option – 12 installments of Rs. 500/- each or 4 installment Rs. 1,500/- each and in multiples of Re. 1/- thereafter.
The gap between the 1st installment & the 2nd installment should be atleast 21 working days. However, subsequent installment should have a gap of atleast a month depending upon the frequency chosen.
11. The Unit holders can choose to opt out from the SIP at any point of time by submitting a written request to the nearest DISC. Such request for discontinuation should be received at least 15 days prior to the next due date of the SIP. On receipt of such a request, the SIP will be discontinued for the folio.
12. "Perpetual SIP" will be the default option incase end date for enrolment period is not provided. In case an investor, who has opted for Perpetual SIP, subsequently intends to discontinue the same, a written communication thereof will be required to be furnished. In case the SIP end date is not mentioned while submitting the application, the SIP mandate will be construed to be perpetual, till instruction to the contrary is received from the investor.
13. An investor shall have the option of choosing for 1 or more than 1 SIP in the same scheme and same plan in the same month however on different cycle dates. SIP debit dates shall be 02nd, 10th, 18th or 28th. However more than one SIP for the same debit date per scheme per plan is not allowed. To register multiple SIP in the same scheme/same month, please submit separate ECS/Auto Debit Mandate Forms.

Key Information Memorandum cum Application Form

Reliance Small Cap Fund

(An Open Ended Equity Scheme)

Offer for Units of Rs. 10/- per unit for cash during the New Fund Offer Period and at NAV based prices upon reopening

<p>SPONSOR Corporate Office: Reliance Capital Limited H Block, 1st Floor, Dhirubhai Ambani Knowledge City, Koparkhairne, Navi Mumbai - 400 710. Tel : 022 - 30327000, Fax. 022 - 30327202</p> <p>TRUSTEE Reliance Capital Trustee Co. Limited Corporate Office: 11th floor & 12th floor, One Indiabulls Centre, Tower 1, Jupiter Mills Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013. Tel No. - 022-30994600 Fax No. - 022-30994699</p> <p>REGISTERED OFFICE Reliance Capital Asset Management Limited/ Reliance Capital Trustee Co. Limited "Reliance House", Nr. Mardia plaza, Off. C.G. Road, Ahmedabad 380006</p>	<p>INVESTMENT MANAGER Corporate Office: Reliance Capital Asset Management Limited 11th floor & 12th floor, One Indiabulls Centre, Tower 1, Jupiter Mills Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013. Tel No. - 022-30994600 Fax No. - 022-30994699</p> <p>REGISTRAR Karvy Computershare Pvt. Ltd. Madhura Estate, Municipal No.1-9/13/C, Plot No.13 & 13C, Survey No.74 & 75, Madhapur Village, Serlingampally Mandal & Municipality, R.R. District, Hyderabad - 500 081. Tel: 040-40308000 Fax: 040-23394828</p>	<p>CUSTODIAN Deutsche Bank A.G. Kodak House, 222, Dr. D.N. Road, Mumbai - 400 001</p> <p>AUDITORS TO THE SCHEME Haribhakti & Co. Chartered Accountants 42, Free Press House, Nariman Point, Mumbai - 400 021</p> <p>E-mail : customer_care@reliancecmutual.com 'Touchbase' [Customer Helpline] 3030 1111 Investors using mobile phones need to prefix STD Code of their respective city before 3030 1111.</p> <p>MTL/BSNL subscribers need to dial 022 - 3030 1111. Overseas callers need to dial 91 - 22 - 3030 1111. Website: www.reliancecmutual.com</p>
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New Fund Offer Opens	New Fund Offer Closes	Scheme re-opens for continuous sale & repurchase not later than
August 26, 2010	September 09, 2010	September 23, 2010

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations, associate transactions etc. investors should, before investment, refer to the Scheme Information Document available free of cost at any of the Investor Service Centres or distributors or from the website www.reliancecmutual.com

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM. This KIM is dated August 6, 2010.

INVESTMENT OBJECTIVE

The primary investment objective of the scheme is to generate long term capital appreciation by investing predominantly in equity and equity related instruments of small cap companies and the secondary objective is to generate consistent returns by investing in debt and money market securities.

ASSET ALLOCATION PATTERN OF THE SCHEME

Asset Allocation: Under normal circumstances, the proposed asset allocation would be:

Instruments	Indicative allocations (% of total assets)		Risk Profile
	Minimum	Maximum	
Equities and equity related securities of small cap companies including derivatives #	65%	100%	Medium to High
Equities and equity related securities of any other companies including derivatives #	0%	35%	Medium to High
Debt and Money market securities** (including investments in securitised debt)	0%	35%	Low to Medium

** including securitised debt upto 30%

The Scheme proposes to invest at least 65% of the corpus in Equity & equity related instruments of small cap companies which may go upto 100% of the corpus. The investment in Equity & equity related instruments of any other companies other than small cap companies will be in the range of 0-35% of the corpus.

If the Fund Manager decides to invest in ADRs / GDRs issued by Indian / foreign companies and in foreign Securities in accordance with SEBI Regulations in the Scheme, it is the intention of the Fund Manager that such investments will not normally exceed 20% of the net assets of the Scheme.

Gross investments in securities under the Scheme which includes equities, equity related instruments/securities, debt securities, money market instruments and derivatives will not exceed 100% of the net assets of the Scheme.

The Scheme may take derivatives position based on the opportunities available subject to the guidelines issued by SEBI from time to time and in line with the overall investment objective of the Scheme. These may be taken to hedge the portfolio, rebalance the same or to undertake any other strategy as permitted under the SEBI Regulations.

The fund will also invest in Pre IPO Placement, lock-in non transferable securities and upto 5% or max permissible limit in Unlisted Securities.

However the aforesaid limits are only indicative. The Fund Manager in his endeavors to protect the interest of the investors and to maximise the returns, after taking into consideration the dynamism of the markets and market requirements, may change the above limits, in line with the investment objective, for a short term period (not exceeding 30 days) on defensive considerations.

INVESTMENT STRATEGY

The investment strategy of the Scheme is to build and maintain a diversified portfolio of equity stocks that have the potential to appreciate. The aim will be to build a portfolio that adequately reflects a cross-section of the growth areas of the economy from time to time.

The fund shall primarily focus on the small cap stocks. However depending on the views of the fund manager and market conditions in the interest of the investors, the fund manager will have the flexibility to select stocks which he feels are best suited to achieve the stated objective. The fund will have the flexibility to invest predominantly in a range of Small Cap companies/ stocks with an objective to maximize the returns, at the same time trying to minimize the risk by reasonable diversification.

HOW THE SCHEME IS DIFFERENT FROM THE EXISTING OPEN ENDED EQUITY SCHEMES OF THE MUTUAL FUND

Reliance Growth Fund

Asset Allocation Pattern : Equity & Equity Related Instruments – 65% – 100%, Debt Instruments & Money Market Instruments – 0% – 35%, **Primary Investment Pattern :** The primary investment objective of the Scheme is to achieve long term growth of capital by investing in equity and equity related securities through a research based investment approach., **Investment Strategy :** The portfolio shall be structured so as to keep risk at acceptable levels. This shall be done through various measures including: 1. Broad diversification of portfolio 2. Ongoing review of relevant market, industry, sector and economic parameters 3. Investing in companies which have been researched 4. Investments in debentures and bonds (where the tenure exceeds 18 months) will usually be in instruments which have been assigned investment grade ratings by any approved rating agency, **Differentiation :** The core philosophy of the fund is to focus on high quality mid cap stocks while having a small exposure to large cap stocks., **AUM (Rs. Crore) as on July 31, 2010 :** 7758.41, **No. of Folios as on July 31, 2010 :** 968,597

Reliance Vision Fund

Asset Allocation Pattern : Equity & Equity Related Instruments – 60-100%, Debt Instruments 0-30% & Money Market Instrument 0-10%., **Primary Investment Pattern :** The primary investment objective of the scheme is to achieve long-term growth of capital by investment in equity and equity related securities through a research based investment approach, **Investment Strategy:** The portfolio shall be structured so as to keep risk at acceptable levels. This shall be done through various measures including: 1. Broad diversification of portfolio 2. Ongoing review of relevant market, industry, sector and economic parameters 3. Investing in companies which have been researched 4. Investments in debentures and bonds (where the tenure exceeds 18 months) will usually be in instruments which have been assigned investment grade ratings by any approved rating agency, **Differentiation :** The fund aims to achieve long term capital appreciation through investment in high quality large size capitalization stocks with a small exposure in mid size capitalization stocks., **AUM (Rs. Crore) as on July 31 :** 3653.99, **No. of Folios as on July 31, 2010 :** 476,209

Reliance Equity Advantage Fund

Asset Allocation Pattern : Equity and equity related instruments 70% – 100%, Debt and money market instruments (including investments in securitised debt*) 0% – 30%.* Including upto 25% of the corpus in securitised debt., **Primary Investment Pattern:** The primary investment objective of the scheme is to seek to generate capital appreciation and provide long term growth opportunities by investing in a portfolio predominantly of equity and equity related instruments with investments generally in S&P CNX Nifty stocks and the secondary objective is to generate consistent returns by investing in debt and money market securities. **Investment Strategy :** The fund proposes to invest 100% of the net equity investments in line with the sector ratio of S & P CNX Nifty. The fund will endeavor to replicate the sector allocation of the S & P CNX Nifty on a monthly basis. At least 80% of the equity investments will be in S & P CNX Nifty stocks and the balance exposure in other stocks. This means that investment gamut will mainly be stocks in S & P CNX Nifty index and to a small extent in other stocks of belonging to any/all sectors, **Differentiation :** The fund has a sector neutral approach & endeavors to give Index plus returns. Sector weightage of the fund would mirror exactly that of Nifty on monthly basis. Minimum 80% of stocks within each sector would be constituents of Nifty, though not necessarily with their Nifty weights. Maximum 20% of stocks could be Non-Nifty in each sector to provide the additional alpha possibilities & opportunities., **AUM (Rs. Crore) as on July 31 :** 1367.60, **No. of Folios as on July 31, 2010 :** 379,076

Reliance Equity Opportunities Fund

Asset Allocation Pattern : Equity & Equity Related Instruments – 75–100%, Debt Instruments & Money Market Securities (including investments in Securitised Debt) 0– 25%. (25% of the Corpus in Securitised Debt), **Primary Investment Pattern :** The primary investment objective of the scheme is to seek to generate capital appreciation & provide long-term growth opportunities by investing in a portfolio constituted of equity securities & equity related securities and the secondary objective is to generate consistent returns by investing in debt and money market securities., **Investment Strategy :** The Fund will endeavor to continuously analyze the performance of economy and industry, which would be reflected in the investment pattern of the fund. The Fund would seek both value & growth, which are likely to commence from the ongoing structural changes in the government policies, infrastructure spending and continuous global economic reforms which tries to integrate different economies across the globe. The primary approach to stock selection will be through the Top down approach i.e Sector -- Industry-- Company., **Differentiation :** The fund has the mandate to invest across companies(belonging to different sectors) with different market caps; be it large, mid or small. The fund manager would have the flexibility to be overweight in a particular sector or market caps depending on the potential & opportunities as they arise. The investment horizon of the fund is minimum 2 yrs., **AUM (Rs. Crore) as on July 31 :** 2319.97, **No. of Folios as on July 31, 2010 :** 320,381

