

KEY INFORMATION MEMORANDUM CUM APPLICATION FORM



(An Open Ended Index Scheme)

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

NEW FUND OFFER OPENS ON: 17TH NOVEMBER, 2008

NEW FUND OFFER CLOSURES ON : 15TH DECEMBER, 2008

SCHEME RE-OPENS FOR CONTINUOUS SALE AND REPURCHASE WITHIN 30 DAYS AFTER NFO CLOSURE

Name of the Fund: **Benchmark Mutual Fund**

Name of the AMC: **Benchmark Asset Management Company Pvt. Ltd.**

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 and services, risk factors, penalties and pending litigations, etc., investors should, before investment, refer to the Scheme Information Document (SID) and Statement of Additional Information (SAI) available free of cost at any of the Investor Service Centres or distributors or from the website www.benchmarkfunds.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.

BENCHMARK
M U T U A L F U N D

INVESTMENT MANAGER

BENCHMARK ASSET MANAGEMENT COMPANY PVT. LTD.

405, Raheja Chambers, Free Press Journal Marg, 213, Nariman Point, Mumbai - 400021

Phone: 91-22-6651 2727 Fax: 91-22-2200 3412

Toll free No: 1800-22-5079

E-mail : webmaster@benchmarkfunds.com • website : <http://www.benchmarkfunds.com>

Investment Objective

The investment objective of the Scheme is to generate capital appreciation through equity investments by investing in securities which are constituents of S&P CNX 500 Index in the same proportion as in the Index.

Asset Allocation Pattern of the Scheme

Type of Instruments	Normal Allocation (% of Net Assets)
Securities constituting S&P CNX 500, derivatives on securities constituting S&P CNX 500	90%-100%
Money Market Instruments, G-Secs, Bonds, Debentures and cash at call	0%-10%

The notional exposure of Scheme in derivative instruments shall be restricted to 10% of the net assets of the Scheme.

The above stated percentages are indicative and not absolute.

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.

The Scheme is subjected to Market Risk, Asset Class Risk, Risk relating to Index Fund, Tracking Error Risk, Risk relating to Lending of Securities, Risk relating to Investments in Derivatives Instruments, Risk relating to Investments in Overseas Financial Assets, Political Risks and Regulatory Risks as detailed in the SID.

Plans And Options

- Growth Option
- Dividend Option with Dividend Payout Facility and Dividend Re-investment Facility

Systematic Investment Plan (SIP) is available in the Scheme.

Applicable NAV for subscriptions / redemptions / switches (after the Scheme opens for repurchase and sale)

1. In respect of valid subscription/redemption/switch request accepted at the official point of acceptance upto 3 p.m. (cut-off time) on a Business Day, the closing NAV of that day will be applicable.
2. In respect of valid subscription/redemption/switch request accepted at the official point of acceptance after 3 p.m. (cut-off time) on a Business Day, the NAV of the next Business Day will be applicable.

The above will be applicable only for cheques / drafts / payment instruments payable locally in the city in which the official point of acceptance is located.

Minimum Application Amount/Number Of Units

Purchase	Additional Purchase	Repurchase
Rs.10,000/- and in multiples of Re.1/- thereafter.	Rs. 1,000/- and in multiples of Re.1/- thereafter.	There is no minimum amount for redemption. However, if after the proposed redemption, the balance in the unit holder's account falls below Rs. 10,000/-, the Fund has the right to redeem the full amount outstanding in the unit holders account.

SIP : The minimum amount for each installment is Rs.1,000/- and in multiples of Re.1/- thereafter and minimum number of installments for SIP will be 12.

Despatch of Repurchase (Redemption) Request

Within 10 working days of the receipt of redemption request at any official point of acceptance of Benchmark Mutual Fund.

Benchmark Index

S&P CNX 500 Index

Dividend Policy

The Trustee may, at its discretion declare dividend to the unit holders under the Scheme subject to the availability of distributable surplus. Such dividend will be payable to the unit holders whose names appear on the register of unit holders on the record date as fixed for the Scheme. There is no assurance or guarantee to the unit holders as to the rate of dividend distribution nor that the dividends will be paid regularly. If the Fund declares dividend, the NAV will stand reduced by the amount of dividend and dividend distribution tax (if applicable) paid. The AMC shall dispatch the dividend warrants within 30 days of the date of declaration of dividend.

