

O F F E R D O C U M E N T

Gold BeES™
A SMARTER WAY TO INVEST IN GOLD

BENCHMARK MUTUAL FUND
**Gold Benchmark
Exchange Traded Scheme
(Gold BeES)**
An Open Ended Gold ETF

BENCHMARK
M U T U A L F U N D

BENCHMARK

M U T U A L F U N D

The particulars of Gold Benchmark Exchange Traded Scheme (Gold BeES) have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 as amended till date and filed with Securities & Exchange Board of India (SEBI) and the units being offered for public subscription have neither been approved nor disapproved by SEBI nor has SEBI certified the accuracy or adequacy of the offer document.

This Offer Document sets forth concisely the necessary information about the Scheme that a prospective investor ought to know before investing. The unit holder should carefully read the Offer Document prior to making a decision to invest in the Scheme and retain this Offer Document for future reference. No person has been authorized to give any information or to make any representation not confirmed in this Offer Document in connection with the offer or the issue of units, and any information or representation not contained herein must not be relied upon as having been authorized by the Mutual Fund or the AMC.

As required a copy of this Offer Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/27985-P dated August 21, 2006 permission to the Mutual Fund to use the Exchange's name in this Offer Document as one of the stock exchange on which the Mutual Fund's units are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Offer Document; nor does it warrant that the Mutual Fund's units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its promoters, its management or any scheme or project of the Mutual Fund.

Every person who desires to apply for or otherwise acquire any units of the Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

The Scheme is an open-ended Scheme. The Offer Document is dated January 29, 2007. This Offer Document shall remain effective until a 'material change' (other than a change in fundamental attributes and within the purview of the Offer Document) occurs. As per the SEBI directive, the Offer Document will be fully revised and reprinted at least once in two years. Till the time the Offer Document is revised and reprinted, an addendum giving details of each change will be attached to the Offer Document. Investors are requested to retain the Offer Document for future references. Investors are also requested that before investing, they should also ascertain about any further changes in the Offer Document after the date of this Offer Document from the Mutual Fund / Investment Manager / Website / Investor Service Centres / Distributors / Brokers.

The Gold BeES being offered will have a face value of Rs.100/- each and will be issued at a premium equivalent to difference between allotment price and the face value of Rs.100/- each.

In this offer document, all references to "Dollars" or "\$" refers to the United States Dollars and "Rs." refers to Indian Rupees. A "Crore" means "Ten Million" and a "Lac" means a "Hundred Thousand."

New Fund Offer

Opens On: February 15, 2007

Closes On: February 23, 2007

Investment Manger

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I. DEFINITION

In this Offer Document, unless the context otherwise requires:

1. 'Asset Management Company'/'AMC'/'Investment Manager' means Benchmark Asset Management Company Pvt. Ltd., a Company incorporated under the Companies Act, 1956 and approved by SEBI to act as an Asset Management Company for the scheme(s) of Benchmark Mutual Fund.
2. 'Authorised Participant' means a member of National Stock Exchange of India Ltd. and their nominated entities/persons, who are appointed by the AMC/Fund to act as an Authorized Participant for the Scheme.
3. 'Creation Unit' is number of units of Scheme, which is exchanged against a predefined quantity and purity of physical Gold called the Portfolio Deposit and a Cash Component. For redemption of units it is vice versa i.e. fixed number of units of Scheme are exchanged for Portfolio Deposit and Cash Component. The Portfolio Deposit and Cash Component will change from time to time and is discussed separately under the Scheme.
4. 'Custodian/The Bank of Nova Scotia' means The Bank of Nova Scotia which has been granted a certificate of registration by SEBI under the SEBI (Custodian of Securities) Regulations 1996 and for the time being appointed by the Fund for rendering custodial services for the Scheme, in accordance with the Regulations.
5. 'Depository' means a body corporate as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
6. 'Depository Participant' means a person registered as such under sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992.
7. 'Dividend' means the income distributed by the Fund on units.
8. 'Domestic Prices of Gold' means price calculated using valuation methodology described in the chapter 'Valuation Policy and Determination of NAV.'
9. 'Entry Load or Sales Load' means load on sale of units after Initial Offer Period.
10. 'Exit Load or Redemption Load' means load on repurchase/redemption of units.
11. 'Exchange/Market' means recognized stock exchange(s) where the units of the Scheme are listed.
12. Exchange Traded Fund/ETF' means an open ended fund whose units is listed on an exchange and can be bought/sold at prices which may be close to the NAV of the Scheme.
13. 'FII' means Foreign Institutional Investors registered with SEBI under SEBI (Foreign Institutional Investors) Regulations, 1995 as amended from time to time.
14. 'Fund' means Benchmark Mutual Fund, a trust set up under the provisions of Indian Trust Act, 1882 and registered with SEBI vide Registration No. MF/045/01/6 dated June 12, 2001.
15. 'Gold BeES' means Gold Benchmark Exchange Traded Scheme (Gold BeES) in the form of an Exchange Traded Fund to be listed on one or more Exchange(s).
16. 'IMA' means Investment Management Agreement dated February 14, 2001, as amended from time to time, entered into between Benchmark Trustee Company Pvt. Ltd. and Benchmark Asset Management Company Pvt. Ltd.
17. 'Large investor' means investors who are eligible to invest in the Scheme and who would be creating units of Gold BeES in creation unit size by depositing predefined quantity and purity of physical gold which should be acceptable by the Custodian for such purposes. Further large investor would also mean those investors who would be redeeming units of Gold BeES in creation unit size.
18. 'Load' means a charge that may be levied as a percentage of NAV at the time of entry into the Scheme or at the time of exit from the Scheme.
19. 'NAV' means Net Asset Value per unit of Gold BeES calculated in the manner described in this Offer Document or as may be prescribed by SEBI Regulations from time to time.

20. 'NSE' means the National Stock Exchange of India Ltd., a Stock Exchange recognized by the Securities and Exchange Board of India.
21. 'RBI' means the Reserve Bank of India established under The Reserve Bank of India Act, 1934.
22. 'Scheme' means Gold Benchmark Exchange Traded Scheme (Gold BeES) offered under this Document.
23. 'SEBI' means the Securities and Exchange Board of India, established under Securities and Exchange Board of India Act, 1992 as amended from time to time.
24. 'SEBI Regulations/Regulations' means SEBI (Mutual Funds) Regulations, 1996 as amended from time to time including any circulars, directions or clarifications issued by SEBI or any Government authority and as applicable to the Scheme and the Fund.
25. 'Sponsor' means Niche Financial Services Pvt. Ltd., a Company incorporated under the Companies Act, 1956 and includes its successors and permitted assigns.
26. 'Trustee' means the Trustee Company which holds the property of Benchmark Mutual Fund in trust and includes the directors of the Trustee Company and the successors and assigns of the Trustee Company.
27. 'Trustee Company' means Benchmark Trustee Company Pvt. Ltd., a Company incorporated under the Companies Act, 1956 and approved by SEBI to act as Trustee of the Schemes of Benchmark Mutual Fund.
28. 'Trust Deed' means the Deed of Trust of the Mutual Fund dated February 14, 2001, entered into between Niche Financial Services Pvt. Ltd (Sponsor) and Benchmark Trustee Company Pvt. Ltd. (Trustee Company).
29. 'Unit' means the interest of investor in the Scheme, which consists of each unit representing one undivided share in the assets of the Scheme.
30. 'Unit-holder' means a person holding unit(s) in the Scheme of Benchmark Mutual Fund offered under this Offer Document.
31. 'Working Day/Business Day' means any day other than: (a) Saturday and Sunday; (b) a day on which capital/debt markets in Mumbai are closed or are unable to trade for any reason (c) a day on which the register of unit holders is closed. (d) a day on which the Banks in Mumbai are closed/ or RBI is closed for business/clearing.(e) a day on which The National Stock Exchange of India is closed (f) a day which is public/Bank holiday at a collection centre where the application is received. (g) a day on which sale and repurchase of units is suspended by the Trustee(s) (h) a day on which normal business could not be transacted due to storms, floods, bandhs, strikes etc. However the AMC reserves the right to declare any day a Working Day or otherwise at any or all collection centres.
32. Words and expressions used in this offer Document and not defined will have same meaning as assigned to them in Trust Deed.

Interpretation

For all purposes of this Offer Document, except as otherwise expressly provided or unless the context otherwise required:

- the terms defined in this Offer Document include the singular as well as the plural.
- pronouns having a masculine or feminine gender shall be deemed to include the other.

II. HIGHLIGHTS AND RISK FACTORS

HIGHLIGHTS

- Gold Benchmark Exchange Traded Scheme (Gold BeES) is an Open Ended Fund, which will be listed on the Exchange in the form of an Exchange Traded Fund (ETF) tracking domestic prices of gold through investments in physical Gold

- Gold BeES is designed to provide returns that, before expenses, closely correspond to the returns provided by Gold.
- Each unit of Gold BeES being offered will have a face value of Rs.100/- each and will be issued at a premium equivalent to difference between allotment price and the face value of Rs.100/-.
- Each unit of Gold BeES issued under the scheme will be approximately equal to price of 1 (one) gram of Gold.
- Units of Gold BeES can be bought/sold like any other stock on the National Stock Exchange of India Ltd. (NSE) or on any other exchange where it is listed.
- The Authorised Participants and Large Investors can directly buy/sell with the Fund in Creation Units. As Gold BeES can be bought/sold directly from the Fund, this mechanism provides efficient arbitrage between the traded prices and the NAV, thereby reducing the incidence of Gold BeES being traded at a premium/discount to NAV.
- Gold BeES will be available in dematerialized form. This will help in consolidating with other portfolio holdings and will eliminate need for physical storage thereby eliminating risk.

Tax Benefits

The following tax benefits are available under the prevailing tax laws:

- > There will be no tax deduction at source on redemption (irrespective of amount involved) for unit holders resident in India.
- > Units held under the Schemes of the Fund are not treated as assets as defined under Section 2(ea) of the Wealth Tax Act, 1957 and therefore would not be liable to wealth tax.
- > Conversion of the underlying physical Gold to Gold BeES may attract capital gains tax depending on acquisition cost and holding period. Repurchase of Gold BeES by the Fund or sale of Gold BeES on the Stock Exchange may attract capital gain tax depending upon the holding period of the units.

RISK FACTORS

GENERAL RISK FACTORS

- Mutual Funds and Securities investments are subject to market risks and there can be no assurance or guarantee that the objective of the Scheme will be achieved.
- As with any investment in securities, the Net Asset Value (NAV) of the units issued under the Scheme can go up or down depending on the factors and forces affecting the capital market/bullion market.
- Past performance of the Sponsors and its affiliates, AMC, Mutual Fund and its Schemes does not indicate the future performance of the Schemes of the Fund.
- Gold Benchmark Exchange Traded Scheme (Gold BeES) is the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and the returns. Investors are therefore urged to study the terms of offer carefully and consult their Investment Advisor before they invest in the Scheme.
- Gold BeES is an Exchange Traded Fund (ETF). Though ETFs are popular abroad, it is still a new concept in India.
- The Sponsor is not responsible or liable for any loss or shortfall resulting from the operation of the Scheme beyond the initial contribution made by it of an amount of Rs. 1 Lac towards setting up of the Mutual Fund.
- Investors in the Scheme are not being offered any guaranteed or assured returns.

RISK FACTORS SPECIFIC TO THE SCHEME

The Scheme is subject to the principal risks described below. Some or all of these risks may adversely affect Scheme's NAV, trading price, yield, total return and/or its ability to meet its objectives.