Reliance Quant Plus Fund

Asset Allocation Pattern : Equity & Equity Related Instruments – 90%–100% & Debt & Money Market Instruments – 0%–10%, **Primary Investment Pattern :** The investment objective of the scheme is to generate capital appreciation through investment in equity and equity related instruments. The scheme will seek to generate capital appreciation by investing in an active portfolio of stocks selected from S&P CNX Nifty on the basis of a mathematical model. **Investment Strategy :** The Fund will focus on large cap/liquid stocks and use stocks designated by NSE as members of Nifty Index. The fund will have a significant concentration of stocks in the portfolio while making active selective decision in stocks/sectors of S&P CNX Nifty. Quantitative methods will be used for (i) screening mechanism to choose best picks and make the stock selection universe smaller, (ii) Deciding on the portfolio weightage for better return as the investment will focus on company's size and liquidity., The quantitative model which will be used for stock selection will be based on two broad parameters viz., Stock Price movement & Financial/ valuation aspects. The model will shortlist between 15–20 stocks (out of the resulting list) and the investments will be made in them on weightages defined by the fund manager., **Differentiation :** An investment fund which focuses on stocks from constituents of S&P CNX Nifty. The stock selection process is based on quantitative analysis, and the proprietary system-based model will shortlist between 15–20 stocks from screening mechanism at pre-determined intervals i.e. on weekly basis based on quantitative techniques., **AUM (Rs. Crore) as on July 31 :** 59.24, **No. of Folios as on July 31, 2010 :** 7,340

Reliance Equity Fund

Asset Allocation Pattern : Equity and Equity related Instruments 75–100% and Debt Instruments and Money Market Instruments (including investments in Securitised debt) 0% – 25%, **Primary Investment Pattern :** The primary investment objective of the scheme is to seek to generate capital appreciation & provide long-term growth opportunities by investing in a portfolio constituted of equity & equity related securities of top 100 companies by market capitalization & of companies which are available in the derivatives segment from time to time and the secondary objective is to generate consistent returns by investing in debt and money market securities., **Investment Strategy,** The Broad Investment strategy of the fund will be to invest in equity & equity related securities of the Top 100 companies by market cap & also in companies in the derivatives segment. The fund will also use the derivatives route to hedge the equity portfolio & the extent to which the portfolio will be hedged will be linked to the P/E of the Index. as mentioned in the Scheme Information Document. The extent of hedging of the portfolio is determined based on the month-end weighted average PE ratio of the Index, which in this case will be the S&P CNX Nifty., **Differentiation :** The fund focuses on large cap stocks (belonging to top 100 companies by m-cap) and which are present in F&O segment with a hedging/shorting feature., **AUM (Rs. Crore) as on July 31 :** 1901.21, **No. of Folios as on July 31, 2010 :** 489,461

Reliance Tax Saver (ELSS) Fund

Asset Allocation Pattern : Equity and Equity related securities 80%–100% and Debt and Money Market Instrument 0% – 20%, **Primary Investment Pattern :** The primary objective of the scheme is to generate long-term capital appreciation from a portfolio that is invested predominantly in equity and equity related instruments, **Investment Strategy :** The investments in the Scheme shall be in accordance with SEBI (Mutual Funds) Regulations, 1996 and Equity Linked Saving Scheme, 2005 notified by Ministry of Finance (Department of Economic Affairs) vide Notifications dated November 3, 2005 and December 13, 2005. The fund managers will follow an active investment strategy taking defensive / aggressive postures depending on opportunities available at various points of time., **Differentiation :** The fund is an open ended equity linked savings scheme which gives dual advantage of tax savings & growth potential. It is a large cap orientation fund which aim to have minimum 50% exposure to top 100 companies by market capitalization., **AUM (Rs. Crore) as on July 31 :** 2276.12, **No. of Folios as on July 31, 2010 :** 690,535

HOW THE SCHEME IS DIFFERENT FROM THE EXISTING OPEN ENDED EQUITY SCHEMES OF THE MUTUAL FUND

Reliance Infrastructure Fund

Asset Allocation Pattern : Equities and equity related securities including derivatives engaged in infrastructure sectors and infrastructure related sectors : 65%-100% Debt and Money market securities: 0% - 35% (including securitised debt upto 30% of the corpus in securitised debt), **Primary Investment Pattern :** The primary investment objective of the scheme is to generate long term capital appreciation by investing predominantly in equity and equity related instruments of companies engaged in infrastructure and infrastructure related sectors and which are incorporated or have their area of primary activity, in India and the secondary objective is to generate consistent returns by investing in debt & money market securities., **Investment Strategy :** The investment focus would be guided by the growth potential and other economic factors of the country. The Fund aims to maximize long-term total return by investing in equity and equity-related securities which have their area of primary activity in India .The Fund intends to invest in - (i) Companies in sectors related to infrastructure; (ii) Companies operating and listed in India engaged in Infrastructure Sector and (iii) In diversified companies, where a major portion of their revenues (primary activity) is derived from the infrastructure related activities., **Differentiation :** The fund aims to invest in companies operating and listed in India related to infrastructure sector and infrastructure related activities., **AUM (Rs. Crore) as on July 31 :** 1857.99, **No. of Folios as on July 31, 2010 :** 393,073

Reliance Natural Resources Fund

Asset Allocation Pattern : Equity and Equity related Securities of companies principally engaged in the discovery, development, production or distribution of natural resources in: 65%-100% (Domestic Companies 65% -100 %, Foreign Companies as permitted by SEBI/RBI from time to time 0 %-35 %); Debt and Money market securities :- 0%-35% (including securitised debt upto 35%), **Primary Investment Pattern :** The primary investment objective of the scheme is to seek to generate capital appreciation and provide long term growth opportunities by investing in companies principally engaged in the discovery, development, production or distribution of natural resources and the secondary objective is to generate consistent returns by investing in debt and money market securities., **Investment Strategy :** The Fund invests principally in equity securities of issuers in natural resources industries. The Fund may invest in securities of issuers located anywhere in the world and normally will invest in securities of companies listed on The Bombay stock Exchange Limited (BSE), London stock Exchange Limited (LSE), New York Stock Exchange (NYSE), Toronto Stock Exchange (TSE) and Australian Stock Exchange (ASX). Companies in natural resources industries include companies that RCAM considers to be principally engaged in the discovery, development, production, or distribution of natural resources or are service providers to the Natural Resources Industry; the development of technologies for the production or efficient use of natural resources in addition also furnishing of related supplies or services., **Differentiation :** A thematic fund which invests in Indian & Global companies related to natural resources and not in natural resources themselves., **AUM (Rs. Crore) as on July 31 :** 3296.88, **No. of Folios as on July 31, 2010 :** 1,196,807

Reliance Banking Fund

Asset Allocation Pattern : Equity & Equity Related Instruments-0-100% & Debt Instruments & Money Market Instruments 0-100% (including upto 50% of the corpus in securitised Debt), **Primary Investment Pattern,** The primary investment objective of the scheme is to seek to generate continuous returns by actively investing in equity and equity related or fixed income securities of companies in banking sector. **Investment Strategy :** The proportion of investment between equity and debt will be decided based on the view of the fund manager on anticipated movement in both debt as well as equity markets. The Fund manager can also take aggressive calls on the market by going upto 100% in equity or 100% in debt at any point of time or any other appropriate ratio depending upon his view. The allocation between debt and equity will be decided based upon the prevailing market conditions, macroeconomic environment, the performance of the corporate sector, the equity market and other considerations. To achieve the primary objective, the fund could invest in either debt or equity securities of companies in banking sector, **Differentiation :** The fund aims to generate consistent returns by investing in equity / equity related or fixed income securities of Banking and other associated companies. The fund follows an active strategy of management with endeavor to generate alpha and outperform the Banking Index., **AUM (Rs. Crore) as on July 31 :** 1232.40, **No. of Folios as on July 31, 2010 :** 102,951,

Reliance Pharma Fund

Asset Allocation Pattern : Equity & Equity Related Instruments-0-100% & Debt Instruments & Money Market Instruments with Average Maturity of 5-10 years-0-100% (including upto 100% of the corpus in securitised Debt), **Primary Investment Pattern :** The primary investment objective of the scheme is to seek to generate consistent returns by investing in equity and equity related or fixed income securities of Pharma and other associated companies., **Investment Strategy :** The fund under normal circumstances shall invest at least 65% of the value of its total net assets either debt or equity securities in the Pharma Sector and associated companies of said sector. The proportion of investment between equity and debt will be decided based on the view of the fund manager on anticipated movement in both debt as well as equity markets. The Fund manager can also take aggressive calls on the market by going upto 100% in equity or 100% in debt at any point of time or any other appropriate ratio depending upon his view. The allocation between debt and equity will be decided based upon the prevailing market conditions, macroeconomic environment, the performance of the corporate sector, the equity market and other considerations., **Differentiation :** A dynamic asset allocation sector fund which aims to generate consistent returns by investing in large and mid cap companies spread across all important segments of the pharmaceutical industry., **AUM (Rs. Crore) as on July 31 :** 503.59, **No. of Folios as on July 31, 2010 :** 52,323

Reliance Diversified Power Sector Fund

Asset Allocation Pattern : Equity & Equity Related Instruments-0 100% & Debt & Money Mkt Instruments with Average Maturity of 5-10 years - 0 - 100% (including upto 100% of the corpus in securitised Debt), **Primary Investment Pattern :** The primary investment objective of the scheme is to seek to generate continuous returns by actively investing in equity and equity related or fixed income securities of Power and other associated companies., **Investment Strategy,** The Fund Manger will have discretion to completely or partially invest in any of the type of securities stated in the Scheme Information Document with a view to maximize the returns or on defensive considerations. The debt part of the portfolio will not necessarily be invested in the power sector, it would include other debt and money market instruments., The proportion of investment between equity and debt will be decided based on the view of the fund manager on anticipated movement in both debt as well as equity markets. The Fund manager can also take aggressive calls on the market by going upto 100% in equity or 100% in debt at any point of time or any other appropriate ratio depending upon his view. The allocation between debt and equity will be decided based upon the prevailing market conditions, macroeconomic environment, and the performance of the corporate sector, the equity market and other considerations., **Differentiation :** The fund focuses on companies related to power sector. It provides opportunity to diversify within the sector, with focused approach and flexibility to invest in power distribution, transmission and generation related companies., **AUM (Rs. Crore) as on July 31 :** 5234.91, **No. of Folios as on July 31, 2010 :** 832,511