Name of the Fund Manager

Mr. Vishal Jain

Name of the Trustee Company

Benchmark Trustee Company Pvt. Ltd.

Performance of the Scheme

As the Scheme is new, this Scheme does not have any performance track record.

Expenses of the Scheme

(i) Load Structure

Entry Load

New Fund Offer : Nil

Continuous Offer : Nil

Exit Load

For Investments less than Rs. 2 Crores

Redeemed within 1 year from date of allotment	1.50%
Redeemed after 1 year but within 2 years from date of allotment	1.00%
Redeemed after 2 years but within 3 years from date of allotment	0.50%
Redeemed after 3 years from date of allotment	Nil

For Investments of Rs. 2 Crores and more

Redeemed upto 3 months from date of allotment	0.50%
Redeemed after 3 months from date of allotment	Nil

(ii) Recurring expenses

Daily Average Net Assets	Recurring Expenses
First Rs. 100 Crores	1.50%
Next Rs. 200 Crores	
Next Rs. 200 Crores	
Over Rs. 500 Crores	

Waiver of Load for Direct Applications

As per SEBI Regulations, no entry load shall be charged for existing/prospective investors of the Scheme in case of direct applications which are received by the AMC i.e. applications received through internet, submitted to AMC or collection centre/Investor Service Centre that are not routed through any distributor/agent/broker. Further no entry load would be charged for any additional purchases done directly by the investor under the same folio and switch-in to this Scheme from other schemes if such a transaction is done directly by the investor.

If applications are not routed through agent/distributor/broker, investor should write the word 'DIRECT' in the field provided for mentioning the code of the distributor/broker/agent. If the field provided for mentioning the code of the agent/distributor/broker is left blank, the application shall be processed as 'DIRECT' application.

In cases, where the application form/transaction slip already contains the agent/distributor/broker code, Investors can accordingly delete the code mentioned in the application form/transaction slip and shall countersign the same to enable their application to be treated as 'DIRECT'.

Tax Treatment for the Unitholders

Investor 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 business days and will be published in 2 newspapers. NAV can also be viewed on www.benchmarkfunds.com and www.amfiindia.com. Investors can also telephone us at 91-22-6651 2727 or Toll Free on 1800-22-5079.

For Investor Grievances please contact

Karvy Computershare Pvt. Ltd.	Benchmark Mutual Fund
Karvy Plaza H.No.8-2-596, Avenue 4 Street No.1, Banjara Hills Hyderabad - 500 034 Tel: 040-2331 2454 (Extn: 124) Fax: 040-2342 0886 E-mail: customer-care@karvy.com	405, Raheja Chambers Free Press Journal Marg 213, Nariman Point Mumbai - 400 021 Tel.: 91-22-6651 2727 Fax: (91 22) 2200 3412. Email: webmaster@benchmarkfunds.com Toll Free No.: 1800-22-5079

Unit holders' Information

Account Statement other than SIP

- An account statement, stating the number of units allotted, will be sent to each Unitholder within 30 (Thirty) days from the date of closure of New Fund Offer
- For subsequent subscription, account statement will be mailed within 10 business days from date of receipt of the application.

For SIP transactions

- Statement of accounts to the Unitholders will be despatched once every quarter ending March, June, September and December within 10 working days of the end of the respective quarter.
- The first account statement shall be issued within 10 working days of the initial investment.
- Soft copy of the account statement shall be mailed to the investors their e-mail address on a monthly basis, if so mandated.
- In case of specific request received from investors, account statement shall be provided within 5 working days from the receipt of such request without any charges.

Annual Financial Report

As required by SEBI Regulations, the Fund will mail/e-mail (if an e-mail address is provided with the consent of the unitholder), as soon as practicable after March 31 of each year but not later than four months thereafter.