- **Market Risk**

The Scheme's NAV will react to the Gold price movements. The Investor may lose money over short or long period due to fluctuation in Scheme's NAV in response to factors such as economic and political developments, changes in interest rates and perceived trends in bullion prices, market movement and over longer periods during market downturns.

- **Market Trading Risks**

1. **Absence of Prior Active Market:** Although Gold BeES described in this Offer Document are to be listed on the Exchange, there can be no assurance that an active secondary market will develop or be maintained.
2. **Lack of Market Liquidity:** Trading in Gold BeES on the Exchange may be halted because of market conditions or for reasons that in view of Exchange Authorities or SEBI, trading in Gold BeES is not advisable. In addition, trading in Gold BeES is subject to trading halts caused by extraordinary market volatility and pursuant to Exchange and SEBI 'circuit filter' rules. There can be no assurance that the requirements of Exchange necessary to maintain the listing of Gold BeES will continue to be met or will remain unchanged.
3. **Gold BeES May Trade at Prices Other than NAV:** The units of the Scheme may trade above or below their NAV. The NAV of the Scheme will fluctuate with changes in the market value of Scheme's holdings. The trading prices of Gold BeES will fluctuate in accordance with changes in their NAV as well as market supply and demand for Gold BeES. However, given that Gold BeES can be created and redeemed in Creation Units directly with the Fund, it is expected that large discounts or premiums to the NAV of Gold BeES will not sustain due to arbitrage opportunity available.
4. **Regulatory Risk:** Any changes in trading regulations by the Stock Exchange(s) or SEBI may affect the ability of market maker to arbitrage resulting into wider premium/ discount to NAV.
5. **Right to Limit Redemptions:** The Trustee, in the general interest of the unit holders of the Scheme offered under this Offer Document and keeping in view of the unforeseen circumstances/unusual market conditions, may limit the total number of Units which can be redeemed on any Business Day.

- **Redemption Risk**

Investors may note that even though this is an open-ended scheme, the Scheme would ordinarily repurchase units in creation unit size. Thus unit holding less than creation unit size can only be sold through the secondary market on Exchange.

- **Asset Class Risk**

The returns from physical Gold in which the Scheme invests may under perform returns from the various general securities markets or different asset classes. Different types of securities tend to go through cycles of out-performance and under-performance in comparison of the general securities markets.

- **Passive Investments**

The Scheme is not actively managed. The Scheme may be affected by a general price decline in the Gold prices. The Scheme invests in the physical Gold regardless of their investment merit. The AMC does not attempt to take defensive positions in declining markets.

- **Indirect taxation**

For the valuation of Gold BeES, indirect taxes like customs duty, VAT, etc would also be considered. Hence, any change in the rates of indirect taxation would affect the valuation of Gold BeES.

- **Political Risks**

Whereas the Indian market was formerly restrictive, a process of deregulation has been taking place over recent

years. This process has involved removal of trade barriers and protectionist measures, which could adversely affect the value of investments. It is possible that the future changes in the Indian political situation, including political, social or economic instability, diplomatic developments and changes in tax laws, changes in SEBI/ Stock Exchange/ RBI regulations and other applicable laws/regulations could have an effect on such investments and valuation thereof. Expropriation, confiscatory taxation or other relevant developments could affect the value of investments.

- **Regulatory Risks**

Neither this Offer Document nor the units have been registered in any jurisdiction. The distribution of this Offer Document in certain jurisdictions may be restricted or subject to registration and accordingly, person who come into possession of this Offer Document are required to inform themselves about, and to observe, any such restrictions. It is the responsibility of any persons in possession of this Offer Document and any persons wishing to apply for units pursuant to this Offer Document to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction.

Prospective investors should review/study this Offer Document carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial/investment matters and are advised to consult their own professional advisor(s) as to the legal or any other requirements or restrictions relating to the subscriptions, gifting, acquisition, holding, disposal (sale, transfer, switch or redemption or conversion into money) of Units and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalization, disposal (sale, transfer, switch or redemption or conversion into money) of Units within their jurisdiction/ nationality, residence, domicile etc. or under the laws of any jurisdiction to which they or any managed Funds to be used to purchase/gift Units are subject, and also to determine possible legal, tax, financial or other consequences of subscribing / gifting to, purchasing or holding Units before making an application for units.

Special Considerations

Anti Money Laundering: Benchmark Mutual Fund is committed to complying with all applicable anti money laundering law and regulation in all of its operations. In India, the Prevention of Money Laundering Act, 2002 and the rules under it have been notified. Further, SEBI has also recently issued guidelines on Anti Money Laundering which are required to be followed by the intermediaries. Benchmark Mutual Fund recognises the value and importance of creating a business environment that strongly discourages money launderers from using Benchmark Mutual Fund. To that end, certain policies have been adopted by the AMC.

Know Your Customer (KYC): The need to “Know Your Customer” is vital for the prevention of money laundering. The AMC may seek information or obtain and retain documentation used to establish identity. It may re-verify identity and obtain any missing or additional information for this purpose.

The AMC, under powers delegated by the Trustee, shall have absolute discretion to reject any application, or prevent further transactions by a Unit Holder, if after due diligence, the investor / Unit Holder / a person making the payment on behalf of the investor does not fulfill the requirements of the “Know Your Customer” or the AMC believes that the transaction is suspicious in nature as regards money laundering. In this behalf the AMC reserves the right to reject any application and/or effect a mandatory Redemption of Units allotted at any time prior to the expiry of 21 Business Days from the date of the application. 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 Unit Holder 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.

III. INTRODUCTION TO GOLD FUNDS

For thousand of years, gold has been prized for its purity, its beauty and above all its unique characteristics as a store of value.

In today's uncertain climate, many investors turn to gold because it is an important and secure asset that can be tapped at any time, under virtually any circumstances.

But there is another side to gold that is equally important, and that is its day-to-day performance as a stabilizing influence for investment portfolio. These advantages are currently attracting considerable attention from financial professionals and sophisticated investors worldwide.

Gold is an effective diversifier

Diversification helps protect your portfolio against fluctuations in the value of any asset class. Gold is an ideal diversifier, because the economic forces that determine the price of gold are different from, and in many cases opposed to, the forces that influence most financial assets.

For some investors, Gold is the foundation of a balanced investment portfolio.

Gold responds when you need it most

Recent independent studies have revealed that traditional diversifiers often fall during times of market stress or stability. On these occasions most asset classes (including traditional diversifiers such as bonds and alternative assets) all move together in the same direction. There is no "cushioning" effect of a diversified portfolio - leaving investors disappointed.

Gold is highly liquid

Gold can be readily bought or sold 24 hours a day, in large denominations and at narrow spreads. This cannot be said of most other investments, including stocks of world's largest corporations. Gold proved to be the most effective means of raising cash during 1987 stock market crash, and again during the 1997/98 Asian debt crisis. So holding a portion of portfolio in gold related instruments can be invaluable in moments of uncertainty.

Introduction to Gold Exchange Traded Fund (GETF)

GETFs are innovative products that provide exposure to physical Gold that trade on the exchange like a single stock. GETFs have a number of advantages over traditional open-ended funds as they can be bought and sold on the exchange at prices that are usually close to the actual intra-day NAV of the Scheme. The units are traded usually close to actual intra day NAV of the Scheme based on demand and supply. GETFs are an innovation to traditional mutual funds as GETFs provide investors a fund that closely tracks the performance of an physical Gold, with the ability to buy / sell on an intra-day basis. Unlike listed close ended funds, which trade at substantial premiums or more frequently at discounts to NAV, GETFs are structured in a manner which allows to create new units and redeem outstanding units directly with the Fund, thereby ensuring that GETFs trade close to their actual NAVs.

GETFs are usually passively managed funds wherein subscription / redemption of units work on the concept of exchange with underlying physical Gold. In other words, large investors / institutions can purchase units by depositing the underlying physical gold with the Fund / AMC. This physical gold is then deposited with the Custodian. Similarly, large investor / institutions who are redeeming units shall receive the physical gold from the Custodian in exchange of units. Units can also be bought and sold directly on the exchange.

GETFs have all the benefits of low cost and transparency. As GETFs are listed on the exchange, costs of distribution are much lower and the reach is wider. These savings in cost are passed on to the investors in the form of lower costs. Further more, exchange traded mechanism helps reduce minimal collection, disbursement and other processing charges.

The structure of GETFs is such that it protects long-term investors from inflows and outflows of short-term investor. This is because the Fund does not bear extra transaction cost when buying / selling due to frequent subscriptions and redemptions.

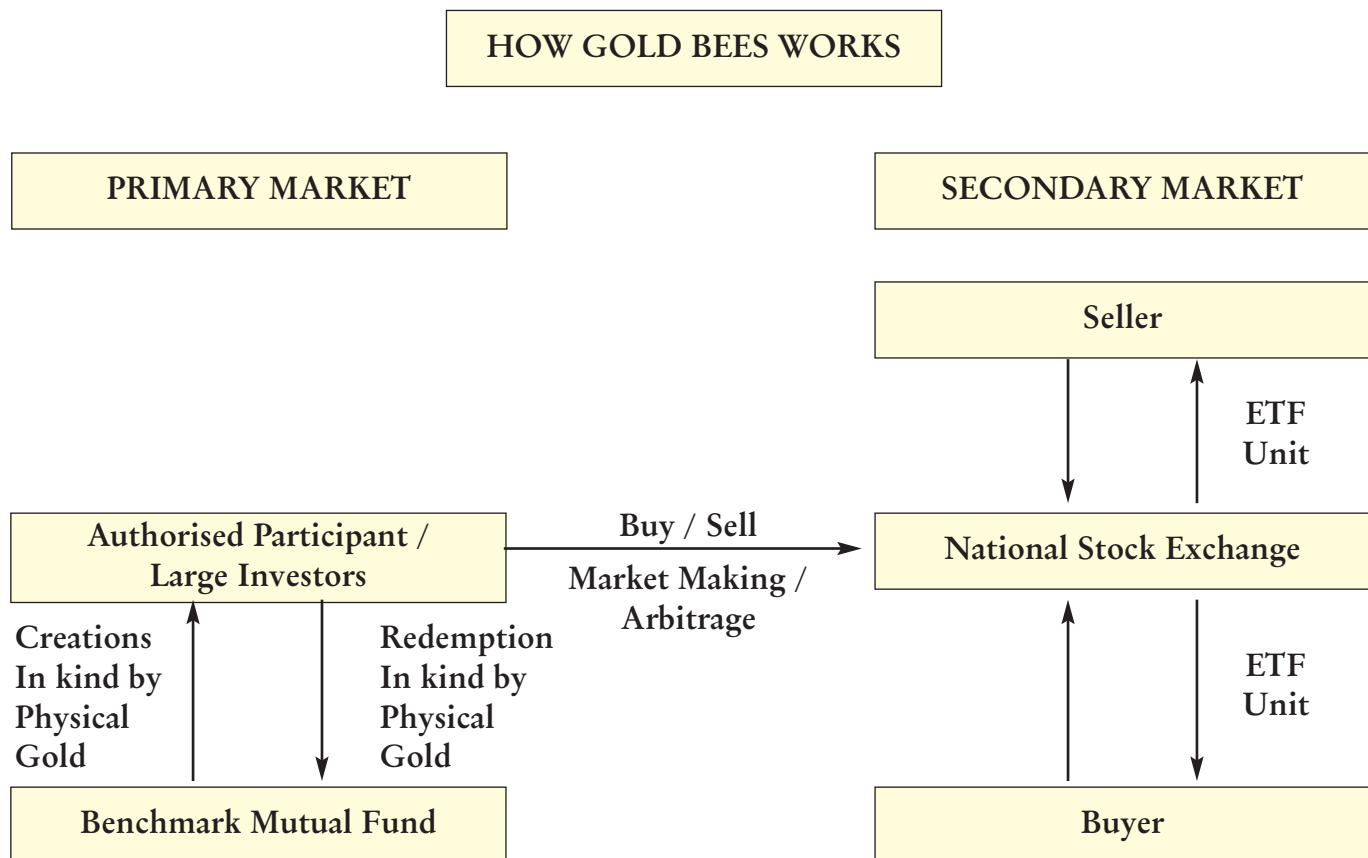
Tracking Error of GETFs is likely to be low as compared to a normal fund. Due to the Creation / Redemption of units through the in-kind mechanism the Fund can keep lesser funds in cash. Also, time lag between buying / selling units and the underlying physical gold is much lower.