Reliance Media & Entertainment Fund

Asset Allocation Pattern : Equity & Equity Related Instruments-0-100% & Debt & Money Market Instruments with Average Maturity of 5-10 years-0-100% (including upto 100% of the corpus in securitised Debt), **Primary Investment Pattern :** The primary investment objective of the scheme is to generate continuous returns by investing in equity and equity related or fixed income securities of Media & Entertainment and other associated companies., **Investment Strategy:** The Fund will invest in equity securities whenever the equity market and shares from the media sector are expected to do well. However, whenever the equity market is not expected to do well, the Fund will shift its focus in debt, which in extreme cases of bearish equity market can go upto 100%., The proportion of investment between equity and debt will be decided based on the view of the fund manager on anticipated movement in both debt as well as equity markets. The allocation between debt and equity will be decided based upon the prevailing market conditions, macroeconomic environment, the performance of the corporate sector, the equity market and other considerations., **Differentiation :** A sector specific fund which focuses on investing in companies related to media & entertainment sector., **AUM (Rs. Crore) as on July 31 :** 119.23, **No. of Folios as on July 31, 2010 :** 24,351

Reliance Regular Savings Fund - Equity Option

Asset Allocation Pattern : Equity and Equity related securities 80%-100% and Debt and Money Market Instruments with an average maturity of 5-10 years -0%-20%, **Primary Investment Pattern :** The primary investment objective of this option is to seek capital appreciation and/or to generate consistent returns by actively investing in Equity & Equity-related Securities. **Investment Strategy :** Investment may be made in listed or unlisted securities. Listed securities refer to securities listed on any of the recognized Stock Exchanges. Investments may be made as secondary market purchases, initial public offer, rights offers private placement etc. The Fund would identify companies for investment, based on the following criteria amongst others: 1. Sound Management 2. Good track record of the company 3. Potential for future growth 4. Industry economic scenario, **Differentiation :** Reliance Regular Savings Fund has been launched as an asset-allocator fund which gives investor an option to invest either in equity, debt or both. RRSF-Equity option is a growth oriented aggressive equity fund which adopts a multi cap strategy to capitalize on market trends especially in volatile markets., **AUM (Rs. Crore) as on July 31 :** 2983.07, **No. of Folios as on July 31, 2010 :** 591,217

HOW THE SCHEME IS DIFFERENT FROM THE EXISTING OPEN ENDED EQUITY SCHEMES OF THE MUTUAL FUND

Reliance Regular Savings Fund – Balanced Option

Asset Allocation Pattern : Equity and Equity Related securities-50%-75%, Debt & Money Market instruments-25%-50%, **Primary Investment Pattern :** The primary investment objective of this option is to generate consistent return and appreciation of capital by investing in a mix of securities comprising of equity, equity related instruments and fixed income instruments., **Investment Strategy :** The Scheme will, under normal market conditions, invest its net assets primarily in Equity and equity related instruments and balance in fixed income securities, money market instruments and cash equivalents. For investments in equity and equity related securities, the Fund would identify companies for investment, based on the following criteria amongst others: a. Sound Management b. Good track record of the company c. Potential for future growth. Industry economic scenario, **Differentiation :** The fund focuses on reducing volatility of returns by increasing / decreasing equity exposure based on the market outlook and using a core debt portfolio to do the rebalancing. The fund can invest 50%-75% of its corpus in equity & 25%-50% in debt related instruments., **AUM (Rs. Crore) as on July 31 : 593.71, No. of Folios as on July 31, 2010 : 40,404**

Reliance Long Term Equity Fund

Asset Allocation Pattern : Equity and equity related securities 70% -100%, Debt instruments and money market instruments (including investments in securitised debt) 0%-30%., **Primary Investment Pattern :** The primary investment objective of the scheme is to seek to generate long term capital appreciation & provide long-term growth opportunities by investing in a portfolio constituted of equity & equity related securities and Derivatives and the secondary objective is to generate consistent returns by investing in debt and money market securities., **Investment Strategy :** The investment strategy of the Scheme is to build and maintain a diversified portfolio of equity stocks that have the potential to appreciate. The aim will be to build a portfolio that adequately reflects a cross-section of the growth areas of the economy from time to time. While the portfolio focuses primarily on a buy and hold strategy at most times, it will balance the same with a rational approach to selling when the valuations become too demanding even in the face of reasonable growth prospects in the long run. **Differentiation :** The fund is an open ended diversified equity scheme which focuses on small & mid cap stocks with long term investment horizon., **AUM (Rs. Crore) as on July 31 : 1738.33, No. of Folios as on July 31, 2010 : 355,860**

Reliance NRI Equity Fund

Asset Allocation Pattern : Equity & Equity Related Instruments# -65-100% & Debt Instruments & Money Market Instruments * 0-35% (*including upto 35% of the corpus in securitised Debt # primarily drawn from the BSE 200 Index), **Primary Investment Pattern :** The primary investment objective of the scheme is to generate optimal returns by investing in equity and equity related instruments primarily drawn from the Companies in the BSE 200 Index., **Investment Strategy :** The fund will, in general invest a significant part of its corpus in equities however pending investments in equities, the surplus amount of the fund should be invested in debt and money market instruments. Also whenever good investment opportunity are not available, or the equity market is not likely to perform in the view of the Fund manager the Fund will reduce its exposure to equity and during that period the surplus asset of the Fund shall be invested in debt and money market instruments. The fund will in general follow a strategy of higher portfolio reshuffling with a view to capture the short term movements in the markets as well as to encash the opportunity arising due to various events., **Differentiation :** The fund is an ideal & exclusive offering for NRI investors who are seeking exposure to equity to participate in the India story & the Indian markets in the diversified equity space. The fund primarily aims to invest in top 200 companies by market capitalization., **AUM (Rs. Crore) as on July 31 : 136.35, No. of Folios as on July 31, 2010 : 4,355**

Reliance Small Cap Fund

Asset Allocation Pattern : Equity & Equity Related Securities of small cap companies including derivatives - 65% - 100%, Equity & Equity Related Securities of any other companies including derivatives - 0% - 35%, debt & money market securities (including investments in securitized debt upto 30%) - 0% - 35%, **Primary Investment Pattern :** The primary investment objective of the scheme is to generate long term capital appreciation by investing predominantly in equity and equity related instruments of small cap companies and the secondary objective is to generate consistent returns by investing in debt and money market securities., **Differentiation :** The fund shall predominantly invest in small cap companies/stocks with an objective to maximize the returns and at the same time trying to minimize the risk by reasonable diversification. Small Cap stocks for the purpose of the Fund, are stocks whose market capitalization is in between the highest and lowest market capitalization of companies on BSE Small Cap Index at the time of investment., **AUM (Rs. Crore) as on July 31 : N.A., No. of Folios as on July 31, 2010 : N.A.**

Risk Mitigation Factors – Applicable for all the above mentioned Schemes

Robust measures implemented to mitigate Risk include, adoption of internal policies on investments and valuations, rigorous procedures for monitoring investment restrictions and effective implementation of various norms prescribed by SEBI from time to time.

RISK PROFILE OF THE SCHEME

Mutual Fund Units involve investment risks including the possible loss of principal. Please read the SID carefully for details on risk factors before investment. Scheme specific Risk Factors are summarized below:

Scheme specific Risk : The scheme carries risk associated with investing in equities, bonds, foreign securities, derivatives, securitized debt, short selling and securities lending. Trading volumes and settlement periods may restrict liquidity in equity and debt investments. Investment in Debt is subject to price, credit, and interest rate risk. The NAV of the Scheme may be affected, inter alia, by changes in the market conditions, interest rates, trading volumes, settlement periods and transfer procedures. The NAV may also be subjected to risk associated with investment in derivatives, foreign securities or script lending as may be permissible by the Scheme Information Document. Please refer Scheme Information Document for details.

PLANS & OPTIONS

The Scheme offers 2 plans: Growth Plan & Dividend Plan. Each plan has following options:

- Growth Plan: Growth Option & Bonus Option
- Dividend Plan: Dividend Payout Option & Dividend Reinvestment Option

APPLICABLE NET ASSET VALUE (AFTER SCHEME OPENS FOR REPURCHASE & SALE)

i) Subscriptions/Purchases including switch – ins

In respect of valid applications received upto 3 p.m. by the Mutual Fund along with a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the day on which application is received shall be applicable.

In respect of valid applications received after 3 p.m. by the Mutual Fund along with a local cheque or a demand draft payable at par at the place where the application is received, the closing NAV of the next business day shall be applicable.

ii) Redemptions including switch – outs

In respect of valid applications received upto 3 p.m. by the Mutual Fund, closing NAV of the day of receipt of application, shall be applicable.

In respect of valid applications received after 3 p.m. by the Mutual Fund, the closing NAV of the next business day shall be applicable.

MINIMUM APPLICATION AMOUNT/ NUMBER OF UNITS

First Purchase Amount:

Rs. 5,000 and in multiples of Re. 1 thereafter

Additional Purchase Amount:

Rs 1000 (plus in the multiple of Re.1)

REPURCHASE (Redemption)

Redemptions can be for any amount or any number of units. However, in order to keep the account in operation, minimum balance equal to the minimum subscription amount under each of the plans, is required to be maintained in the account.

RCAM reserves the right to close an investor's account if the value of the unit balance in the account falls below the minimum subscription amount under each of the plans. In such an event, RCAM reserves the right to compulsorily redeem the balance units in the account completely at the applicable redemption price.

DESPATCH OF REPURCHASE (REDEMPTION) REQUEST

Within 10 working days of the receipt of the redemption request at the authorized centre of Reliance Mutual Fund.

BENCHMARK INDEX: BSE Small Cap Index

DIVIDEND POLICY: Dividend will be distributed from the available distributable surplus after the deduction of the dividend distribution tax and the applicable surcharge, if any. Dividend will be distributed from the available distributable surplus after the deduction of the dividend distribution tax and the applicable surcharge, if any. Dividend declaration / distribution shall be made in accordance with SEBI circular no. SEBI/IMD/CIR No.1/64057/06 dated April 4, 2006 or any amendment thereto from time to time. Please refer to the SID.

NAME OF THE FUND MANAGER: Mr Sunil Singhania

NAME OF THE TRUSTEE COMPANY: Reliance Capital Trustee Co. Limited

PERFORMANCE OF THE SCHEME: This scheme being a new offering does not have any performance track record.

EXPENSES OF THE SCHEME

Load Structure : The following Load Structure is applicable during the new fund offer and continuous offer including SIP installments in the scheme till further notice.

Entry Load- Nil

Exit Load-

2%- If redeemed or switched out on or before completion of 12 months from the

date of allotment of units

1% - If redeemed or switched out after 12 months but on or before completion of 24 months from the date of allotment of units

Nil - If redeemed or switched out after the completion of 24 months from the date of allotment of units

Contigent deferred sales charge (CDSC) - 0%.

Inter scheme Switch: At the applicable exit loads in the respective schemes.

Inter Plan/Inter Option Switch: No load applicable for Inter Plan/Inter Option Switch.

In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009 no entry load will be charged for purchase / additional purchase / switch-in accepted by the Fund with effect from August 01, 2009. Similarly, no entry load will be charged with respect to applications for registrations under systematic investment plans/ systematic transfer plans accepted by the Fund with effect from August 01, 2009.

The upfront commission on investment made by the investor, if any, shall be paid to the ARN Holder directly by the investor, based on the investor's assessment of various factors including service rendered by the ARN Holder.