Half Yearly Disclosures

Un-audited half-yearly financial results of the Scheme in format prescribed in Twelfth Schedule of Regulations and Half yearly Scheme Portfolio as on March 31 and September 30 will be published in one national English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The half-yearly financial results will be placed on www.benchmarkfunds.com and link will be provided on www.amfiindia.com.

Date: 10th November, 2008

INSTRUCTIONS

General Instructions

- (i) Please read the Scheme Information Document and Key Information Memorandum carefully before filling the Application Form.
- (ii) All applicants are deemed to have accepted the terms subject to which this offer is being made and bind themselves to the terms upon signing the Application Form and tendering the payment.
- (iii) All Applications are subject to detailed scrutiny and verification. Invalid or incomplete applications are liable to be rejected after acceptance and verification. The Application form should be completed in ENGLISH in BLOCK LETTERS only. Please tick (✓) in the appropriate box where boxes have been provided.

1. APPLICANT'S INFORMATION

(a) Existing unit holder information:

Investor already having an account in any of the schemes of Benchmark Mutual Fund other than Exchange Traded Funds shall provide their folio no. and for furnish the details of PAN and KYC in section 2 and proceed to section 7.

(b) Fresh Investors:

- (i) Name and Address must be written in full. (P. O. Box address alone is not sufficient). In case of NRI/FIIs, Overseas Address should also be provided. Preferably write your name exactly as it appears in the Bank Account.
- (ii) Name of the Guardian must be mentioned if the investments are being made on behalf of the minor. Date of birth is mandatory for minors.
- (iii) Name of the Contact person with Designation should be mentioned in case of investments by a Company, Body Corporate, Partnership, Society, Trust, FII and other non-individual applicants. Further, a certified true copy of resolution or authority to make the applications as the case may be, and a certified copy of Memorandum and Articles of Association and / or bye-laws and / or Trust Deed and / or Partnership Deed and Certificate of Registration or any other documents as the case may be shall be furnished along with the application form. In case of a Trust / Fund, it shall submit a certified true copy of the resolution from Trustee(s) authorising such purchases. The officials should sign the application under their official designation and furnish the list of authorised signatories.
- (iv) Permanent Account Number (PAN): It is mandatory for all investors to mention their PAN and submit a certified copy of the PAN card irrespective of the amount of investment, while making an application for subscription of units. In case of joint applicants, PAN details of all holders should be submitted. If the Applicant is a minor, PAN details of the Guardian shall be provided.
- (v) Know your Customer (KYC) : KYC is mandatory under the Prevention of Money Laundering Act, 2002 for all applications for subscriptions of Rs. 50,000/- and above. This will be applicable for investments from individual investors including joint holding / institutional investors / other non-institutional investors / investments through power of attorney holders / investments of minor through guardian. The KYC requirements can be completed by filling up the prescribed form and submitting the same along with the other requisite details / proof (attested true copies of supporting documents relating to proof of identity and address or verification with the original) to a designated Point of Service (PoS) of CDSL Ventures Limited (CVL). In view of this, each applicant (including joint unit holder, guardian in case of minor, POA holders, NRIs) who wishes to invest an amount of Rs. 50,000/- or more need to submit the proof of KYC compliance i.e. KYC acknowledgement letter (or the erstwhile MIN Allotment letter*).

* Valid only where investors who have already obtained the erstwhile Mutual Fund Identification Number (MIN) by submitting the PAN copy as the proof of identity.

- (vi) For Applications made under a Power of Attorney, the original Power of Attorney or a duly notarized copy of the Power of Attorney shall be submitted along with the application form.

2. STATUS, OCCUPATION & MODE OF OPERATION

- (i) Indicate the status of the sole/1st Applicant at the time of investment. Any change in the Status during the period of holding units should be given to assist in correct tax treatment of income arising from such holding.
- (ii) The mode of holding for operating folio should be indicated. "Single" will entitle only the first holder to operate the account to the exclusion of the joint holders. "Anyone or Survivor" will entitle any one of the joint holders to operate the account and "Joint" will allow the operation of the account only if all the holders sign the instruction. In case of application made in joint names without indicating the mode of holding, it will be deemed as "Joint" and processed accordingly

3. BANK ACCOUNT DETAILS

Applicants should provide the name of the bank, branch address, account type and account number of the Sole/First Applicant. Please note that as per SEBI Guidelines, it is mandatory for investors to mention their bank account details in the Application Form. Applications without complete Bank details shall be rejected.