Benefits of GETFs

1. Can be easily bought / sold like any other stock on the exchange through terminals spread across the country.
2. Can be bought / sold anytime during market hours at prices that are expected to be close to actual NAV of the Scheme. Thus, investor invests at real-time prices as opposed to end of day prices.
3. No separate form filling for buying / selling units. It is just a phone call to your broker or a click on the net.
4. Ability to put limit orders.
5. Minimum investment for a GETF is one unit.
6. Protects long-term investors from the inflows and outflows of short-term investors.
7. Helps in increasing liquidity of underlying gold market.
8. An investor can get a consolidated view of his investments without adding too many different account statements, as the units will be in demat form.

Uses of GETFs

1. No need to hold physical gold
As Gold BeES are issued in demat form, at one shot thereby reducing risk of holding physical gold.
 2. Large Investor
Allows easy asset allocation.
 3. Investors with a shorter term horizon
Allows liquidity due to ability to trade during the day and expected to have quotes near NAV during the course of trading day on an exchange where the units of the GETF are listed.
- An illustration of the working of Gold BeES is given below:



IV. CONSTITUTION AND MANAGEMENT OF THE FUND

Benchmark Mutual Fund has been constituted as a Trust in accordance with the provisions of the Indian Trusts Act, 1882 under the Trust Deed dated February 14, 2001 and is registered under the Indian Registration Act, 1908 on March 8, 2001. The Mutual Fund is registered with SEBI under Registration No. MF/045/01/6 dated June 12, 2001 and corpus fund has been formed to be held upon by the Trustee.

The underlying objective of Benchmark Mutual Fund is to mobilize savings from public or section of the public, provide investment expertise and to achieve optimum returns on their investments as per the SEBI Guidelines.

INVESTMENT MANAGER: Benchmark Asset Management Company Pvt. Ltd.

Benchmark Asset Management Company Pvt. Ltd. (AMC) has been appointed to manage the assets of Benchmark Mutual Fund and operate its various schemes under the provisions of the Investment Management Agreement entered into with Benchmark Trustee Company Pvt. Ltd. on February 14, 2001.

The AMC was incorporated as a Public Limited Company on October 16, 2000 and was subsequently converted to Private Limited Company vide the Certificate dated February 27, 2002 issued by the Registrar of Companies, Maharashtra, Mumbai.

The AMC will manage the Schemes of the Fund, including the Scheme mentioned in this Offer Document, in accordance with the provisions of Investment Management Agreement, the Trust Deed, the Regulations and the objectives of each of the scheme.

The AMC may be changed by a majority of the Trustee or 75% of the unit holders in the Fund opting so, subject to scrutiny and approval of SEBI.

The AMC has been granted approval by SEBI to function as an AMC to the Fund and shall be responsible, inter-alia, for the following:

1. Launching and operating various Schemes of Benchmark Mutual Fund.
2. Performing Investment Management functions for various Schemes of the fund.
3. Ensuring that the Investment of the assets pertaining to any Scheme is made in accordance with the provisions of SEBI Regulations and Trust Deed.
4. Ensuring that adequate disclosures are made to the unit holders and to SEBI regarding the performance of the Fund in accordance with SEBI Regulations.

Besides the offering and management of schemes offered by Benchmark Mutual Fund, the AMC may undertake activities in the nature of Portfolio Management Services, management and advisory services to Pension Funds, Venture Capital Funds, Off-shore Funds, Provident Funds, Management of Insurance Funds, Financial consultancy and exchange of research on a commercial basis. However the other activities of AMC shall be subject to prior approval of SEBI and Trustee.

The AMC is presently managing six schemes on behalf of Benchmark Mutual Fund viz. (i) Nifty Benchmark Exchange Traded Scheme (Nifty BeES), (ii) Nifty Junior Benchmark Traded Scheme (Junior BeES), (iii) Liquid Benchmark Exchange Traded Scheme (Liquid BeES), (iv) Banking Index Benchmark Exchange Traded Scheme (Bank BeES), (v) Benchmark Derivative Fund (BDF) and (vi) Benchmark Split Capital Fund - Balanced (SCF - Balanced). Nifty BeES is the first Exchange Traded Fund to be launched in India while Liquid BeES is the first Liquid Fund traded on the Exchange. Also Benchmark Derivative Fund is the first of its kind to be launched in India.

The AMC has obtained registration from Securities and Exchange Board of India (SEBI) vide Registration No. PM/INP000000647 dated May 31, 2002 to act as a Portfolio Manager under SEBI (Portfolio Managers) Regulations, 1993. The Certificate of Registration dated June 1, 2002 had expired on May 31, 2005 and the

Company has got the Certificate of Registration renewed by SEBI for a further period of three years valid for the period from 1st June 2005 to 31st May 2008. The Portfolio Management Services of AMC is not in conflict with the activities of the Fund.

The present shareholding pattern of AMC is as follows:

Particulars	Number of Shares	% of holding
Sponsor	74,83,030	62.31
Affiliates of the Sponsor	10,20,040	8.49
Employees	5,33,000	4.44
Individual Shareholders	29,73,000	24.76
Total...	1,20,09,070	100.00

Investment Philosophy

The objective of Benchmark Mutual Fund is to provide low cost, innovative products based on Passive and Quantitative Techniques. Quantitative Techniques aims to capture the massive amounts of financial information flowing through our systems on a daily basis, analyzing and transforming it to develop disciplined, rigorous approach to portfolio investing.

Quantitative Techniques apply the latest tools and techniques in investment management and information technology to identify and exploit under valued securities. With the rapidly increasing availability of online information, growing computational power, Quantitative Techniques to investing is already a significant phenomenon globally and is growing rapidly.

Initially, we plan to introduce to investors, the benefits of Quantitative Techniques by using index strategies. Over time we plan to introduce other value-added products which use quantitative techniques in all aspects of investments such as security, industry, portfolio construction and trading strategies.

Expertise in Managing Exchange Traded Funds (ETFs)

The key employees of the AMC have experience in development of important indices in the country besides experience in Derivatives, Equities and Debt. The AMC has also developed proprietary software for managing Exchange Traded Funds.

Board of Directors

The Board of Directors of AMC consists of eminent persons from the fields of finance, investments and corporate law.

Name	Mr. Dhirajlal S. Mehta
Address	301/302, Goragandhi Apartment, 3, Laburnum Road, Gamdevi, Mumbai – 400 007.
Background and Other	<p>Mr. D. S. Mehta is associated with the Sponsor in his capacity as its Directorship Chairman.</p> <p>Mr. Mehta is also Director of:</p> <p>Mukand Ltd., Maharashtra Scooters Ltd., Bajaj Sevashram Pvt. Ltd., Bachharaj & Co. Pvt. Ltd., Bajaj Auto Holdings Ltd., Bajaj Auto Finance Ltd., Bajaj Hindusthan Ltd., Jamnalal Sons Pvt. Ltd., Jeewan Ltd., Sikkim Janseva Pratishthan Pvt. Ltd., Janmabhoomi Newspapers Education Foundation, Bajaj Auto Ltd., Bhoopati Shikshan Pratishthan, Mahakalp Arogya Pratishthan, Hincon Holdings Ltd., Bhartiya Vidya Bhavan, Australia and Bhartiya Vidya Bhavan, Singapore.</p>

	<p>Mr. Mehta is:</p> <p>Vice President of Kasturba Health Society, Sevagram, Joint Managing Trustee of Saurashtra Trust which owns and publishes leading Gujarati Newspapers like Janmabhoomi, Vyapar etc., Vice Chairman of Kasturba Gandhi National Memorial Trust, Executive Council Member of Gandhi Peace Foundation.</p>
Name	Mr. Sevantilal J. Parekh
Address Background and Other Directorship	<p>United India Bldg. 2nd Floor, Sir P.M. Road, Fort Mumbai - 400 001.</p> <p>Mr. Parekh is an Independent Director on the Board.</p> <p>Mr. Parekh is the Chairman of:</p> <p>United Shippers Ltd., Excel Glasses Ltd., USL Shinarai Automobiles Ltd.</p> <p>Mr. Parekh is also director of:</p> <p>Orient Containers Ltd., Shree Nirmal Commercial Ltd., G. Claridge & Company Ltd., Dukes Retreat Ltd., Claridge Moulded Fibres India Ltd., Shyam Estates Pvt. Ltd., Shyam Investment Corporation Pvt. Ltd., Faisalcon Pvt. Ltd., Ahmedabad Ice & Cold Storage Pvt. Ltd., Shyam Chemicals Pvt. Ltd., Fair Freeze Industries Pvt. Ltd., UNI Recyclers Pvt. Ltd., Venture Recyclers & Holding Pvt. Ltd., The Modern Salt Works Pvt. Ltd., Super Marketing Services Pvt. Ltd., Blue Nile Finvest Pvt. Ltd., Mascot Construction Pvt. Ltd., Akin Chemicals Pvt. Ltd., USL Shipping FZE, Dubai, USL Auto Services Ltd., Kopran Ltd. Dharamtar Infrastructure Ltd. and USL NMM Logistics Ltd.</p> <p>Mr. Parekh is Trustee of:</p> <p>Prakash Foundation, Shree Jivanlal Keshrichand Memorial Trust, Taraben Jivanlal Charitable Trust and S S P Charitable Trust.</p>
Name	Mr. Shripad R. Halbe
Address Background and Other Directorship	<p>Fountain Chambers, 3rd Floor, Nanabhai Lane, Flora Fountain, Mumbai – 400 023.</p> <p>Mr. Halbe is an Independent Director on the Board. He is a Directorship practicing Company Secretary.</p> <p>Mr. Halbe is also director of:</p> <p>Jasraj Investments & Trading Pvt. Ltd., Shramik Investment & Trading Pvt. Ltd., Serai Exports Pvt. Ltd. and Divyug Agricultural & Stud Farm Pvt. Ltd.</p> <p>He is also Honorary Trustee of Brihad Bharatiya Samaj, Jan Kalyan Charitable Trust and Anita Dhanda Family Trust.</p>
Name	Mr. T. N. V. Ayyar
Address Background and Other Directorship	<p>62, Atlanta, Nariman Point, Mumbai – 400 021.</p> <p>Mr. Ayyar is an Associate Director on the Board. He is a Chartered Directorship Accountant.</p> <p>Mr. Ayyar is also Director of:</p>

	<p>Tata Ceramics Ltd., GTL Ltd., Crest Communications Ltd., Emco Ltd., Apcotex Industries Ltd., R. T. Exports Ltd., GE Capital Transportation Financial Services Ltd., Sahara India Life Insurance Company Ltd, Prime Global Advisory Services Pvt. Ltd. and G.E. Capital Services Ltd.</p> <p>He is also Trustee of:</p> <p>Indian Council for Mental Health and Sri Lakshmi Nrisimha Sabha</p>
Name	Ms. Susan Thomas
Address	Indira Gandhi Institute of Development Research, Gokul Dham, Gen A.K. Vaidya Marg, Goregaon (W), Mumbai – 400 065.
Background and Other Directorship	<p>Ms. Susan is an Independent Director on the Board.</p> <p>She is Assistant Professor at Indira Gandhi Institute of Development Research.</p> <p>She is also director of Shringar Cinemas Ltd.</p>

Key Personnel of AMC

Rajan Mehta, Age: 43 Years, Executive Director

He is an engineer and Master of Management Studies from University of Bombay. He has done one year Post Graduate programme in Investment Management from London Business School. He has over 16 years of experience in the International and Indian Financial markets. In his last assignment for 4 years as Vice President, Merrill Lynch, London, he handled over US \$ 150 million client assets as Wealth Manager. Assets class included Equity, Debt, Derivatives, Currencies, Structured Products and Mutual Funds. Before that, he was Vice President at DSP Merrill Lynch, Mumbai, in charge of indirect marketing through sub-broker network and direct marketing to High Net Worth individuals and Middle Market Institutional Segment. In this role, he handled primary and secondary sales for equity and debt. He also handled marketing of many prominent Mutual Fund schemes. He is working with AMC since August 2001.