With effect from August 01, 2009, exit load/ CDSC (if any) up to 1% of the redemption value charged to the unit holder by the Fund on redemption of units shall be retained by each of the schemes in a separate account and will be utilized for payment of commissions to the ARN Holder and to meet other marketing and selling expenses.

Any amount in excess of 1% of the redemption value charged to the unit holder as exit load/ CDSC shall be credited to the scheme immediately.

Pursuant to SEBI circular No. SEBI/IMD/CIR No. 14/120784/08 dated March 18, 2008, with effect from April 1, 2008, no entry load or exit load shall be charged in respect of bonus units and of units allotted on reinvestment of dividend.

New Fund Offer Expenses: These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc.

New Fund Offer (NFO) Expenses shall be borne by the AMC

Recurring Expenses :

*Recurring Expenses	
Net Assets	Maximum Expenses (%)
Upto Rs. 100 crores	2.50%
Next Rs. 300 crores	2.25%
Next Rs. 300 crores	2.00%
Balance	1.75%

** Estimated Expenses	
Particulars	% of Net Assets
Investment Management & Advisory Fees	1.25
Custodial Fees	0.01
Registrar and Transfer Agent Fees including cost related to providing accounts statement, dividend/redemption, cheques/warrants etc.	0.08
Marketing & Selling Expenses including Agents Commission and statutory advertisement	0.34
Brokerage & Transaction Cost pertaining to the distribution of units	0.60

Audit Fees/ Fees and expenses of trustees	0.01
Costs related to investor communications	0.01
Costs of fund transfer from location to location	-
Other Expenses	0.20
Total Recurring Expenses	2.50

* Expenses on an ongoing basis will not exceed the above percentage of the daily or weekly average net assets or such maximum limits as may be specified by SEBI Regulations from time to time.

**The above expenses are estimates only and are subject to change as per actuals.

The expenses under any head may be more or less than as specified expenses in the table above, but the total recurring expenses that can be charged to the Scheme will be within the limits specified by SEBI from time to time. The expenses over and above the limits specified above will be borne by the AMC.

These estimates have been made in good faith as per the information available to the Investment Manager based on past experience and are subject to change inter-se. Types of expenses charged shall be as per the SEBI (MF) Regulations. **Please read the Scheme Information Document for details.**

WAIVER OF LOAD FOR DIRECT APPLICATIONS

Pursuant to SEBI circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, no entry load shall be charged for all the mutual fund schemes. Therefore the procedure for the waiver of load for direct application is no longer applicable.

TAX TREATMENT FOR THE INVESTORS (UNITHOLDERS): Investors are advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.

Daily Net Asset Value (NAV) Publication: The AMC will calculate and disclose the first NAV within five business days of allotment. Subsequently, the NAV will be calculated and disclosed at the close of every Business Day which shall be published in at least two daily newspapers and also uploaded on the AMFI site www.amfiindia.com and Reliance Mutual Fund site i.e. www.reliancecmutual.com.

FOR INVESTOR GRIEVANCES PLEASE CONTACT :

Karvy Computershare Pvt. Ltd. :- Madhura Estate, Municipal No.1-9/13/C, Plot No.13 & 13C, Survey No.74 & 75, Madhapur Village, Serlingampally Mandal & unicity, R.R. District, Hyderabad - 500 081. Tel: 040-40308000 Fax: 040-23394828

Reliance Mutual Fund :- 11th floor & 12th floor, One Indiabulls Centre, Tower 1, Jupiter Mills Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013. Tel No. - 022-30994600 Fax No. - 022-30994699, Customer Care - 3030 1111 Toll free No. 1800-300-11111

Email - customer_care@reliancecmutual.com

UNITHOLDERS' INFORMATION :

Accounts statement (on each transaction), Annual financial results and Half yearly portfolio disclosure shall be provided to investors by post or published as per SEBI Regulations.

DESIGNATED BRANCHES FOR COLLECTION OF APPLICATION FORM ONLY DURING NEW FUND OFFER

AXIS Bank Main Locations

Agra: Shop No. 1, 3 To 16, Block No 51 anupam Plaza II, Sanjay Placeagra 282002 (U.P.), **Ahmedabad:** 'Trishul', Opposite Samarsheshwar Temple, Law Garden, Ellis Bridge, Ahmedabad 380 006, Gujarat, **Amritsar:** 29, Kennedy Avenue, Court Road, Amritsar 143001, Amritsar District, Punjab. **Bangalore:** No. 9, M. G. Road, Block A, Bangalore 560001. **Chandigarh:** SCO 343-344, Sector 35-B, Chandigarh 160 022. **Chennai:** 82, Dr. Radhakrishnan Salai, Mylapore, Chennai 600 004. **Cochin (Kochi):** 41/419, Ground Floor, Chicago Plaza, Rajaji Road, Ernakulum, Kochi - 682 035. **Coimbatore:** Vigneshwar Cresta, No.1095, Avinashi Road, Pappanaickenpalayyam, Coimbatore - 641 037. **Dehradun:** Shri Ram Arcade, 74 (New No.250/466), Rajpur Road, Dehradun 248001, Uttarakhand. **Guwahati:** Ground Floor, Chibber House, G.S. Road, Dispur, Guwahati 781 005, Assam. **Hyderabad:** 6-3-879/B, G. Pulla Reddy Bldg. First Floor, Begumpet Road, Hyderabad 500 016. **Indore:** Kamal Palace, 1, Yeshwant Colony, Y N Road, Indore 452003. **Jaipur:** 0-15, Green House, Ashok Marg, C-Scheme, Jaipur 302 001. **Jamshedpur:** Voltas House, Near Ram Mandir, Bistupur, Jamshedpur 831 001. **Kanpur:** 16/104 A, Civil Lines, Infront Of ICAI Bhawan Kanpur 208001, Uttar Pradesh. **Kolkata:** Ground & First Floors, 7, Shakespeare Sarani, Kolkata 700 071. **Lucknow:** 25 B, Ashok Marg, Sikander Bagh Chauraha, Lucknow 226001. **Ludhiana:** Shop No.3, Lgf, Surya Towers, 108, The Mall, Ludhiana (Punjab) 141 001. **Mangalore:** Essel Towers, Bunts Hostel Circle, Mangalore - 575 003. **Mumbai:** Universal Insurance Bldg. Ground Floor, Sir. P. M. Road, Fort, Mumbai 400 001. **Nagpur:** M. G. House, Rabindranath Tagore Road, Besides Board Office, Civil Lines Nagpur 440001. **Nasik:** Mazda Towers, Tryambak Naka F.P.No.183, C.T.SNO.620/9 GPO Road, Nashik 422001, Maharashtra. **New Delhi:** "Statesman House", 148, Barakhamba Road, New Delhi 110 001. **Panipat:** 515-515B, Ward No. 8, Gaylord Hotel Building, G.T. Road, Panipat 132 103, Haryana. **Panjim:** Siddharth Bhandodkar Bhavan, P. Shir Gaonkar Road Panaji 403001, GOA. **Patna:** Lok Nayak Jay Prakash Bhawandak Bungalow Crossing Patna 800001, Bihar. **Pune:** Sterling Plaza, Plot No.1262/B, Jangli Maharaj Road, Near Deccan Gymkhana, Pune 411004. **Rajkot:** "TITAN", Near K K V Circle, Kalawad Road, Rajkot 360005. **Surat:** Digvijay Towers, Opp. St. Xavier'S School, Ghod Dod Road, Surat - 395 001. **Vadodara:** Vardhaman Complex, Opp. G.E. Brace Course Circle (North), Vadodara 390007.

APPL No :

Reliance Liquid Fund - Treasury Plan to Reliance Small Cap Fund : Auto Switch Form

1. Name & Broker Code / ARN ARN-20936	Sub Broker / Sub Agent Code	Bank Serial No.	Registrar Serial No.
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Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors' assessment of various factors including the service rendered by the distributor.

2. EXISTING UNIT HOLDER INFORMATION For existing investors please fill in your Folio number, name & proceed to Investment & Payment Details.

Existing Folio No. Name of Sole / 1st applicant

Unitholding Option - Demat Mode Physical Mode (If demat account details are provided below, units will be allotted by default in electronic mode only)

3. DEMAT ACCOUNT DETAILS - (Please ensure that the sequence of names as mentioned in the application form matches with that of the account held with any one of the Depository Participant.) Demat Account details are compulsory if demat mode is opted above. (Refer Instruction No. II 8) (Optional)

National Securities Depository Limited	Depository participant Name _____	Central Depository Securities Limited	Depository participant Name _____																																							
	DP ID No. _____		Target ID No. _____																																							
	Beneficiary Account No. <table border="1"><tr><td>I</td><td>N</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>	I	N																				<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>																			
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4. MODE OF HOLDING	OCCUPATION	STATUS INDIVIDUAL (1st Holder)	STATUS NON-INDIVIDUAL
<input type="checkbox"/> Single <input type="checkbox"/> Joint (Default) <input type="checkbox"/> Anyone or Survivor(s) <input type="checkbox"/> Former or Survivor * <input type="checkbox"/> Minor (In case of minor with Joint Applicant)	<input type="checkbox"/> Business <input type="checkbox"/> Professional <input type="checkbox"/> Service <input type="checkbox"/> Retired <input type="checkbox"/> Student <input type="checkbox"/> Housewife <input type="checkbox"/> Civil Servant <input type="checkbox"/> Politician <input type="checkbox"/> Forex Dealer <input type="checkbox"/> Others <input type="checkbox"/> Political Party Official <input type="checkbox"/> Current/Formal MP/MLA/MLC/Head of State <input type="checkbox"/> Senior Executive of State owned corporation	<input type="checkbox"/> Resident Indian <input type="checkbox"/> Minor <input type="checkbox"/> NRI Repatriable <input type="checkbox"/> NRI Non Repatriable 2nd Holder RI <input type="checkbox"/> NRI <input type="checkbox"/> 3rd Holder RI <input type="checkbox"/> NRI <input type="checkbox"/>	<input type="checkbox"/> Partnership firm <input type="checkbox"/> FIs <input type="checkbox"/> Society <input type="checkbox"/> AOP/BOI <input type="checkbox"/> Banks <input type="checkbox"/> FIs <input type="checkbox"/> Trust <input type="checkbox"/> Company/Body Corporate <input type="checkbox"/> HUF <input type="checkbox"/> Others _____

Name of First / Sole applicant Mr. Ms. M/s.

1st holder PAN PAN Proof Enclosed KYC Mandatory for investment of Rs. 50,000 & above
 [Are you KYC Compliant Please (✓) Yes or No

Date of Birth**

D	M	M	Y	Y	Y	Y
---	---	---	---	---	---	---

Name of Guardian (In case of Minor-Contact Person/Designation - In case of non-individual Investors) Mr. Ms.
 Relation with Minor/Designation _____

Guardian's PAN PAN Proof Enclosed KYC Mandatory for investment of Rs. 50,000 & above
 [Are you KYC Compliant Please (✓) Yes or No

*Incase of minor as joint applicant

Name of Second applicant Mr. Ms.