4. INVESTMENT & PAYMENT DETAILS

- (i) Resident Investors may make the payment by cheque / demand drafts payable locally at any of the Collection Centres. Application forms accompanied with outstation cheque/ post dated cheque / cash / stock invest will not be accepted. The AMC will not accept any request for refund of demand draft charges. All cheques and bank

drafts must be crossed "Account Payee only" and drawn in favour of "BMF-INDEX500-SUBSCRIPTION".

Note : Returned cheque(s) are liable not to be presented again for collection and the accompanying application form is liable to be rejected. In case the returned cheque(s) are presented again, the necessary charges are liable to be debited to the investor.

- (ii) In case of NRI / Persons of Indian Origin, payment must be made either by cheque or demand draft by means of: (a) inward remittance through normal banking channels; or (b) out of funds held in the NRE / FCNR account, in the case of purchases on a repatriation basis or out of funds held in the NRE / FCNR / NRO account, in the case of purchases on a non-repatriation basis. (In case of Indian Rupee drafts purchased from abroad or payments from FCNR/NRE accounts, a certificate from the Bank issuing the draft confirming the debit and/ or foreign inward remittance certificate (FIRC) issued by investor's banker should also be enclosed. The Mutual Fund reserves the right to hold redemption proceeds in case the requisite details are not submitted.)
- (iii) Payment by the FII must be made either by inward remittance through normal banking channels or out of funds held in foreign currency account or non resident rupee account maintained by the FII with a designated branch of an authorised dealer in terms of paragraph 2 of Schedule 2 to the FEMA Regulations.
- (iv) Minimum Amount for application is Rs. 10,000/- under an Option of the Scheme and in multiples of Re. 1/- thereof.
- (v) Applicants should indicate the Option (Growth/Dividend) for which the application is made. If no indication is given, the default option will be Growth and in case of Dividend Option where Payout and Re-investment facility is not mentioned, the default facility will be Dividend Re-investment facility. Applicants shall use separate Application forms for investing simultaneously in both the Options of the Scheme.
- (vi) All application should be submitted at the designated Karvy Investor Service Centres.
- (vii) For availing Systematic Investment Plan (SIP), kindly fill the application form alongwith the SIP mandate form.

5. EMAIL COMMUNICATION

Investor has an option to receive communication through e-mail in lieu of physical documents. The investor always has a right to demand a physical copy of any or all the documents in respect of the services provided by the Fund. It is deemed that the Unitholder is aware of all security risks including third party interception of the documents and contents of the documents becoming known to third parties.

6. NOMINATION DETAILS

- a) The nomination can be made only by individuals applying for units on their own behalf singly or jointly. Non-individuals including society, trust, body corporate, partnership firm, Karta of Hindu Undivided Family and holder of Power of Attorney cannot nominate.
- b) A minor can be nominated and in that event, the units holders shall provide the name and address of the guardian of the minor nominee. Nomination(s) can also be in the favour of Central Government, State Government, a Local Authority, any person designated by virtue of his office or religious or charitable trust.
- c) The Nominee shall not be a trust, society, body corporate, partnership firm, Karta of Hindu Undivided Family or a Power of Attorney holder. A Non Resident Indian can be a Nominee subject to the Exchange Control Regulations in force, from time to time.
- d) Nomination in respect of the units stands rescinded upon the transfer of units. Transmission of units in favour of a nominee shall be a valid discharge by the AMC against the legal heir.
- e) The cancellation of nomination can be made only by those individuals who hold units on their own behalf singly or jointly and who made the original nomination. On cancellation of the nomination, the nomination shall stand rescinded and the AMC shall not be under any obligation to transfer the units in favour of the Nominee(s).
- (f) The Applicant should indicate the percentage of allocation/share in whole numbers without any decimals for each of the nominees making a total of 100 percent. In case, the percentage of allocation/share for each of the nominees is not indicated, the AMCs, by invoking default option shall settle the claim equally amongst all the nominees.