Sanjiv Shah, Age: 41 Years, Executive Director

He is B. Com., Master of Management Studies from Mumbai University and M. Sc. (Economics) in International Accounting and Finance from London School of Economics. He has obtained an FRM certification from Global Association of Risk Professionals. He has over 16 years of experience in the Capital Markets. He has worked with DSP Merrill Lynch Ltd., Mumbai for 14 years. During his tenure in DSP Merrill Lynch, he was Head of Debt Sales & Trading and Head of Equity Sales to FIIs. His last assignment was as Head of Derivatives. He has been involved in various committees and seminars to look into better functioning of the markets. He is working with AMC since April 2001. Presently he is handling three Schemes i.e. Liquid BeES, Benchmark Derivative Fund and Benchmark Split Capital Fund - Balanced.

Sanjay Gaitonde, Age: 36 Years, Executive Director

He is a Chartered Accountant and Cost Accountant with over 9 years experience. He is an Executive Director of Niche Financial Services Pvt. Ltd. He was instrumental in setting up the financial advisory services, dealings in Debt market and Capital market activities. He previously worked with the CRISIL Ltd., India's premier rating agency. Since beginning of 2001, he is associated with AMC as its Executive Director in charge of operations. He is also involved in structuring and implementation of the schemes floated by Benchmark Mutual Fund

Vishal Jain, Age: 32 Years, Vice President - Investments

He is B. Sc. and MBA with over 7 years experience. He was previously with the CRISIL Ltd., India's premier rating agency, where he was part of the Index group, which was involved in the calculation, maintenance and dissemination of CRISIL Equity Indices. He was then deputed to India Index Services &

Products Ltd (IISL), a joint venture of CRISIL and NSE, which had a licensing and consulting agreement with Standard & Poor's, the world largest index service provider. At IISL, he was also involved in promoting indices for higher applications like Index Funds and Options. He is working with AMC since October 2000. At Benchmark, he is responsible for Fund Management. Presently he is handling three Schemes, viz. Nifty BeES, Junior BeES and Bank BeES.

Mr. Dharmendra Rai, Age: 34 years, National Sales Head & Vice President

He is a B. Com. and MBA (Marketing) from Symbiosis Institute of Business Management, Pune. He has over 10 years of experience in financial services. He was Asst. Vice President with J M Morgan Stanley Retail Services Pvt. Ltd. before joining the AMC. He has also worked with Alliance Capital Asset Management Company Pvt. Ltd. and Karvy Consultants Ltd. He has been working with AMC since September 2003.

Gautam H. Rathor, Age : 36 years, Asst. Vice President - Compliance

He is a Company Secretary and a L.L.B with 8 years of experience. He was previously with National Stock Exchange of India Ltd. (NSE) and designated as Company Secretary of DotEx International Ltd., a wholly owned subsidiary of NSE. He was also in charge of the Secretarial, Finance & Accounts and Operations of India Index Services & Products Ltd. (IISL), which is a joint venture of NSE and CRISIL Ltd. He is working with the AMC since September 2005. At Benchmark he is responsible for all the statutory compliances.

Vishal Jain is the Fund Manager for Gold BeES.

Powers, Duties and Responsibilities of AMC

The duties and responsibilities of AMC shall be governed by SEBI Regulations and the Investment Management Agreement. The AMC, in the course of managing the affairs of the Mutual Fund, has the powers inter-alia to:

1. Invest in, acquire, hold, manage or dispose of all or any securities and to deal with, engage in and carry out all other functions and to transact all businesses pertaining to the Fund;
2. Keep the moneys belonging to the Trust with scheduled banks and Custodians as it may deem fit;
3. Issue, sell and purchase units under any Scheme;
4. Repurchase the units that are offered for repurchase and hold, reissue or cancel them;
5. Formulate strategies, lay down policies for deployment of funds under various schemes and set limits collectively or separately for privately placed debentures, unquoted debt instruments, securitised debts and other forms of variable securities which are to form part of the investments of the Trust Funds;
6. Arrange for investments, deposits or other deployment as well as disinvestments or refund out of the Trust Funds as per the set strategies and policies;
7. Make and give receipts, releases and other discharges for moneys payable to the Trust and for the claims and demands of the Trust;
8. Get the units under any scheme listed on any one or more stock exchanges in India or abroad;
9. Open one or more bank accounts for the purposes of the Fund, to deposit and withdraw money and fully operate the same;
10. Pay for all costs, charges and expenses, incidental to the administration of the Trust and the management and maintenance of the Trust property, Custodian and/or any other entities entitled for the benefit of the Fund, audit fee, management fee and other fees;
11. Furnish Compliance Reports to Trustee as prescribed by SEBI;
12. Provide or cause to provide information to SEBI and the unit holders as may be specified by SEBI;
13. Generally do all acts, deeds, matters and things, which are necessary for any object, purpose or in relation to Benchmark Mutual Fund in any manner or in relation to any scheme of Benchmark Mutual Fund;

14. Ensure that no offer document of a Scheme, Key Information Memorandum, Abridged half-yearly results and Annual Results are issued or published without the prior approval of the Trustee;
15. Ensure that the delivery of scrips purchased is taken and that the delivery is given in case of scrips sold and Mutual Fund in no case engages in short selling or carry forward transactions or badla finance.

The AMC shall abide by the Code of Conduct as specified in the Fifth Schedule of the SEBI (Mutual Fund) Regulations, 1996 as amended from time to time. The AMC shall:

1. Maintain high standards of integrity and fairness in all its dealings and in the conduct of its business.
2. Take reasonable steps and exercise due diligence to ensure that the investment of money pertaining to any scheme is not contrary to the provisions of SEBI Regulations and the Trust Deed.
3. Exercise due diligence and care in all its investment decisions as would be exercised by other persons engaged in the same business.
4. Render at all times high standards of service, exercise due diligence, ensure proper care and exercise independent professional judgment.

The independent directors of the AMC will pay specific attention to the following as may be applicable namely:

1. The Investment Management Agreement and the compensation paid under the agreement.
2. Service contracts with affiliates - whether the company has charged higher fees than outside contractors for the same services.
3. Securities transactions involving affiliates to the extent such transactions are permitted.
4. Code of ethics must be designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transactions.
5. The reasonableness of fees paid to Sponsors, Asset Management Company and any others for services provided.
6. Principal underwriting contracts and renewals.
7. Any service contracts with the associates of the company.

Investment Management Fees

In terms of Investment Management Agreement and the Regulations, AMC shall be entitled to receive investment management and advisory fees @ 1.25% on first Rs. 100 Crores of the daily average Net Assets of the Scheme and @ 1% on daily average Net Assets in excess of Rs.100 Crores.

Such fees would accrue daily and be payable in arrears on the last working day of each month.

The AMC may at its sole discretion from time to time charge the fees lower than the prescribed rate. The AMC may also charge further fees as may be permitted from time to time under the regulation.

As per the Regulations, the AMC is entitled to receive investment management fees as follows:

- 1.25% p.a. of the weekly average net assets outstanding for amounts up to Rs.100 Crores.
- 1.00% p.a. of the weekly average net assets outstanding for amounts above Rs. 100 Crores.

These investment management and advisory fees shall form part of the annual scheme recurring expenses, which are subject to the ceiling under the Regulation 52 (6) of the SEBI Regulations.

TRUSTEE: Benchmark Trustee Company Pvt. Ltd.

Benchmark Trustee Company Private Limited, a Company incorporated under the Companies Act, 1956 is the Trustee to Benchmark Mutual Fund vide the Trust Deed dated February 14, 2001. The Trustee Company was incorporated as a Public Limited Company on October 27, 2000 and was subsequently converted to Private Limited Company vide Certificate dated February 4, 2002 issued by the Registrar of Companies, Maharashtra, Mumbai.

The Board of Directors of the Trustee Company consists of the following eminent persons:

Name	Dr. Surendra A. Dave
Address	17/31, MHB Colony, Opp. Lilavati Hospital, Bandra Reclamation, Bandra, Mumbai-400 050.
Background and Other Directorship	<p>Dr. Dave, Chairman of the Board, is an Independent Director on the Board.</p> <p>Dr. Dave was the Chairman of Unit Trust of India (UTI) for nearly six years from April 1990 to January 1996. He was the chairman of Securities & Exchange Board of India (SEBI) for nearly two years from April 1988 to March 1990. He has been Advisor to IDBI from May 1996 to May 1998. He was the Executive Director of IDBI and during his tenure he looked after the Project Finance Department, Rehabilitation Finance Department, Development Financing Institutions Department, and Management Services Department amongst other departments.</p> <p>Dr. Dave is also director of:</p> <p>Centre for Monitoring India Economy, HDFC Ltd., Escorts Ltd., Phoenix Township Ltd., Quantum Information Services Ltd., Indo National Ltd. Shrenuj & Co. Ltd., Plus Paper Ltd.</p> <p>Dr. Dave is Trustee of:</p> <p>Consumers Education and Research Centre; Indian Merchant Chambers' Economic Training and Research Foundation; Bombay First, Nalanda Dance Research Centre; Board of Trustees of Alliance Capital; Nandigram, Gujarat.</p> <p>Member: Taker-Over Panel of SEBI, Mumbai.</p>
Name	Dr. Amritlal C. Shah
Address	C-1/2, Lloyds Garden, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025.
Background and Other Directorship	<p>Dr. Shah is an Independent Director on the Board.</p> <p>He is M. A. Ph. D. (Economics) from University of Mumbai.</p> <p>Dr. Shah retired in February 1993 as Chairman and Managing Director of Bank of Baroda after a meritorious service of over 30 years during which he held many responsible positions in the Bank. He was advisor to Unit Trust of India (UTI) for setting up a full-fledged commercial bank. UTI Bank, inaugurated in April 1994, was the first Bank in the private sector.</p> <p>He was a guest faculty at:</p> <p>Indian Institute of Management (IIM)- Ahmedabad</p> <p>National Institute of Bank Management - Pune</p> <p>Bankers' Training College of RBI</p> <p>Dr. Shah is also director of:</p> <p>Standard Chartered Asset Management Company Pvt. Ltd., Adani Exports Ltd., Elecon Engineering, S. Kumars Nationwide Ltd., Gujarat Petro Synthese Ltd., Kopran Ltd and Graphit Multimedia</p>

	Pvt. Ltd. Member: NABARD Supervisory Board and NABARD Advisory Council
Name	Dr. Pravin P. Shah
Address Background and Other Directorship	Jal-Kiran, Cuffe Parade, Mumbai - 400 005. Dr. Shah is an Independent Director on the Board. He is a practicing Chartered Accountant and holds Ph. D. in Cost Accounting from Mumbai University. Dr. Shah is also Director of: Adani Exports Ltd., J.M. Financial & Investment Consultancy Services Pvt. Ltd., J. M. Morgan Stanley Pvt. Ltd., Bhansali Engineering Polymers Ltd., Claris Lifesciences Ltd., Jai Corp Ltd., Landmark Business Service Centre Pvt. Ltd., Landmark Financial & Investment Consultancy Pvt. Ltd., Macro Investment & Financial Consultants Pvt. Ltd. and Health & Education Foundation.
Name	Mr. Shriraj Dhruv
Address Background and Other Directorship	Nishant Building, Poddar Road, Santacruz (West), Mumbai 400 054 Mr. Dhurv is an Independent Director on the Board. Mr. Dhurv is a partner of Dhru & Co., a firm of Solicitors, Advocates & Notary. He is also a director of E-Sugar Clearing Corporation Ltd.