2nd holder PAN PAN Proof Enclosed KYC Mandatory for investment of Rs. 50,000 & above
 [Are you KYC Compliant Please (✓) Yes or No

Name of Third applicant Mr. Ms.

3rd holder PAN PAN Proof Enclosed KYC Mandatory for investment of Rs. 50,000 & above
 [Are you KYC Compliant Please (✓) Yes or No

5. Mailing Address of Sole / First Applicant (P.O. Box Address may not be sufficient. Please provide your complete Address) (Refer Instruction No. I.3)

Add 1 _____
 Add 2 _____ District _____
 Add 3 _____ City _____
 State _____ Country _____ Pin _____

Tel. No. STD Code _____ Office _____ Residence _____ Mobile No. _____
 E-mail ID. Investors providing Email Id would mandatorily receive only E - Statement of Accounts in lieu of physical Statement of Accounts. (Refer Instruction No. VI)

Overseas Address (Mandatory for NRI/FII Applicants) (Please provide your complete Address P.O. BOX address is not sufficient)

 City _____ Country _____ Pin _____

Received from _____
 in Reliance Liquid Fund Treasury Plan Cheque / DD No. _____ Dated _____ Rs. _____
 drawn on _____

Auto Switch on September 09, 2010 APPL No. _____
 I / We would like to Auto Switch Rs. _____ OR _____ Units All Units
 from the above mentioned Scheme / Plan _____ Option _____ to Reliance Small Cap Fund Growth Plan Dividend Plan
 Growth Option Bonus Option Dividend Payout Option Dividend Reinvestment option

Signature, Date & Stamp of receiving office

APP No.:

SIP ENROLMENT cum AUTO DEBIT/ECS MANDATE FORM

(Please refer list of Autodebit banks in Terms & Conditions Point No.1 Overleaf) **TO BE FILLED IN CAPITAL LETTERS. PLEASE (✓) WHEREVER APPLICABLE**

DISTRIBUTOR / BROKER INFORMATION

Name & Broker Code / ARN ARN-20936	Sub Broker / Sub Agent Code
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Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors' assessment of various factors including the service rendered by the distributor.

REGISTRATION CUM MANDATE FORM FOR AUTO DEBIT/ECS (Debit clearing)

New SIP Registration - by existing investor

APPLICANT DETAILS (The 1st SIP installment should not be before 10th October, 2010)

Folio No.	
Name of Sole/1st holder	PAN No. M A N D A T O R Y KYC : Yes / No

SCHEME NAME Reliance Small Cap Fund Plan Option _____ SIP Amount _____

Frequency (Please ✓) Monthly (default) or Quarterly SIP Date 2 10 18 28 (Select any one SIP Date)

REGULAR

Enrollment Period: From: [M][M][Y][Y] To: [M][M][Y][Y]

(Refer Instruction No.13)

PERPETUAL (Default)

Enrollment Period: From: [M][M][Y][Y] To: [1][2][9][9]

BANK ACCOUNT DETAILS

1st/Sole Accountholder Name as in Bank Records

2nd Accountholder Name as in Bank Records

3rd Accountholder Name as in Bank Records

A/c. Type ✓ SB Current NRO NRE FCNR Account No. **M a n d a t o r y**

(Core Banking Account Number)

Bank M a n d a t o r y

Branch _____ City _____

PIN _____ 9 Digit MICR Code _____ IFSC Code _____

*Mandatory: Please enter the 9 digit number that appears after your cheque number.

MICR code starting and / or ending with 000 are not valid for ECS.

Mandatory Enclosures:

Blank cancelled cheque Copy of cheque

DECLARATION

I/We wish to inform you that I/we have registered with Reliance Mutual Fund through their authorised Service Provider(s) and representative for my/our payment to the above mentioned beneficiary by debit to my/our above mentioned bank account. For this purpose I/we authorised Service Provider(s) and representative to raise a debit on my/our above mentioned account with your branch. I/We hereby authorize you to honour all such requests received through authorised Service Provider(s) and representative to debit my/our account with the amount requested, for due remittance of the proceeds to the beneficiary. I/We undertake to keep sufficient funds in the funding account on the date of execution of standing instruction. I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold the Mutual Fund or the authorised Service Provider(s) and representative responsible. If the date of debit to my/our account happens to be a non business day as per the Mutual Fund or a Bank holiday, execution of the SIP will happen on the day of Holiday/next working day and allotment of units will happen as per the Terms and Conditions listed in the Statement of Additional Information & Scheme Information Document of the Mutual Fund. The above mentioned Bank shall not be liable for, nor be in default by reason of, any failure or delay in completion of this service, where such failure or delay is caused, in whole or in part, by any acts of God, civil war, civil commotion, riot, strike, mutiny, revolution, fire, flood, fog, war, lightning, earthquake, change of Government policies, Unavailability of Bank's computer system, force majeure events, or any other cause of peril which is beyond the above mentioned Banks reasonable control and which has the effect of preventing the performance of this service by the above mentioned Bank. I/We shall not dispute or challenge any debit, raised under this mandate, on any ground whatsoever. I/We shall not have any claim against the Bank in respect of the amount so debited pursuant to the mandate submitted by me/us. I/We shall keep the Bank and authorised Service Provider(s) and representative, jointly and/or severally indemnified from time to time, against all claims, actions, suits, for any loss, damage, costs, charges and expenses incurred by the Bank and authorised Service Provider(s) and representative, by reason of their acting upon the instructions issued by the above named authorized signatories/beneficiaries. This request for debit mandate is valid and may be revoked only through a written letter withdrawing the mandate signed by the authorized signatories/beneficiaries and acknowledged at your counters and giving reasonable notice to effect such withdrawal.

I/We would like to invest in **Reliance** Fund subject to terms of the Statement of Additional Information (SAI) and Scheme Information Document (SID) and subsequent amendments thereto. I/We have read, understood (before filling application form) and is/are bound to the details of the SAI and SID. I/We have not received nor been induced by any rebate or gifts, directly or indirectly, in making this investment. I accept and agree to be bound by the said Terms and Conditions including those excluding/ limiting the Reliance Capital Asset Managements Limited (RCAM) liability. I understand that the RCAM may, at its absolute discretion, discontinue any of the services completely or partially without any prior notice to me. The ARN holder has disclosed to me/us all the commissions (in the form of trail commission or any other mode), payable to him for the different competing Schemes of various Mutual Funds from amongst which the Scheme is being recommended to me/us. I hereby declare that the above information is given by the undersigned and particulars given by me/us are correct and complete. Applicable for NRI Investors: I/We undertake that all purchases made under this folio will also be from funds received from abroad through approved banking channels or from funds in my/ our NRE/FCNR Account.

SIGNATURE/S AS PER RELIANCE MUTUAL FUND (MANDATORY)

Sole/ 1 st applicant/ Guardian Authorised Signatory	
2 nd applicant / Authorised Signatory	
3 rd applicant Authorised Signatory	

SIGNATURE/S AS PER BANK RECORDS (MANDATORY)

Sole/ 1 st applicant/ Guardian Authorised Signatory	
2 nd applicant / Authorised Signatory	
3 rd applicant Authorised Signatory	

FOR OFFICE USE ONLY (Not to be filled in by Investor)

Recorded on _____

Scheme Code _____

Recorded by _____

Credit Account Number _____

Bank use Mandate Ref. No. _____

Customer Ref. No. _____

INSTRUCTIONS cum TERMS AND CONDITIONS

SIP payment through Auto Debit via Standing Instruction and Electronic Clearing Service (Debit Clearing) of the Reserve Bank of India (RBI)

LIST OF CITIES FOR SIP FACILITY VIA ECS (DEBIT CLEARING) (84 CENTERS)

AGRA, AHMEDABAD, ALLAHABAD, AMRITSAR, ANAND, AURANGABAD, ASANSOL, BANGALORE, BARDWAN, BARODA, BELGAUM, BHAVNAGAR, BHILWARA, BHOPAL, BHUBANESHWAR, BIJAPUR, BIKANER, CALICUT, CHANDIGARH, CHENNAI, COCHIN, COIMBATORE, CUTTAK, DAVANGERE, DEHRADUN, DELHI, DHANBAD, DURGAPUR, ERODE, GADAG, GANGTOK, GORAKHPUR, GUWAHATI, GULBARGA, GWALIOR, HUBLI, HYDERABAD, INDORE, JABALPUR, JAIPUR, JALANDHAR, JAMMU, JAMNAGAR, JAMSHEDPUR, JODHPUR, KANPUR, KAKINADA, KOLHAPUR, KOLKATA, KOTA, LUCKNOW, LUDHIANA, MADURAI, MANDYA, MANGALORE, MUMBAI, MYSORE, NAGPUR, NASIK, NELLORE, PANJIM, PATNA, PONDICHERY, PUNE, RAIPUR, RAICHUR, RAJKOT, RANCHI, SALEM, SHIMLA, SHIMOGA, SHOLAPUR, SILIGURI, SURAT, THIRUPUR, TIRUPATI, TRICHUR, TRICHY, TRIVANDRUM, UDAIPUR, UDUPI, VARANASI, VIJAYWADA, VIZAG,