7. DECLARATION AND SIGNATURES

- (i) All signatures should be in English or in any Indian language. Thumb impressions should be from the left hand for males and the right hand for females and in all cases must be attested by a Magistrate, Notary Public or Special Executive Magistrate under his / her official seal. In case of HUF, the Karta will sign on behalf of the HUF. Applications by minors should be signed by their guardians.
- (ii) Authorised officials should sign the form under their official designation and company seal. If you are investing through your constituted attorney, please ensure that the POA document is signed by you and your constituted Attorney. The signature in the Application form, then, needs to clearly indicate that the signature is on your behalf by the Constituted Attorney.

(Please read Key Information Memorandum, instruction and SIP instruction before filling up this form. All sections to be filled legibly in English and in BLOCK LETTERS).

Systematic Investment Plan through ECS Debit Clearing

1. APPLICANT'S INFORMATION

I/WE hereby apply to the **Benchmark Mutual Fund** for a Systematic Investment Plan (SIP) through ECS Auto Debit under the following Scheme and agree to abide by the terms, conditions, rules and regulations of the SIP.

Name of Sole/First Account holder _____

2. SIP DETAILS

Scheme **Benchmark S&P CNX 500 Fund**

Invest Details: Option: Growth Dividend For Dividend Option: Payout Reinvestment

Frequency: Monthly SIP Date 1st OR 15th

SIP Amount Rs. (per installment) _____

SIP Period from DD MM YYYY To DD MM YYYY (Kindly refer to SIP instructions)

3. BANK DETAILS

I/We authorise **Benchmark Mutual Fund** or their authorised service providers to Debit my/our account listed below by ECS (Electronic Clearing Services) for collection of SIP Payments and confirm that the funds invested belongs to me/us. I/We have not received nor been induced by any rebate of gifts, directly or indirectly in making this investment.

Bank Name _____

Branch Name _____

Address _____

City _____

Account Number _____

9 Digit MICR Code

--	--	--	--	--	--	--	--	--

11 Digit IFSC Code

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Mandatory Enclosures:

Cancelled cheque or photocopy of cheque

First SIP via cheque

Cheque No.	Date	Amount (Rs.)

Account Type Savings Current

Others (please specify) _____

(please tick as applicable)

4. BANKER'S ATTESTATION

I/We 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 information, I/We will not hold **Benchmark Mutual Fund/AMC/Trustee** responsible. I/We further undertake that any changes in my/our Bank details will be informed to the Fund immediately. I/We have read and agrees to the terms and conditions. I/We have read and & understood the contents of the Scheme Information Document of the Scheme wherein Systematic Investment Plan is obtained.

Signature

1st/Sole Applicant/Guardian _____

2nd Applicant _____

3rd Applicant _____

Minor Name _____ Minor's DOB _____

Banker's Attestation

Certified that the signature of account holder and the details of Bank are correct as per our records.

Signature of Authorised Official from Bank (Bank Stamp and Date)

5. Authorisation of the Bank Account Holder

This is to inform that I/We have registered for the RBI's Electronic Clearing Service(Debit Clearing) and that my/our payment towards my/our investment in the Scheme of **Benchmark Mutual Fund** shall be made from our below mentioned Bank Account with your bank. I/We authorise the representative carrying this ECS mandate Form to get it verified & executed. Mandate verification charges, if any, may be changed to my/our account.

1st/Sole Applicant/Guardian _____

Bank Account Number

2nd Applicant _____

3rd Applicant _____

ACKNOWLEDGEMENT SLIP FOR SIP THROUGH ECS (To be filled in by the Investor)

Registered Office: 405, Raheja Chambers, Free Press Journal Marg,
213, Nariman Point, Mumbai - 400021

Date _____

Name of Sole/First Account Holder _____

Investment Details : Option : Growth Dividend

For Dividend Option Payout Reinvestment

SIP Amount (Rs.) _____ Frequency : Monthly

SIP from _____ to _____ Date SIP Date 1st or 15th

**Benchmark Mutual Fund/
Authorised Centre
Signature & Stamp**