Rights, Duties and Responsibilities of the Trustee

The rights, duties and responsibilities of the Trustee shall be in accordance with Regulation 18 of the Regulations and Trust Deed. The Trustee shall discharge such duties and responsibilities as provided in the Regulations and Trust Deed.

The Trust Deed dated February 14, 2001 contains among others, the following clauses that may be material to the investors:

1. The Trustee shall maintain arms length relationship with companies, institutions, financial intermediaries or bodies corporate with which the Trustee may be associated in any capacity in carrying out their responsibilities.
2. A Director shall not participate in the meetings of the Trustee Company when any decisions for investments in which he may be interested are taken.
3. Each Director of the Trustee shall furnish particulars of interest which he may have in any other company or institution or financial intermediary or any corporate by virtue of his position as director, partner or with which he/she may be associated in any other capacity.
4. The Trustee shall take into their custody or under their control all the property of the scheme(s) of the Mutual Fund and hold it in trust for the unit-holders.
5. It shall be the duty of the Trustee to act in the interest of the unit holders.
6. It shall be the duty of the Trustee to provide or cause to provide information to the unit holders and SEBI as may be required by SEBI from time to time.
7. The Trustee shall take reasonable care to ensure that the funds under various scheme(s) floated are managed by the AMC in accordance with the Trust Deed and SEBI Regulations;
8. The Trustee have powers to dismiss the AMC under the specific events with the prior approval of the Board

in accordance with the Regulations.

9. The Trustee shall supervise the collection of any income due to be paid to the scheme and for claiming any repayment of tax and holding any income received in trust for the holders.
10. The Trustee shall not acquire nor allow the AMC to acquire any assets out of the Trust Fund and/or unit capital which involves the assumption of unlimited liability or results in the encumbrances of Trust Fund and/or unit capital in any way.
11. No amendments to the Trust Deed shall be carried out without the prior approval of SEBI and unit holder's approval would be obtained where it affects the interest of unit holders.

Duties and Responsibilities of Trustee

1. The Trustee is responsible for entering into an Investment Management Agreement with the AMC by which the latter is entrusted with the task of floating and managing the Schemes of Benchmark Mutual Fund.
2. The Investment Management Agreement shall contain such clauses as are mentioned in the fourth schedule of SEBI Regulations and such other clauses as are necessary for the purpose of making investments.
3. The Trustee shall have the right to obtain from the AMC such information as is considered necessary by the Trustee and shall review all reports and compliance procedures from the AMC.
4. The Trustee shall ensure before the launch of any Scheme that the Asset Management Company has:
 - i. Systems in place for its back office, dealing room and accounting;
 - ii. Appointed all key personnel including fund manager(s) for the Scheme and submitted to the Trustee their bio-data which shall contain the educational qualifications, past experience in the securities market within fifteen days of their appointment;
 - iii. Appointed auditors to audit the accounts of the Scheme;
 - iv. Appointed a compliance officer who will be responsible for monitoring compliance with Act, Rules and regulations, notifications, guidelines and instructions issued by the Board or the Central Government and to redress investor grievances;
 - v. Appointed registrars and laid down parameters for their supervision;
 - vi. Prepared a compliance manual and designed internal control mechanism including internal audit systems; and
 - vii. Specified norms for empanelment of brokers and marketing agents.
5. The Trustee shall ensure that the AMC has been diligent in empanelling the brokers, in monitoring securities transactions with brokers and avoiding undue concentration of business with any broker;
6. The Trustee shall ensure that the AMC has not given any undue or unfair advantage to any associates or dealt with any of the associates of the AMC in any manner detrimental to the interest of the holders of units;
7. The Trustee shall ensure that the transactions entered into by AMC are in accordance with the Regulations and the Scheme;
8. The Trustee shall ensure that the AMC has been managing the Mutual Fund Scheme independently of other activities and have taken adequate steps to ensure that the interest of the investors of the Scheme are not being compromised with those of any other Scheme or of other activities of the AMC;
9. The Trustee are required to ensure that all the activities of AMC are in accordance with the provisions of Regulations and shall exercise general and specific due diligence as required under the Regulations.
10. Where the Trustee have reason to believe that the conduct of business of Fund is not in accordance with these Regulations and the provisions of the Scheme launched there under, they shall forthwith take such

- remedial steps as are necessary by them and immediately inform SEBI of the violation and the action taken by it.
11. Each Trustee shall file the details of his transactions of dealings in securities with the Mutual Fund as per the SEBI guidelines;
 12. The Trustee shall be accountable for and is required to be the custodian of the Fund's property of the Scheme and to hold the same in trust for the benefit of the Unit holders in accordance with the Regulations and the provisions of the Trust Deed.
 13. The Trustee shall take steps to ensure that the transactions of the Fund are in accordance with the provisions of the Trust Deed.
 14. The Trustee are responsible for the calculation of any income due to be paid to the Mutual Fund and also of any income received in the Mutual Fund for the holders of the units of the Scheme in accordance the Regulations and the Trust Deed.
 15. The Trustee is required to obtain the consent of unit holders of the Scheme:
 - i. When the Trustee is required to do so by SEBI in the interest of Unit holders of the Scheme; or
 - ii. Upon a requisition made by three-fourths of Unit holders of the Scheme; or
 - iii. If a majority of the Trustees decide to wind up the Scheme or pre-maturely redeem the Units.
 16. The Trustee shall ensure that no change in the fundamental attributes of any scheme or the trust or the fees and expenses payable or any changes which would modify the scheme and affects the interest of unit holders shall be carried out unless: -
 - i. A written communication about the proposed change is sent to each unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
 - ii. The unit holders are given an option to exit at the prevailing Net Asset Value without any exit load.

Explanation: For the purpose of this clause "fundamental attributes" means the investment objective and terms of a scheme.
 17. The Trustee shall call for the details of transactions in securities by the key personnel of AMC and shall report to SEBI as and when required;
 18. The Trustee shall quarterly review all transactions carried out between the mutual fund, AMC and its associates;
 19. The Trustee shall review the net worth of AMC on quarterly basis and in case of any shortfall ensure that the AMC makes up for the shortfall as per the clause (f) of sub-regulation (1) of regulation 21 of the Regulations.
 20. The Trustee shall periodically review all service contracts such as custody arrangements, transfer agency of securities and satisfy itself that such contracts are executed in the interest of unit holders.
 21. The Trustee shall ensure that there is no conflict of interest between the manner of deployment of its net worth by the AMC and the interests of holders of units;
 22. The Trustee shall periodically review the investor complaints received and redressal of the same by AMC.
 23. The Trustee shall abide by the code of conduct as specified in the Fifth Schedule of SEBI Regulations.
 24. The Trustee shall furnish to SEBI on a half yearly basis-
 - i. A report on the activities of the Mutual Fund;
 - ii. A certificate stating the Directors have satisfied themselves that there have been no instances of self dealing or front running by any of the Trustees, Directors and key personnel of the AMC; and
 - iii. A certificate to the effect that the AMC has been managing the scheme independently of any other

activities and in case any activities of the nature referred to in sub Regulation (2) of Regulation 24 of the Regulations have been undertaken, the AMC has taken adequate steps to ensure that the interest of the unit holders is adequately protected.

25. The Independent Directors of Trustee are required to give their comments on the report received from the AMC regarding the investments by the Mutual Fund in the securities of the group companies of the sponsors.
26. The Trustee shall exercise due diligence as under:

Due diligence by the Trustee

A. General Due Diligence

The Trustee shall:

- i. Be discerning in the appointment of the directors on the Board of the AMC;
- ii. Review the desirability of continuance of the AMC if substantial irregularities are observed in any of the schemes and shall not allow the AMC to float new schemes;
- iii. Ensure that the trust property is properly protected, held and administered by proper persons and by a proper number of such persons;
- iv. Ensure that all service providers are holding appropriate registrations from the Board or concerned regulatory authority;
- v. Arrange for test checks of service contracts; and
- vi. Immediately report to SEBI of any special developments in the Fund.

B. Specific Due Diligence

The Trustee shall:

- i. Obtain internal audit reports at regular intervals from independent auditors appointed by the Trustee;
 - ii. Obtain compliance certificates at regular intervals from the AMC;
 - iii. Hold meeting of the Board of the Trustee Company frequently;
 - iv. Consider the reports of the independent auditor and compliance reports of the AMC at the meetings of the Board of the Trustee Company for appropriate action;
 - v. Maintain records of the decisions of the Board of the Trustee Company at their meetings and of the minutes of the meetings;
 - vi. Prescribe and adhere to a code of ethics by the Trustee, AMC and its personnel; and
 - vii. Communicate in writing to the AMC of the deficiencies and check on the rectification of deficiencies.
27. Notwithstanding anything contained herein above from points (1) to (26) the Trustee shall not be held liable for any act done in good faith if they have exercised adequate due diligence honestly.
 28. The independent directors of Trustee shall pay specific attention to the following, as may be applicable namely: -
 - i. The Investment Management Agreement and the compensation paid under the same;
 - ii. Service contracts with affiliates - whether the AMC has charged higher fees than outside contractors would have charged for the same services;
 - iii. Selection of the AMC's independent directors;
 - iv. Securities transactions involving affiliates to the extent such transactions are permitted;
 - v. Selecting and nominating individuals to fill independent director vacancies;

- vi. Code of ethics have been designed to prevent fraudulent, deceptive or manipulative practices by insiders in connection with personal securities transaction;
 - vii. The reasonableness of fees paid to the Sponsors, AMC and any others for services provided;
 - viii. Principal underwriting contracts and their renewals; and
 - ix. Any service contract with the associates of the AMC.
29. The regulations provide that the Trustee meetings will be held once in every two calendar months and at least six such meetings will be held in a year. Quorum for the meeting of the Board of Trustee Company shall not be constituted unless one independent director is present at the meeting.

The Trustee discharge the supervisory role by having a number of checks and balances besides having continuous feedback from the AMC on matters of importance and a review of the Mutual Fund's operations at the Trustee Meeting.