- (1) Auto Debit facility is offered only to the investors maintaining their bank accounts with Bank of Baroda/ Bank of India/ Punjab National Bank/ Kotak Mahindra Bank/ Citibank NA/HDFC Bank/ ICICI Bank/ AXIS Bank/ HSBC/ IDBI Bank/ State Bank of India. The above list is subject to change from time to time.
- (2) Electronic Clearing System (ECS) facility will be available in the selected cities. A city where ECS facility is available presently is mentioned above. The list may be modified/ updated/ changed/ removed at any time in future entirely at the discretion of Reliance Capital Asset Management Limited (RCAM) without assigning any reasons or prior notice. If any city is removed, SIP instructions for investors in such cities via ECS (Debit) route will be discontinued without prior notice. In such a case, the RCAM at its sole discretion may accept Post Dated Cheques (PDC's) from the investors for the balance period.
- (3) The bank account provided for ECS should participate in local MICR clearing. In case MICR code is not provided or incorrect code is mentioned on the application form, the application for SIP will be liable to be rejected.
- (4) The investor agrees to abide by the terms and conditions of ECS/Auto Debit facility of Reserve Bank of India/Banks. Reliance Mutual Fund (RMF) / RCAM, its registrars and other service providers shall not be held responsible or will not be liable for any damages and will not compensate for any loss, damage etc. incurred to the investor. The investor assumes the entire risk of using this facility and takes full responsibility. Investor will not hold RMF / RCAM, its registrars and other service providers responsible if the transaction is delayed or not effected or the investor bank account is debited in advance or after the specific SIP date due to various clearing cycles of Auto Debit /ECS / local holidays.
- (5) Please read the Key Information Memorandum, Statement of Additional Information (SAI) and Scheme Information Document (SID) of respective Scheme(s) carefully before investing.
- (6) Investors are required to submit following documents atleast 21 working days before the first SIP Installment date for Auto Debit & ECS Clearing:
New Investors are required to submit the following documents:
 - (a) Common Application Form with SIP Enrolment & Auto Debit/ECS Mandate Form.
 - (b) A photo copy/cancelled cheque from ECS Debit Account (as mentioned on the application form should be submitted along with other requirements).**Existing Investors are required to submit SIP Enrolment cum Auto Debit/ECS Mandate Form.**
- (7) An investor can opt for Monthly or Quarterly frequency. SIP Auto debit / ECS facility is available only on specific dates of the month i.e. 2nd or 10th or 18th or 28th. An investor shall have the option of choosing for 1 or more than 1 SIP in the same scheme and in the same month. SIP debit dates shall be 2nd, 10th, 18th or 28th. However more than one SIP debit date is not allowed. To register multiple SIPs in the same scheme /same month, please submit separate Auto Debit and ECS Mandate Form.
- (8) The 1st SIP installment should not be before October 10, 2010. In case an investor has opted a date before October 10, 2010, such SIP will be executed on the same day but from the next month. Investors should check the same at the Designated Investor Service Centre of Reliance Mutual Fund before investing. If the date on the cheque/draft/ECS/Auto Debit Transactions is a non-Business Day for the scheme, then the units shall be allotted on the next Business day.
- (9) Since, investors can start an SIP directly without any initial investment. In this option the Investors can submit the application for SIP on any working day but the subsequent installment date of SIP shall be 2nd / 10th / 18th / 28th.
- (10) Minimum application amount for Monthly SIP Option - 60 instalments of Rs. 100/- each or 12 instalments of Rs. 500/- each or 6 instalments of Rs. 1,000/- each and in multiples of Re. 1/- thereafter. For Quarterly SIP Option - 12 instalments of Rs. 500/- each or 4 instalments of Rs. 1,500/ each and in multiples of Re. 1/- thereafter.
- (11) "Perpetual SIP" will be the default option in case end date for enrolment period is not provided. In case an investor, who has opted for Perpetual SIP, subsequently intends to discontinue the same, a written communication thereof will be required to be furnished. In case the SIP end date is not mentioned while submitting the application, the SIP mandate will be construed to be perpetual, till instruction to the contrary is received from the investor.
- (12) The provisions mentioned in the respective SID regarding Applicable NAV, Risk Factors, Load etc. shall be applicable. The provision for "Minimum Application Amount" as specified in the respective SID will not be applicable for SIP Investments.
- (13) Allotment of units would be subject to realisation of credit.
- (14) If the date of the subsequent SIP installment is a non-transaction day for the scheme, then the units shall be allotted on the next / following transaction day.
- (15) The Unit holders can choose to opt out from the SIP at any point of time by submitting a written request to the nearest DISC. Such request for discontinuation should be received at least 15 days prior to the next due date of the SIP. On receipt of such a request, the SIP will be discontinued for the folio.
- (16) For Direct Investment Please Mention "Direct in the Column "Name & Broker Code/ARN
- (17) **The ECS Mandate Form along with common Application Form in all respects should be submitted at any of the Designated Investor Service Centre (DISCs) of RCAM or Karvy Computershare Pvt. Ltd.**
- (18) Existing unit holders should note that unit holders' details and mode of holding (single, jointly, anyone or survivor) will be as per the existing Account.
- (19) RCAM reserves the right to reject any application without assigning any reason thereof. RCAM in consultation with Trustees reserves the right to withdraw these offerings, modify the procedure, frequency, dates, load structure in accordance with the SEBI Regulations and any such change will be applicable only to units transacted pursuant to such change on a prospective basis.
- (20) The first Account Statement for the Scheme will be despatched to the unitholder stating the number of Units held etc. within a maximum of ten Business Days from the date of allotment of units.
- (21) If the investor has provided his email address in the application form or any subsequent communication in any of the folio belonging to the investor(s), RMF / RCAM reserves the right to use Electronic Mail (email) as a default mode to send various communication which include account statements for transactions done by the investor(s). The investor(s) may request for a physical account statement by writing or calling RMF's Investor Service Center/ Registrar & Transfer Agent. In case of specific request received from the investor(s), RMF shall provide the account statement to the investor(s) within 5 working days from the receipt of such request. RMF shall comply with SEBI Circular No. IMD/CIR/12/80083/2006 dated November 20, 2006 with respect to dispatch of the account statement.
- (22) In accordance with the requirements specified by the SEBI circular no. SEBI/IMD/CIR No.4/168230/09 dated June 30, 2009 no entry load will be charged with effect from August 1, 2009. Exit Load as applicable in the respective Scheme at the time of enrolment of SIP will be applicable.
- (23) As per SEBI circular number MRD/DoP/Cir- 05/2007 dated April 27, 2007, Permanent Account Number (PAN) shall be the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction with effect from July 2, 2007. Accordingly, it is mandatory for investor's to provide their PAN alongwith a self attested copy of PAN card. If the investment is being made on behalf of a minor, the PAN of the minor or father or mother or the guardian, who represents the minor, should be provided. Applications received without PAN/PAN card copy will be rejected. Please refer to SAI for more details.
- (24) With effect from February 1, 2008, it is mandatory for all applications for subscription of value of Rs.50,000/- above to quote the KYC Compliance Status of each applicant (guardian in case of minor) in the application for subscription and attach proof of KYC Compliance i.e. KYC Acknowledgement Letter. Applications for subscriptions of Value of Rs. 50,000/- and above without a valid KYC compliance may be rejected. In the event of non compliance of KYC requirements, the Trustees/AMC reserves the right to freeze the folio of the investor(s) and affect mandatory redemption of unit holdings of the investors at the applicable NAV, subject to payment of exit load (as applicable) Please refer to SAI for more details.

One Indiabulls Centre, Tower 1, 11th & 12th Floor, Jupiter Mill Compound,
841, Senapati Bapat Marg, Elphinstone Road, Mumbai-400 013.

Call : 30301111 Toll free: 1800-300-11111

www.reliancemutual.com

RELIANCE Mutual Fund
Anil Dhirubhai Ambani Group

Key Information Memorandum cum Application From Reliance Liquid Fund – Treasury Plan

(An Open Ended Liquid Scheme)

Continuous offer of Reliance Liquid Fund–Treasury Plan at NAV based prices plus applicable load, if any.

This Key Information Memorandum (KIM) sets forth the information, which a prospective investor ought to know before investing. For further details of the Scheme/Mutual Fund, due diligence certificate by the AMC, Key Personnel, investors' rights & services, risk factors, penalties & pending litigations, etc., investors should, before investment, refer to the respective Scheme Information Document and Statement of Additional Information available free of cost at any of the Investor Service Centres or distributors or from the website www.reliancecmutual.com.

The Scheme particulars have been prepared in accordance with Securities and Exchange Board of India (Mutual Funds) Regulations 1996, as amended till date, and filed with Securities and Exchange Board of India (SEBI). The units being offered for public subscription have not been approved or disapproved by SEBI, nor has SEBI certified the accuracy or adequacy of this KIM. This KIM is dated August 6, 2010.

Investment objective : The primary investment objective of the scheme is to generate optimal returns consistent with moderate levels of risk and high liquidity. Accordingly, investments shall predominantly be made in Debt and Money Market Instruments.

Asset Allocation Pattern : Call Money/Cash/Repo and Reverse Repo- 0 – 50%, Money Market Instruments (Mibor linked instruments,)CPs, T-Bills, CDs and/or other Short Term papers) 0 – 95%.

Risk Profile of the Scheme: Mutual Fund Units involve investment risks including the possible loss of principal. Please read the Scheme information document (SID) carefully for details on risk factors before investment.

Scheme specific Risk : Trading volumes and settlement periods may restrict liquidity in equity and debt investments. Investment in Debt is subject to price, credit, and interest rate risk. The NAV of the Scheme may be affected, inter alia, by changes in the market conditions, interest rates, trading volumes, settlement periods and transfer procedures. The NAV may also be subjected to risk associated with investment in derivatives, foreign securities or script lending as may be permissible by the Scheme Information Document.

Plans and Options : Under Retail & Institutional Plan: Growth option & Dividend option (Payout & Reinvestment option). **Dividend Frequency:** Under Dividend Payout Option: Monthly & Quarterly; Under Dividend Reinvestment: Daily, Weekly, Monthly, Quarterly. If the dividend declaration date for any of the specified frequencies is a non business day then the immediate next business day becomes the record date

Applicable NAV :

Purchases including Switch – ins: In respect of valid applications received upto 12.00 noon on a working day and the funds are available for utilization on the same day, the applicable NAV shall be – the closing NAV of the day immediately preceding the day of receipt of application; In respect of valid applications received after 12.00 noon on a working day and the 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 ; In respect of valid applications where the funds are not available for utilization on the day of the application the applicable NAV shall be – the closing NAV of the day immediately preceding the day on which the funds are available for utilization, irrespective of the time of receipt of application.

Redemptions including Switch – outs: In respect of valid applications received upto 3.00 pm on a working day – the closing NAV of the day immediately preceding the next business day and In respect of valid applications received after 3.00 pm on a working day – the closing NAV of the next business day.

Minimum Application Amount : Retail Plan: Rs. 5,000 and in multiples of Re. 1 thereafter; Institutional Plan: Rs. 1,00,00,000 and in multiples of Re. 1 thereafter

Minimum Additional Purchase Amount : Rs 1,000 & in multiples of Re. 1 thereafter

Minimum Redemption : Redemptions can be for any amount or any number of units. However, in order to keep the account in operation, minimum balance equal to the minimum subscription amount under each of the plans, is required to be maintained in the account.

Despatch of Repurchase (Redemption) Request : Within 10 working days of the receipt of the redemption request at the authorised centre of Reliance Mutual Fund.

Benchmark : Crisil Liquid Fund Index

Dividend Policy : Dividend will be distributed from the available distributable surplus after the deduction of the dividend distribution tax and the applicable surcharge, if any. The Mutual Fund is not guaranteeing or assuring any dividend. Please read the Scheme information document. For details. Further payment of all the dividends shall be in compliance with SEBI Circular No. SEBI/IMD/CIR No. 1/64057/06 dated 4/4/06.

Fund Manager : Prashant Pimple

Trustee Company : Reliance Capital Trustee Co. Limited

Performance of the Scheme as on 30/07/2010: Based on NAV of Retail Plan – Growth Plan – Growth option. Date of Inception 23/03/98

Compounded Annualised Returns

Period	1 Years	3 Years	5 years	Returns Since Inception
Scheme Returns %	4.32	6.59	6.47	6.73
Benchmark Returns %	3.54	6.06	6.21	N.A [^]

[^] No comparable index available during that period.