During the period April 1, 2006 to December 31, 2006 the Board of Directors of Trustee Company has so far held 5 meetings. The reports on Statutory Compliance received from the AMC are placed before the meeting. The Bi-monthly Compliance Test Report filed with SEBI by the AMC is also sent to the Trustee as a part of Quarterly Report and such reports are reviewed by Trustee and taken on record at the Trustee meeting. The Internal Audit Report received from the Internal Auditors to the Fund is also placed before the Board Meeting and discussed. The Trustee(s) will also conduct a detailed review of half-yearly and annual accounts of the Schemes of the Fund and discuss the matters arising there from with the Statutory and Internal Auditors of the Fund.

The Trustee shall also ensure that:

1. investments are of permitted kind and within the set limits;
2. the fund assets are duly protected;
3. transactions in units under a scheme are properly executed by the AMC with reference to the pricing of units and payments into and out of the fund;
4. adequate internal controls are provided for by the AMC
5. income due to the fund is properly accounted for;
6. all expenses and charges to the funds are as permitted; and
7. distributions from the fund are done properly.

Trustee Remuneration

The Trustee will be entitled to receive Trustee Fees @ 0.01% per annum of the daily average net assets of the Scheme and such fees shall be paid quarterly in arrears.

THE SPONSOR- Niche Financial Services Pvt. Ltd. (NICHE)

Benchmark Mutual Fund is set up by the Niche Financial Services Pvt. Ltd. Niche Financial Services Pvt. Ltd. was incorporated on 13th October, 1989 vide registration no.11-53884 under the Companies Act, 1956. Niche Financial Services Pvt. Ltd. is a RBI registered Non Banking Financial Services Company (NBFC) under the Registration No. 13.00311 dated 9th March 1998.

The Chairman of Niche Financial Services Pvt. Ltd. is Mr. Dhirajlal S. Mehta who is a whole time director of Bajaj Auto Ltd. At Bajaj Auto Limited, he was in charge of managing over Rs.2000 crores of funds. He is also a director of several well-known companies e.g. Mukand Ltd., Bajaj Auto Finance Ltd., Bajaj Auto Holdings Ltd., Maharashtra Scooters Ltd., Bajaj Hindustan Ltd., Bachraj & Co. Ltd., etc. As a trustee of several voluntary organizations in India, he handles investments of Rs.700 crores.

Niche Financial Services Pvt. Ltd provides a host of services, which include Corporate Advisory Services, Corporate Finance, International Advisory Services & Capital Market and Stock Broking.

Following is the Financial Performance (Audited) of Niche Financial Services Pvt. Ltd.:

(All figures in Rs. Million)

	2003-04	2004-05	2005-06
Total Income	24.01	24.48	53.76
Profit Before Tax	(14.46)	17.33	37.65
Profit after Tax	(14.46)	11.29	30.18
Equity Capital	50.00	50.00	50.00
Reserves	233.66	244.95	275.13
Net Worth	283.66	294.95	325.13
Earnings per Share (Rs.)	Nil	2.26	6.04
Book Value per share (Rs.)	56.73	58.99	65.03
% Dividend Paid	Nil	Nil	Nil

Friendly Financial Services Pvt. Ltd.

Friendly Financial Services Pvt. Ltd., a shareholder of an AMC is incorporated on January 24, 1994 vide Incorporation Certificate No. 11-76185 issued by the Registrar of Companies, Maharashtra, Mumbai. It is also registered with RBI as Non-Banking Financial Services Company vide Registration No. 13.00028 dated February 18, 1998. Friendly Financial Services Pvt. Ltd. is engaged in providing financial consultancy, corporate advisory and investments.

Registrars and Transfer Agents

Karvy Computershare Pvt. Ltd.

KARVY REGISTRY HOUSE

H.No.8-2-596, Avenue 4

Street No.1, Banjara Hills

Hyderabad - 500 034

Tel : (91 40) 23312454 /23320751/23320752

Fax : (91 40) 23394436

E-Mail: benchmarktf@karvy.com

SEBI Regn No. INR 000000221

Benchmark Mutual Fund has appointed Karvy Computershare Pvt. Ltd. to act as Registrars and Transfer Agents to the Fund. Karvy is registered by SEBI as Category I Registrar under Registration No. INR 00000221.

Trustee and AMC have satisfied themselves, after undertaking appropriate due diligence, that Karvy has adequate capacity to discharge responsibility with regard to processing of applications, dispatch of Account Statement/redemption proceeds to unit holders etc. within the prescribed time limit as per SEBI Regulations and also sufficient capacity to handle the investors complaints.

As Registrar to the scheme, Karvy will accept and process unit holders' applications and advise the AMC as to the amounts received for subscriptions (duly reconciled) during the initial offer period. They will also handle communication with unit holders, unit holders' grievances, perform data entry services and dispatch Account Statement or any instrument. They will also maintain an updated, accurate form for the register of unit holders of the fund and other records as may be required by SEBI Regulations and laws of India.

The Registrar is responsible for carrying out the functioning of Registrar and Transfer Agent set out in the agreement entered into with it and as per any modification from time to time. The Registrar will be entitled to remuneration for its services as per the terms of R & T Agreement. The AMC reserves the right to change the Registrar at any time to all or any of the schemes of the fund. The Unit holders will then be informed accordingly.

Custodian

The Bank of Nova Scotia

12/13, Maker Chamber VI

220, Nariman Point

Mumbai 400 021

Tel No. (91 22) 6658 6901 / 6658 6940

Fax No. (91 22) 2288 1078

SEBI Reg No. IN/CUS/018

The Trustee(s) have appointed The Bank of Nova Scotia as the custodian to the Benchmark Mutual Fund. The Bank of Nova Scotia is SEBI approved Custodian having Registration No IN/CUS/018. The registration of the Custodian is still valid and effective. The custodian shall hold the custody and possession of the securities and investment of the Fund and will discharge all the functions as are ordinarily discharged by a Custodian. It does not have any power or authority to sell or dispose of or deal with the securities/investment held by it on behalf of the Fund except as instructed by the AMC. The Trustee reserves the right to change the custodian, if required.

The salient features of the Custodial Agreement and responsibilities of Custodian would inter-alia include:

1. keeping in safe custody of physical gold and all the securities and other such instruments belonging to the Fund segregated from the other assets of Custodian and from the assets of other clients of the custodian and shall be held in the name of the Trustee(s) a/c Fund or Scheme or Custodian a/c Scheme or in such other manner as may be mutually agreed.
2. ensuring smooth inflow/outflow of physical gold and securities and such other instruments as and when necessary, in the best interest of the investors.
3. ensuring that the benefits due to the holdings of Fund are recovered in time.
4. responsibility for loss of / or damage to the physical gold and securities due to fraud, bad faith, negligence, willful neglect, default, or willful default on his part or on the part of its approved agents.
5. Custodian may, with the prior consent of Trustees, appoint Sub-custodian that is eligible to act as a custodian of Gold under applicable laws and regulations.

The Custodian will be entitled to remuneration for its services in accordance with the terms of Custodian Agreement.

Auditors to the Scheme

N. M. Raiji & Co.

6th Floor, Universal Insurance Building

P. M. Road, Fort

Mumbai - 400 001.

Collecting Bankers to the New Fund Offer:**HDFC Bank Ltd:**

HDFC Bank House, Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013.

Compliance Officer**Mr. Gautam H. Rathor**

Benchmark Asset Management Company Pvt. Ltd.
405, Raheja Chambers, Free Press Marg,
213, Nariman Point, Mumbai - 400 021
Tel (91 22) 6651 2741 Fax: (91 22) 2200 3412
E-mail: gautam@benchmarkfunds.com

Investor Relation Officer**Mr. Bibek Sengupta**

Benchmark Asset Management Company Pvt. Ltd.
405, Raheja Chambers, Free Press Marg,
213, Nariman Point, Mumbai - 400 021
Tel (91 22) 6651 2730 Fax: (91 22) 2200 3412
Toll Free: 1800 - 22 5079
E-mail: bibek@benchmarkfunds.com

V.**ABOUT THE SCHEME, COMMON INVESTMENT POLICIES AND STRATEGIES****GOLD BENCHMARK EXCHANGE TRADED SCHEME (Gold BeES)****Type of Scheme**

Open-Ended, Exchange listed Scheme tracking domestic prices of gold through investments in physical Gold.

Issue of Units

1. Each unit of Gold BeES will be approximately equal to price of 1 (one) gram of Gold.
2. In the New Fund Offer Period, the Fund will accept cheques and bank drafts. The minimum amount for investment is Rs.10,000 and in multiples of Rs.1,000 thereafter
3. After the NFO, as Gold BeES will be listed on the NSE, investors can buy or sell units of Gold BeES from the secondary market on the National Stock Exchange of India Ltd. The minimum number of units that can be bought or sold is 1 (one) unit.
4. Alternatively, authorised participants and large investors can directly buy/sell Gold BeES from the fund in 'Creation Unit' Size, as defined below. The units may be listed on any other Exchange(s) also.

Creation Unit

'Creation Unit' is a fixed number of Gold BeES, which is exchanged for Portfolio Deposit which would consist of physical Gold of defined purity and quantity and Cash Component. The facility of creating/redeeming units in Creation Unit size will be available with the Authorised Participants (whose names will be available on the website of the Fund i.e. www.benchmarkfunds.com) and large investors when the Scheme opens for ongoing subscription. Each creation unit consists of 1000 units of Gold BeES and cash component, if any.

The Fund may from time to time change the size of the creation unit in order to equate it with marketable lots of the underlying instruments.

The investor has to deposit or will receive at least 1 kilogram of physical gold & in multiples of 1 kilogram thereof in order to create / redeem units of the Scheme. The physical Gold and Cash Component is defined as follows: -

- a. Portfolio Deposit consisting of Physical Gold which will be in predefined quantity and purity of physical gold and will be defined and announced by the AMC.
- b. Cash Component for Creating in Creation Unit Size: Cash Component represents the difference between the applicable net asset value of Creation Unit and the market value of physical Gold. This difference will represent accrued interest, income earned by the Scheme, accrued annual charges including management fees and residual cash in the Scheme. In addition the Cash Component will include transaction cost as charged by the Custodian/DP and other incidental expenses for creating units. The cash component will vary from time to time and will be decided and announced by the AMC. Cash Component for Creation will also include entry load, if applicable. The entry load will be declared by the AMC from time to time and will be within the limits specified under the Regulations.
- c. Cash Component for Redemption in Creation Unit Size: Cash Component represents the difference between the applicable net asset value of a creation unit and the market value of the physical Gold. This difference will represent accrued interest, income earned by the Scheme, accrued annual charges including management fees and residual cash in the scheme. Any transaction cost charged by the Custodian/DP and other incidental expenses for redeeming units will also form part of Cash Component. The cash component for redemption will vary from time to time and will be decided and announced by the AMC to the Authorised Participants. The Cash Component will also include exit load, if applicable. The exit load will be declared by the AMC from time to time.

The AMC shall disclose on a daily basis the portfolio and cash component for creating and redeeming units in creation unit size. The same will be disclosed on our website www.benchmarkfunds.com, daily morning and would be applicable for creating and redeeming units in creation unit size for that working day only. i.e.

Example of issue of units during the New Fund Offer

Minimum Investment	Rs. 10,000/-
Price of One gram of Gold as per Economic Times dated June 16, 2006	Rs. 860/-
Issue price of one unit of Gold BeES	Rs. 860/-
Number of Gold BeES allotted (Rs. 10,000 / 860)	11.63

The above is just an example to illustrate the allotment of units.