Performance of the Scheme as on 31/03/2010

Absolute returns for each Financial Year for the last 5 years

Past performance may or may not be sustained in future

Calculation assume that all payouts during the period have been re-invested in the units of the scheme at the then prevailing NAV. All the returns are of Retail Plan– Growth Plan – Growth Option

Expenses of the scheme (i) Load Structure

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 by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors' assessment of various factors including the service rendered by the distributor

Exit Load : Nil

(ii) Recurring Expenses : As per SEBI (Mutual Funds) Regulations 1996, the maximum expenses that can be charged to a scheme are as follows:

First Rs. 100 crores 2.25%, Next Rs. 300 crores 2.00%, Next Rs. 300, crores 1.75%, Balance 1.50%

Actual expenses as on 31/3/10 : Retail Plan: 0.60% Institutional Plan: 0.56% (For the previous financial year (2009–2010) Year to date Ratio to Average AUM)

Waiver of Entry Load for Direct Applications: Pursuant to SEBI circular No. SEBI/IMD/CIR No. 4/ 168230/09 dated June 30, 2009, no entry load shall be charged for all the mutual fund schemes. Therefore the procedure for the waiver of load for direct application is no longer applicable.

Tax treatment for the Investors (Unit holders) : Investors will be advised to refer to the details in the Statement of Additional Information and also independently refer to his tax advisor.

Daily Net Asset Value (NAV) Publication: The NAV will be declared on all working days and will be published in 2 newspapers. NAV can also be viewed on www.reliancecmutual.com and www.amfiindia.com

For Investor Grievances Please Contact

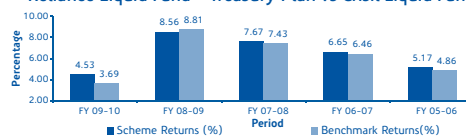
Name and Address of Registrar : Karvy Computershare Private Limited, (Formerly known as Karvy Consultants Limited),

Madhura Estate, Municipal No 1–9/13/C, Plot No 13 & 13C , Survey No 74 & 75 Madhapur Village, Serlingampally Mandal & Municipality, R R District, Hyderabad 500 081. Tel: 040–40308000 Fax: 040–23394828 **Reliance Mutual Fund**, One Indiabulls Centre, Tower 1, 11th & 12th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg Elphinstone Road, Mumbai–400 013 Customer Care: 1800–300–11111 (Toll free) / 3030 1111 Email : customer_care@reliancecmutual.com

For further details on the Schemes, investors are advised to refer to the Scheme Information Document.

Unit holders' Information : Accounts statement (on each transaction), Annual financial results and Half yearly portfolio disclosure shall be provided to investors by post or published as per SEBI regulations.

Reliance Liquid Fund – Treasury Plan vs Crisil Liquid Fund Index



HOW THE SCHEME IS DIFFERENT FROM THE EXISTING OPEN ENDED DEBT SCHEMES OF THE MUTUAL FUND

Reliance Liquid Fund–Treasury Plan

Asset Allocation Pattern : Call Money/Cash/Repo and Reverse Repo- 0 - 50% ; Money Market Instruments (Mibor linked instruments,)CPs, T-Bills, CDs and/or other Short Term papers) 0 - 95%. **Primary Investment Pattern :** The primary investment objective of the scheme is to generate optimal returns consistent with moderate levels of risk and high liquidity. Accordingly, investments shall predominantly be made in Debt and Money Market Instruments. **Investment Strategy :** The fund management team will endeavor to maintain a consistent performance in the scheme by maintaining a balance between safety, liquidity and profitability aspects of various investments. The fund manager will try to achieve an optimal risk return balance for management of the fixed income portfolios. The investments in debt instruments carry various risks like interest rate risk, liquidity risk, default risk, purchasing power risk etc. While they cannot be done away with, they can be minimized by diversification and effective use of hedging techniques. The fund management team will take an active view of the interest rate movement by keeping a close watch on various parameters of the Indian economy, as well as developments in global markets. **Differentiation :** This fund belongs to the family of Liquid Funds. It is targeted towards varied investor categories like retail/SMEs/HNIs due to which the minimum investment amount in the fund is Rs 5000. Since the fund is targeted towards a diverse investor base, the AUM of the fund is relatively more stable in nature. This is reflected in its portfolio wherein there is a relatively lower allocation to relative cash and cash like instruments. Also because of a more diversified investor base, the marketing expenses on an average are slightly higher than Reliance Liquidity Fund resulting in relatively higher expense charged. **AUM (Rs. Crore) as on July 31,2010 : 1905.89, No. of Folios as on July 31,2010 : 35,566**

Reliance Liquid Fund–Cash Plan

Asset Allocation Pattern : Reverse Repo & CBLO - 0 - 100% Mibor Linked instruments with daily Put/ Call Options and Overnight Interest Rate Reset Linked Debt Instruments - 0-100% Investments in Overnight Interest Rate Reset Linked Debt Instruments (with maturity or put/call greater than one day) shall not exceed 50% of the corpus of the scheme. **Primary Investment Pattern :** The primary investment objective of the scheme is to generate optimal returns consistent with moderate levels of risk and high liquidity. Accordingly, investments shall predominantly be made in Debt and Money Market Instruments. **Investment Strategy :** The fund management team will endeavor to maintain a consistent performance in the scheme by maintaining a balance between safety, liquidity and profitability aspects of various investments. The fund manager will try to achieve an optimal risk return balance for management of the fixed income portfolios. The investments in debt instruments carry various risks like interest rate risk, liquidity risk, default risk, purchasing power risk etc. While they cannot be done away with, they can be minimized by diversification and effective use of hedging techniques. The fund management team will take an active view of the interest rate movement by keeping a close watch on various parameters of the Indian economy, as well as developments in global markets. **Differentiation :** This fund also belongs to the family of Liquid Funds. The scheme is mandated to deliver returns which are highly correlated with overnight money market rates. This is achieved by taking exposure to overnight instruments or by taking exposure to floaters which are benchmarked to overnight interest rate benchmarks. The fund is suitable to park very short term investment surplus for a duration ranging from a day to a week. **AUM (Rs. Crore) as on July 31,2010 : 34.57, No. of Folios as on July 31,2010 : 1,775**

Reliance Liquidity Fund

Asset Allocation Pattern : Repo and Reverse Repo 0 - 35%, Money Market Instruments (Mibor linked instruments, CPs, T-Bills, CDs) and/or other Short Term debt instruments (Floating Rate Notes, Short Tenor NCDs, PTCs) and/or Less than 1 year maturity Gsecs- 65-100% Securitised debt upto 40% of the corpus. **Primary Investment Pattern :** The investment objective of the Scheme is to generate optimal returns consistent with moderate levels of risk and high liquidity. Accordingly, investments shall predominantly be made in Debt and Money Market Instruments. **Investment Strategy :** The fund management team will endeavor to maintain a consistent performance in the scheme by maintaining a balance between safety, liquidity and profitability aspects of various investments. The fund manager will try to achieve an optimal risk return balance for management of the fixed income portfolios. The investments in debt instruments carry various risks like interest rate risk, liquidity risk, default risk, purchasing power risk etc. While they cannot be done away with, they can be minimized by diversification and effective use of hedging techniques. The fund management team will take an active view of the interest rate movement by keeping a close watch on various parameters of the Indian economy, as well as developments in global markets. **Differentiation :** The fund belongs to the family of Liquid Funds. It is designed to handle extremely large ticket size investments with the minimum application amount being Rs. 5 crore. Since the fund is meant for large ticket size investors, therefore, on an average maintains low total expense ratio resulting from low marketing expense. The portfolio endeavors to maintain a larger proportion of assets in liquid, cash and near cash instruments to handle the possibility of larger volatility in a smooth manner. **AUM (Rs. Crore) as on July 31, 2010 : 7165.97, No. of Folios as on July 31, 2010 : 224**

Reliance Floating Rate Fund – Short Term Plan (Formerly Reliance Floating Rate Fund)

Asset Allocation Pattern : Money market instruments and Floating Rate Debt Securities (including floating rate securitised debt & Fixed rate debt instruments & Floating Rate Debt Instruments swapped for Fixed Rate returns) with tenure exceeding 3 months upto a maturity of 3 years 25% - 100%. Fixed Rate Debt Securities (including securitized debt, Money Market Instruments & Floating Rate Debt Instruments swapped for fixed rate returns) 0% - 75% Securitised debt will a part of debt securities upto 50% of the corpus. **Primary Investment Pattern :** The primary investment objective of the scheme is to generate regular income through investment in a portfolio comprising substantially of Floating Rate Debt Securities (including floating rate securitised debt, Money Market Instruments and Fixed Rate Debt Instruments swapped for floating rate returns) The scheme shall also invest in Fixed Rate Debt Securities (including fixed rate securitised debt, Money Market Instruments and Floating Rate Debt Instruments swapped for fixed returns). **Investment Strategy :** The fund management team will endeavor to maintain a consistent performance in the scheme by maintaining a balance between safety, liquidity and profitability aspects of various investments. The fund manager will try to achieve an optimal risk return balance for management of the fixed income portfolios. The investments in debt instruments carry various risks like interest rate risk, liquidity risk, default risk, purchasing power risk etc. While they cannot be done away with, they can be minimized by diversification and effective use of hedging techniques. The fund management team will take an active view of the interest rate movement by keeping a close watch on various parameters of the Indian economy, as well as developments in global markets. **Differentiation :** The fund belongs to the category of Ultra Short Term Funds. A significant portion of the fund is mandated to invest in a combination of debt securities, money market instruments and floating rate instruments with a maturity profile of three months and upto 2 years. This fund may have a slightly more aggressive credit and duration profile compared to a money manager fund and medium term fund and therefore would be suitable for investors with minimum 3 months holding period. **AUM (Rs. Crore) as on July 31,2010 : 3976.74, No. of Folios as on July 31,2010: 13,566**

Reliance Money Manager Fund

Asset Allocation Pattern : Debt Instruments* including Government Securities, Corporate Debt, Other debt instruments and Money Market Instruments with average maturity less than equal to 12 months- 0-100%, Debt Instruments* including Government Securities, Corporate Debt and other debt Instruments with average maturity greater than 12 months- 0-50% *Securitised debt upto 60% of the corpus. **Primary Investment Pattern :** The investment objective of the Scheme is to generate optimal returns consistent with moderate levels of risk and liquidity by investing in debt securities and money market securities. **Investment Strategy :** The fund management team will endeavor to maintain a consistent performance in the scheme by maintaining a balance between safety, liquidity and profitability aspects of various investments. The fund manager will try to achieve an optimal risk return balance for management of the fixed income portfolios. The investments in debt instruments carry various risks like interest rate risk, liquidity risk, default risk, purchasing power risk etc. While they cannot be done away with, they can be minimized by diversification and effective use of hedging techniques. The fund management team will take an active view of the interest rate movement by keeping a close watch on various parameters of the Indian economy, as well as developments in global markets. **Differentiation :** This fund belongs to the family of ultra short term debt funds with very low exposure to MTM instruments. The fund is managed with a relatively conservative approach to credit risk and duration as compared to Reliance Medium Term Fund & Reliance Floating Rate Fund - STP. As a result of having a higher credit profile and a low MTM component, the returns may be less volatile than Reliance Medium Term Fund & Reliance Floating Rate Fund - STP. The fund portfolio is designed to generate a moderate yield pick up over liquid funds and is suitable for investors with investment between 1 week to 1 month. **AUM (Rs. Crore) as on July 31,2010 : 14201.17, No. of Folios as on July 31,2010: 16,351**

Reliance Medium Term Fund

Asset Allocation Pattern : Money Market Instruments/Short Term debt Instruments/Floating Rate Notes with maturity/interest rate reset period not exceeding 3 months 0%- 80%. Money Market Instruments (CPs, T-Bills, CDs) and/or other Short Term debt instruments (Floating Rate Notes, Short Tenor NCDs, Securitised debt) and any other instrument with duration of more than 3 months but not exceeding 3 years 20% - 100%#Securitised debt upto 80% of the corpus. **Primary Investment Pattern :** The primary investment objective of the scheme is to generate regular income in order to make regular dividend payments to unitholders and the secondary objective is growth of capital. **Differentiation :** This fund belongs to the family of ultra short term debt funds, with moderate exposure to MTM assets. The portfolio is positioned at the shorter end of the yield curve but has a leeway to take marginal exposure to securities upto 1 year maturity in case value is identified at that part of the curve. This fund can marginally enhance the credit risk profile of the portfolio to enhance returns.