Example of Creation/Redemption of Units

As explained above, the Creation Unit is made up of 2 components i.e. Portfolio Deposit and Cash Component. The Portfolio Deposit will be determined by Fund. The Portfolio Deposit will be physical Gold and will be for 1 kg and in multiple of 1 kg. The value of Portfolio Deposit will change due to changes in the prices during the day.

The cash component will be arrived in the following manner:

Number of units comprising one Creation Unit	1,000
NAV per unit	Rs. 860.50
Value of 1 creation unit	Rs. 860,500
Value of Portfolio Deposit (physical Gold of 1 kg)	Rs. 850,000
Cash Component #	Rs. 10,500

The above is just an example to illustrate the calculation of cash component. As can be seen from the above example, for subscription of 1 creation unit 1 kilograms of Gold equivalent to Rs. 8,50,000/- would be the Portfolio Deposit and Rs. 10,500/- would be the cash component.

Cash Component will vary depending upon the actual charges incurred like Custodial Charges and other incidental charges for creating units.

Investment Objective

The investment objective of Gold Benchmark Exchange Traded Scheme (Gold BeES) is to provide returns that, before expenses, closely correspond to the returns provided by domestic price of gold through physical Gold.

However, the performance of Scheme may differ from that of the domestic prices of Gold due to expenses and certain other factors. There can be no assurance or guarantee that the investment objective of Gold BeES will be achieved.

Principal Investment Strategies

The AMC uses 'passive' approach to try and achieve Scheme's investment objective. The Scheme does not try to "beat" the markets they track and do not seek temporary defensive positions when markets decline or appear over valued. The AMC does not make any judgments about the investment merit of a particular security nor will it attempt to apply any economic, financial or market analysis. Passive approach eliminates active management risks in regards to over / underperformance vis-à-vis a benchmark.

The Gold BeES will invest upto 100% but at least 90% of its total assets in the physical Gold. The Gold BeES may hold upto 10% of their total assets in other securities/instruments. As long as a Scheme invests at least 90% of its total assets in physical Gold, it may also invest its other assets in cash and cash equivalents and short-term high quality debt that would include, obligations of the Indian Government and its agencies, Commercial Papers (rated by recognized Rating agencies), Bank Certificates of Deposit, repurchase agreements (Repo's), units of money market funds and other money market instruments permissible under the investment norms.

Investment Pattern

The investment policies of the Scheme shall be as per SEBI (Mutual Funds) Regulations, 1996, and within the following guideline. Under normal circumstances, the investment range would be as follows:

Instruments	Risk Profile	%
Physical Gold	Medium	90% to 100%
Money Market instruments, Securitised Debts*, Bonds, including cash at call	Low to Medium	0% to 10%

* Investments in securitised debts can be made by the Scheme upto 5% of the net assets.

Note: Investment in warehouse receipts and other permitted instruments linked to Gold Prices and units of international gold linked ETFs would be made as and when permitted by regulatory authorities.

It may be clearly understood that the percentages above are only indicative and not absolute.

Pending deployment of funds, the Scheme may invest such funds in short term deposits of schedule commercial banks.

The Scheme would invest in money market instruments, securitized debt, bonds including cash at call in order to meeting the liquidity requirement of the Scheme.

Change in Investment Pattern

Subject to SEBI Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic

factors. It must be clearly understood that the percentage stated above are only indicative and not absolute. These proportions may vary substantially depending upon the perception of the AMC, the intention being all the times to seek to protect the interest of the unit holders. Such changes in the investment pattern will be for short term and keeping in view the passive nature of the Scheme.

Implementation of Policies

The Scheme, in general, will buy the physical Gold. Expectation is that, over time, the tracking error of the Scheme relative to the performance of the domestic prices of gold will be relatively low.

Investment Process

The Scheme will endeavor to track the domestic prices of gold by investing in physical Gold.

For investment of NFO proceeds and Cash subscriptions the investment decision of the Fund will be carried out by the designated Fund Manager under the supervision of Executive Director - Investments.

Normally the Fund will receive physical Gold from the authorised participants/investors against the exchange of Gold BeES in Creation Unit size as defined by the Fund.

The AMC will analyse from time to time different ways of taking exposure in gold from the perspective of risk and return and decide the same in the best interest of investors.

The AMC will maintain record of investment decisions on daily basis along with rationale for such investments. The compliance of the same will be reported to Trustee in the Quarterly Report.

Review by Board of AMC and Trustees

A detailed review of the Scheme(s) of the Fund will be placed before the Board of Directors of AMC and the Trustee Company on a quarterly basis. The review will contain information about the inflow in the Scheme, outflow/redemption from the Scheme and the performance of the Scheme. The Board of AMC and Trustee will review the performance of the Scheme vis-à-vis the benchmark. The Trustee reserve the right to change the benchmark for evaluation of performance of the Scheme from time to time in conformity with investment objective of the Scheme and appropriateness of the benchmark subject to SEBI Regulations and other prevailing guidelines, if any.

The performance of the Scheme will be benchmarked against the price of Gold.

Fundamental Attributes

For this purpose, type of the Scheme, Investment Objectives and terms of an issue constitute the fundamental attributes of the Scheme vide clarification issued by SEBI on February 4, 1998.

As per the regulations 18 (15A) of the SEBI Regulations, the Trustee shall ensure that no change in the fundamental attributes of any of the Scheme or the trust or the fees and expenses payable or any other change which would modify the Scheme and affect the interest of the unit-holders, shall be carried out unless:

1. A written communication about the proposed change is sent to each unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated and
2. The Unit holders are given an option to exit at the prevailing Net Asset Value without any exit load regardless of lot of Gold BeES held.

Manner of holding of assets of the Scheme

The Gold deposited with the Scheme will be held in physical form.

Securities of the Scheme will mostly be held in dematerialized form but in certain circumstances it may be held in physical format. In case the securities are held in dematerialized mode, the rules of SEBI (Depositories and Participant) Regulations, 1996 would apply.

Underwriting

The Scheme will not accept underwriting and sub underwriting obligations.

Policy for Borrowing

In terms of regulations as presently prevailing, the Scheme shall have powers to borrow up to a maximum of 20% of the net assets of the Scheme as on the date of borrowing for a maximum duration of 6 months or as may be permitted by prevailing regulations. This borrowing shall be used only to meet repurchase/redemption of units/dividends or interest payouts as a temporary liquidity measure as per Regulation 44[2] of Chapter VI of SEBI [Mutual Funds] Regulations, 1996, on such terms (as to creation of charge on the properties of the scheme, rate of interest, margins etc.) as the Trustee/AMC considers to be in the interest of investors.

Portfolio Turnover

Portfolio Turnover is a term used to measure the amount of trading that occurs in a Scheme's portfolio during a given time period. Gold BeES is an open-ended scheme. It is therefore expected that there would be a number of subscriptions and redemptions on a daily basis. Consequently, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio.

Portfolio Turnover is defined as the aggregate of purchases and sales as a percentage of the corpus during the specified period of time.

Listing

The Fund would endeavour to get the units of the Scheme listed on National Stock Exchange of India Ltd. (NSE) within 30 days from the date closure of the New Fund Offer of Scheme. The trading will be as per normal settlement cycle. The AMC reserves the right to list the units of Scheme on any other recognized stock exchange.

Communication of NAV

The NAV of Gold BeES will be communicated to at least two newspapers on a daily basis. The same will also be available on the website of the Fund (www.benchmarkfunds.com) and website of AMFI (www.amfiindia.com).

Purchase of Gold BeES by the AMC

The AMC may in the interest of the unit-holders of the scheme consider buying the Gold BeES from the market to enhance the value of the Scheme as permitted under the SEBI (Mutual Funds) Regulations, 1996.

Investment Restrictions: All the investments by the Scheme and the Mutual Fund shall always be within the investment restrictions as specified in SEBI Regulations as amended from time to time. Pursuant to the Regulations the following are the investment restrictions as presently applicable:

1. The Funds of the Scheme shall be invested only in gold or gold related instruments in accordance with the investment objective, except to the extent necessary to meet the liquidity requirements for honouring repurchases or redemptions, as disclosed in this Offer Document. Presently as per SEBI Regulations, investments by the Scheme can be made only in physical gold. Investment in warehouse receipts and other permitted instruments linked to Gold Prices and units of international gold linked ETFs would be made as and when permitted by regulatory authorities.
2. Pending deployment of funds in accordance with point (1) above, the Mutual Fund may invest such funds in short term deposits of schedule commercial banks.

VI. NEW FUND OFFER & INVESTING ON ONGOING BASIS

The offer is being made for subscription of units of Gold Benchmark Exchange Traded Scheme (Gold BeES).

Face Value

The Gold BeES being offered will have a face value of Rs.100/- each. Each unit of Gold BeES issued under the Scheme will be approximately equal to the price of 1(one) gram of Gold. In the New Fund Offer, Gold BeES will be issued at a premium equivalent to the difference between allotment price and the face value of Rs. 100/-.

New Fund Offer Period

New Fund Offer Opens on: 15th February 2007

New Fund Offer Closes on: 23rd February 2007

Eligible Investors

The subscription in the New Fund Period will be accepted by cheque or bank draft only.

Target Amount to be raised

The minimum target amount to be raised during the initial offer period is Rs.10,000,000/- (Rupees One Crore) under Gold BeES. Any over subscription will be retained by the Fund in full.

Minimum Investment

Subscription

The minimum investment is Rs.10,000 and in multiples of Rs.1,000 thereafter.

Maximum Investment

There is no upper limit on the investment, which can be made by applicant in the New Fund Offer.

Extension or Termination of New Fund Offer Period

The Trustee reserves the right to extend the closing date, subject to condition that the subscription list shall not be kept open for more than 30 days. The Trustee reserves the right to close the subscription list earlier by giving at least one day's prior notice in one daily newspaper.

Dematerialization

1. Gold BeES will be available in Dematerialized (Electronic) form.
2. The person intending to invest in units of the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the application the DP's name, DP ID Number and beneficiary account number with the DP at the time of purchasing units directly from the Fund in creation units size.
3. Gold BeES will be issued/repurchased and traded compulsorily in dematerialized form.

Transfer

1. As the units of the Scheme will be issued in demat (electronic) form, the units will be transferable in accordance with the provisions of SEBI (Depositories and Participants) Regulations, as may be amended from time to time.
2. Transfer would be only in favor of transferees who are capable of holding units. The Fund will not be bound to recognize any other transfer.
3. The delivery instructions for transfer of units will have to be lodged with the DP in the requisite form as may be required from time to time and transfer will be effected in accordance with such rules/regulations as may be in force governing transfer of securities in dematerialized mode.

Nomination

Since the units of the Scheme will be held in electronic mode in the Depository (DP) Account of the unit-holders, the nomination details provided by the unit-holder to the depository will be applicable to the units of the Scheme. Such nomination including any variation, cancellation or substitution of Nominee(s) shall be governed by the rules and bye-laws of the Depository. Payment to the nominee of the sums shall discharge the Fund of all liability towards the estate of the deceased unit holder and his/her legal successors/legal heirs.

Nomination can be made only by the individuals holding beneficiary (DP) accounts either singly or jointly. Non-individuals including society, body corporate, partnership firms, Karta of HUF, holder of power of attorney can not nominate. Only an individual including NRI can be a nominee. However nomination of NRI is subject to exchange control regulations in force from time to time. Society, trust, body corporate, partnership firm, Karta of HUF or Power of Attorney holder cannot be appointed as a Nominee.

Minor can also be appointed as a nominee. However the guardian will sign on behalf of the nominee and in addition to the name and photograph of the nominee, the name and address and the photograph of the guardian must be submitted to DP. Only one nomination can be made for each depository account.