The NAV of the fund may be a little more volatile than a liquid fund because of a higher MTM component in the fund. The fund is suitable for investors with an investment horizon of 1 month or more. **AUM (Rs. Crore) as on July 31,2010 : 4750.8.17, No. of Folios as on July 31,2010: 23,788**

HOW THE SCHEME IS DIFFERENT FROM THE EXISTING OPEN ENDED DEBT SCHEMES OF THE MUTUAL FUND

Reliance Short Term Fund

Asset Allocation Pattern : Debt & Money market instruments with average maturity upto 1 year 60% – 100% Debt instruments with average maturity greater than a year and normally upto 7 years depending upon availability 0% – 40%., **Primary Investment Pattern :** The primary investment objective of the scheme is to generate stable returns for investors with a short term investment horizon by investing in fixed income securities of a short term maturity., **Investment Strategy :** Reliance Short Term Fund is positioned as an intermediate product positioned between the long term Income Fund (Reliance Income Fund) and the very short term liquid Fund (Reliance Liquid Fund). Accordingly, investments will be made mainly in short to medium term maturity debt instruments in line with the investment objective of the Scheme of achieving stable returns. The fund management team will endeavor to maintain a consistent performance in the scheme by maintaining a balance between safety, liquidity and profitability aspects of various investments. The fund manager will try to achieve an optimal risk return, balance for management of the fixed income portfolios. The investments in debt instruments carry various risks like interest rate risk, liquidity risk, default risk, purchasing power risk etc. While they cannot be done away with, they can be minimized by diversification and effective use of hedging techniques. **Differentiation :** The fund belongs to the family of income funds. It is suitable for investors with short to medium term investment horizon of 6 – 9 months and medium appetite for risk. The fund predominantly invests in various debt instruments like Government and Corporate bonds, Securitised Debt, Money Market Instruments etc and normally maintains a moderate maturity of the portfolio between 1 – 2 years., **AUM (Rs. Crore) as on July 31, 2010 :** 4808.41, **No. of Folios as on July 31, 2010 :** 9,084

Reliance Regular Savings Fund- Debt Option

Asset Allocation Pattern : Debt Instruments (including securitised debt) with maturity of more than 1 year – 65-100% Money Market Instruments (including Cash/ Call Money & Reverse Repo) and Debentures with maturity of less than 1 year – 0-35% (Securitized debt will be a part of the debt securities, upto 25% of the corpus), **Primary Investment Pattern :** The primary investment objective of this option is to generate optimal returns consistent with a moderate level of risk. This income may be complemented by capital appreciation of the portfolio. Accordingly, investments will predominantly be made in Debt & Money Market Instruments., **Investment Strategy :** The Fund Management Team will endeavor to maintain a consistent performance in the Scheme by maintaining a balance between safety, liquidity & profitability aspects of various investments. The Scheme will, under normal market conditions, invest its net assets in fixed income securities like Central Government securities, Treasury Bills, Corporate Bonds, and CBLO etc. The scheme may also invest its net assets in Derivatives like Interest rate swaps, Forward Rate agreements and other such instruments as permitted by RBI / SEBI. To reduce the volatility, the fund will keep a low government security exposure. The exposure in government securities will generally not exceed 50% of the corpus of the scheme. Some of the Debt Instruments may not be listed and investments will be made through public offer or private placement or secondary market open fund. The average maturity of the debt portfolio may normally be maintained between 1 and 7 years., **Differentiation :** This fund also belongs to the family of income funds. This fund is positioned towards the retail/HNI/SME kind of fixed income investors. The fund has a limit on the amount that the investor can invest in a month. The fund basically seeks to benefit from any opportunity available in the debt market space at different points in time and from the steepness of the yield curve. It typically maintains a moderate duration between 1 – 2 years and invests in good credit quality papers to ensure that investors have a healthy holding period return. The fund positions itself to take advantage of well researched credits and structures to enhance returns for the investors., **AUM (Rs. Crore) as on July 31, 2010 :** 3418.79, **No. of Folios as on July 31, 2010 :** 13,226

Reliance Income Fund

Asset Allocation Pattern : Debt Instruments – 50 – 100%, Money Market Instruments – 0 – 50% The Fund will normally endeavor to keep Securitised Debt upto 40% of the corpus, **Primary Investment Pattern :** The primary investment objective of the scheme is to generate optimal returns consistent with moderate level of risk. This income may be complemented by capital appreciation of the portfolio. Accordingly, investments shall predominantly be made in Debt & Money Market Instruments, **Investment Strategy :** The fund management team will endeavor to maintain a consistent performance in the scheme by maintaining a balance between safety, liquidity and profitability aspects of various investments. The fund manager will try to achieve an optimal risk return balance for management of the fixed income portfolios. The investments in debt instruments carry various risks like interest rate risk, liquidity risk, default risk, purchasing power risk etc. While they cannot be done away with, they can be minimized by diversification and effective use of hedging techniques. The fund management team will take an active view of the interest rate movement by keeping a close watch on various parameters of the Indian economy, as well as developments in global markets., **Differentiation :** This fund belongs to the family of income funds. It is suitable for investors with medium to longer term investment horizon of 12 months and more and medium to high appetite for risk. Income funds mainly invest in debt securities of varying maturity periods, i.e. both in short term and long term debt instruments like Government and Corporate bonds, Securitised Debt, Money Market Instruments etc, depending on the fund manager's view of the market., **AUM (Rs. Crore) as on July 31, 2010 :** 340.29, **No. of Folios as on July 31, 2010 :** 7,302

Reliance Dynamic Bond Fund (Formerly Reliance NRI Income Fund)

Asset Allocation Pattern : Debt instruments: 0%-100%. Investment in securitised debt upto 40% may be undertaken., **Primary Investment Pattern :** The primary investment objective of the scheme is to generate optimal returns consistent with moderate levels of risk. This income may be complemented by capital appreciation of the portfolio. Accordingly, investments shall predominantly be made in Debt and Money Market Instruments., **Investment Strategy :** The fund management team will endeavor to maintain a consistent performance in the scheme by maintaining a balance between safety, liquidity and profitability aspects of various investments. The fund manager will try to achieve an optimal risk return balance for management of the fixed income portfolios. The investments in debt instruments carry various risks like interest rate risk, liquidity risk, default risk, purchasing power risk etc. While they cannot be done away with, they can be minimized by diversification and effective use of hedging techniques. The fund management team will take an active view of the interest rate movement by keeping a close watch on various parameters of the Indian economy, as well as developments in global markets., **Differentiation :** Reliance Dynamic Bond Fund is a fund with a dynamic asset allocation structure enabling complete flexibility in investment in debt instruments which may include investments in corporate and PSU bonds, Government Securities, money market instruments, securitized debt etc of varying tenors and the quantum of investments in any of the above mentioned categories is also flexible. Therefore, the fund intends to take medium term calls on interest rates and take significant bets on the same. A significant portion of the fund's pie shall be invested in higher rate corporate bonds, money market instruments and gilts. Credit call, if at all, will be taken on low duration securities. **AUM (Rs. Crore) as on July 31, 2010 :** 51.03, **No. of Folios as on July 31, 2010 :** 173

Reliance Gilt Securities Fund

Asset Allocation Pattern : Gilts – 70 – 100%, Money Market Instruments 0 – 30%, **Primary Investment Pattern :** The primary investment objective of the scheme is to generate optimal credit risk-free returns by investing in a portfolio of securities issued and guaranteed by the Central Government and State Government, **Investment Strategy :** The fund management team will endeavor to maintain a consistent performance in the scheme by maintaining a balance between safety, liquidity and profitability aspects of various investments. The fund manager will try to achieve an optimal risk return balance for management of the fixed income portfolios. The investments in debt instruments carry various risks like interest rate risk, liquidity risk, default risk, purchasing power risk etc. While they cannot be done away with, they can be minimized by diversification and effective use of hedging techniques. The fund management team will take an active view of the interest rate movement by keeping a close watch on various parameters of the Indian economy, as well as developments in global markets. **Differentiation :** This fund belongs to the family of Gilt Funds. It predominantly invests in a portfolio comprising of securities issued and guaranteed by the Central Government and State Government, hence has a higher credit profile. It has a very low credit risk profile. However, it can run extremely long durations and therefore, have a higher interest rate risk profile. It is suitable for investors with an investment horizon of 12 months and longer who have a positive view on falling interest rates., **AUM (Rs. Crore) as on July 31, 2010 :** 57.74, **No. of Folios as on July 31, 2010 :** 426

Reliance Monthly Income Plan

Asset Allocation Pattern : Equity and Equity related Securities-0%-20%, Fixed Income Securities (Debt & Money Market Instruments) 80%-100%. Securitised debt will be a part of debt Securities up to 25% of corpus, **Primary Investment Pattern :** The primary investment objective of the scheme is to generate regular income in order to make regular dividend payments to unitholders and the secondary objective is growth of capital, **Investment Strategy :** The fund management team will endeavor to maintain a consistent performance in the scheme by maintaining a balance between safety, liquidity and profitability aspects of various investments. The fund manager will try to achieve an optimal risk return balance for management of the fixed income portfolios. The investments in debt instruments carry various risks like interest rate risk, liquidity risk, default risk, purchasing power risk etc. While they cannot be done away with, they can be minimized by diversification and effective use of hedging techniques. The fund management team will take an active view of the interest rate movement by keeping a close watch on various parameters of the Indian economy, as well as developments in global markets., **Differentiation :** This is a hybrid fund with a marginal allocation to equity which may go up to maximum 20%. This is ideal for a predominantly fixed income investor with a marginal appetite for equity risk. The investment horizon in this fund should typically be 2 years or more so that the long term benefit of having a marginal exposure to equity pays off. The fund intends to offer a predominantly fixed income investor the power of equity along with the stability of debt. **AUM (Rs. Crore) as on July 31, 2010 :** 5917.86, **No. of Folios as on July 31, 2010 :** 156,083

Risk Mitigation Factors - Applicable for all the above mentioned Schemes

Robust measures implemented to mitigate Risk include, adoption of internal policies on investments and valuations, rigorous procedures for monitoring investment restrictions, monitoring of rating transitions, and effective implementation of various norms prescribed by SEBI from time to time.