The nomination form duly filled in should be submitted to the Depository Participant (DP) either at the time of account opening or later. The account holder, nominee and two witness must sign the form and the name, address and photograph of the nominee must be submitted. If the nomination was not made at the time of account opening, it can be made subsequently by submitting the nomination form.

Nomination can be changed anytime by the account holder(s) by simply filling up the nomination once again and submitting it to the DP.

In case nomination has been made for DP account with joint holders, in case of death of any of the joint holder(s), the securities will be transmitted to the surviving holder(s). Only in the event of death of all the joint holders, the securities will be transmitted to the nominee.

In case nomination is not made by the sole holder of DP account, the securities would be transmitted to the account of legal heir(s), as may be determined by an order of the competent court. However in case where the value of securities to be transmitted is less than Rs.1,00,000/- the DP may process the request based on the submissions of necessary letter of indemnity, surety, affidavits and NOC documents.

Pledge Of Units

The unit holders may pledge units of the Scheme in favor of banks/other financial institutions/non-banking financial companies as a security for raising loans.

As the units of the Scheme will be issued and held in Demat form, the rules of Depository applicable for pledge will be applicable for Pledge/Assignment of the units of the Scheme.

Pledgor and Pledgee must have a beneficial account with the Depository. These accounts can be with the same DP or with different DPs. Pledgor will instruct its DP to create a pledge request by submitting a "Pledge Form" with a tick on "Create Pledge".

Pledgor will inform the pledgee about the creation of pledge request by giving a copy of the pledge report obtained from its DP.

Pledgee may instruct its DP to confirm the creation of pledge by submitting a "Pledge Form" with a tick on "Confirm creation of Pledge". The pledge gets created in favour of the pledgee only when the pledgee's DP confirms the creation of pledge in the system.

Pledge does not get created in the System until the Pledgee's DP confirms the pledge. Pledgee may obtain pledge report from its DP and verify creation of pledge.

After the loan is repaid, the pledgor will instruct its DP to close the pledge by submitting the "Pledge Form" with a tick on "Close Pledge". The pledgee will instruct its DP to confirm the closure of pledge by submitting the "Pledge Form" with a tick on "Confirm Closure of Pledge". The pledge is closed in the system on

executing the instruction in the system by both the DPs. A pledgor's DP alone cannot close the pledge.

If the loan is not repaid, the pledgee, after giving notice to the pledgor as per the terms of the agreement, may instruct its DP to invoke the pledge by submitting the "Pledge Form" with a tick on "Invoke Pledge". On execution of this instruction, the securities are transferred into the pledgee's account. This does not require any confirmation from the pledgor.

The pledgor will continue to receive dividend on the pledged securities. The pledgee will get the benefits only if a pledge is invoked and on record date the shares are in the pledgee's account.

Listing

The Fund would endeavour to get the units of the Scheme listed on National Stock Exchange of India Ltd. (NSE) within 30 days from the date closure of New Fund Offer of the Scheme. The trading will be as per the normal settlement cycle. The AMC reserves the right to list units of the Scheme on any other recognized stock exchange.

Application Procedure

Who Can Subscribe

The following persons (subject, wherever relevant, to purchase of units being permitted under their respective constitution and relevant state regulations) are eligible to subscribe to units:

1. Resident Adult individuals, either singly or jointly.
2. Parents/Lawful Guardian on behalf of minors.
3. Karta of Hindu Undivided Family (HUF).
4. Partnership Firms.
5. Companies/Domestic Corporate Bodies and /Societies/Association of Persons/Body of individuals/Clubs/Public Sector Undertakings registered in India if authorized and permitted to under applicable laws and regulations.
6. Charitable or Religious Trusts authorized to invest in units of Mutual Funds.
7. Banks (including co-operative Banks and Regional Rural Banks), Financial Institutions and Investment Institutions incorporated in or the Indian branches of banks incorporated outside India.
8. Non-Resident Indians, persons of Indian origin residing abroad (NRIs) on full repatriation basis and on non-repatriation basis.
9. Foreign institutional investors on full repatriation basis (subject to RBI approval)
10. Wakf Boards or endowments and Registered Societies (including registered co-operative societies) and private trusts authorized to invest in units.
11. An association of persons or body of individuals whether incorporated or not.
12. Army/Air Force/Navy/Para-military funds and other eligible institutions.
13. Scientific and/or industrial research organizations.
14. Multilateral Funding Agencies or Bodies Corporate incorporated outside India with the permission of Government of India / Reserve bank of India.
15. Overseas Financial Organizations which have entered into an arrangement for investment in India, inter-alia with a mutual fund registered with SEBI and which arrangement is approved by Government of India.
16. Provident / Pension / Gratuity / Superannuation and such other retirement and employee benefit and other similar funds.
17. Other Associations, Institutions, Bodies, Mutual Funds etc. authorized to invest in the units. Apart from the above, all other categories of investors permitted at present and in future are eligible to invest in the Scheme.

How To Subscribe

New Fund Offer

1. Application Forms will be available at the collecting Bank branches, Distributors, at the corporate office of the AMC and the office of the Registrar.
2. Applications must be completed in block letters in English.
3. Signatures should be in English or in any Indian language.

Applications complete in all respects may be submitted before closure of New Fund Offer Period at the designated branches of collecting bankers at locations mentioned in the Application Form.

Please note that applications by NRIs/FIIs on repatriation basis will be accepted only at the designated branches of the collecting bankers in Mumbai, New Delhi, Kolkata, Chennai, Bangalore and Hyderabad as specified in the relevant Application Form.

Kindly retain the acknowledgment slip initialed/stamped by the collecting agency.

Domestic Unit holders

Mode of payment

Investors having a bank account with such banks with whom the AMC would have an arrangement from time to time, can make payment towards subscription to the units of the Scheme either by issuing a cheque drawn on such bank or by giving debit instruction to their account with any branch of such banks with whom the AMC would have arrangement from time to time.

Payment may be made by cheque/draft, drawn locally on any bank, which is a member of the Bankers Clearing House located at the place where the application form is submitted. Cheques/Drafts must be drawn in favour of "BMF-Gold BeEs-NFO" and crossed Account Payee only.

No Cash, money orders, stockinvests, outstation cheques, postdated cheques (except under the SIP facility, during continuous offer) and postal orders would be accepted. Bank charges for out-station demand drafts (as defined herein) will have to be borne by the Investor. An out-station demand draft has, for this purpose, been defined as a demand draft issued by a bank in a place where there is no collection centre provided for the investors during the New Fund Offer. The Fund will not entertain any requests for refund of demand draft charges.

Separate cheque or bank draft must accompany each application. No receipt will be issued for the application money. The bankers to the offer or their respective designated branches or any authorized collection agents/centers who receive the application form shall stamp and return the "Acknowledgment Slip" thereby acknowledging receipt of the application form. The investors are requested to preserve the acknowledgement slip duly stamped by the collecting bank / center etc. This shall be subject to final verification and scrutiny by the bankers/Trustee/AMC that the cheque /demand draft and application form are in order / valid.

Note: Returned cheques will not be presented again for collection and the accompanying application forms shall not be considered for allotment.

In case of a demand draft the applicant / investor shall provide a certificate from his bankers to the effect that the investor has a bank account with the bank and the amount is drawn for the draft from such bank account.

Important

All cheques and bank drafts accompanying the application form should contain the application form number on its reverse. As per the directive issued by SEBI vide their letter IIMARP/CIR/07/826/98 dated April 15, 1998, it is mandatory for applicants to mention their bank account numbers in their applications for purchase or redemption of units. This is to prevent fraudulent encashment of dividend/redemption/refund cheques. If the data is not provided, neither the Fund (or the Trustee) nor the AMC will be liable for any delay/non receipt of refund, redemption/dividend payments.

It is mandatory for the Demat Account holder to furnish the Details of his Bank Account at the time of opening the Demat Account with Depository Participant.

Permanent Account Number

SEBI vide its Circular No. SEBI/IMD/CIR No. 6/4213/04 has mandated that whenever an application is for a total value of Rs. 50,000 or more, the applicant or in the case of applicant in joint names, each of the applicants should mention his/her Income Tax Permanent Account Number. (PAN)

Further, as per Rule 114B of the Income Tax Rules, 1962, every person including a non-resident shall quote a PAN in all documents where payment is made of an amount of Rs.50,000 or more to a Mutual Fund for purchase of its units. Where an applicant is a minor, who is not liable to income tax, the PAN of his father or mother or the guardian as the case may be must be quoted.

Any person who does not have a PAN and enters into a transaction specified in this rule, he is required to make a declaration in Form No.60 / Form No. 61 (in the case of person who has agricultural income and are not in receipt of any other income chargeable to tax) giving the particulars of such transaction. Such declaration in Form No.60/ Form No.61 (in duplicate) should be attached along with the Application Form.

In order to verify that the PAN of the applicant (in case of application in joint names, each of the applicants) has been correctly quoted therein, the applicant shall attach along with the purchase application form, a photocopy of the PAN card or PAN letter or any other intimation from the Income Tax Department quoting PAN.

An application will be treated as incomplete and rejected if:

1. the PAN is not mentioned;
2. the PAN is mentioned but not supported by a photocopy of the PAN card or PAN Communication; or
3. the Form 60 is not provided along with the application in cases where investors do not have the PAN.

Subscription by NRIs/PIOs

In terms of Schedule 5 of Notification No. FEMA 20/2000 dated May 3, 2000 issued under the Foreign Exchange Management Act, the RBI has granted general permission to domestic mutual funds referred to in Clause (23D) of Section 10 of the Income Tax Act, 1961 to issue units and repurchase units of their Scheme which are approved by the SEBI to NRIs/PIOs subject to conditions set out in the aforesaid notification. Further, general permission is also granted to send such units to NRIs/PIOs to their place of residence or location as the case may be.

- a) Repatriation basis - The investment should be made by the eligible NRIs out of funds remitted from abroad in free foreign exchange through normal banking channels or out of balances held in their NRE/FCNR accounts maintained with authorized dealers in India. Payment may be made by means of Indian Rupees drafts purchased abroad or by cheque drawn on NR(External) Accounts / FCNR Accounts payable at par at Mumbai. Payments can also be made by means of drafts payable at Mumbai and purchased out of funds held in NR (External) Accounts/FCNR Accounts maintained with the banks authorized to deal in foreign exchange in India. Such applicants would have to subsequently arrange to provide a debit certificate from their bankers confirming that the amount has been paid by debiting a NRE / FCNR account
- b) Non-Repatriation basis - In case of NRIs/PIOs seeking to apply on a non-repatriation basis, payment may be made by cheque/draft drawn out of NRO/NRNR account. The Funds may be provided by eligible non-resident investors by way of inward remittance or by debit to their NRE/FCNR/ NRO / NRSR Accounts maintained with authorized dealer in India. The payment procedure is as per (a) stated above.

All cheques/drafts should be made in favour of "BMF-Gold BeEs-NFO" and crossed "Account Payee Only". In case Indian Rupee drafts are purchased abroad or from FCNR/NRE A/c an account debit certificate from the Bank issuing the draft confirming the debit shall also be enclosed.

In case where the investment is made out of inward remittance or from funds held in NRE/FCNR/NRO Accounts of the investor, the maturity proceeds/repurchase price of units and/or dividend or income earned may be credited to NRO/NRSR Account (details of which should be furnished in the space for this purpose in the Application Form) of the Non-Resident investor maintained with an authorized dealer in India. In cases where the investment is made out of NRSR account, the maturity proceeds and/or the dividend or income earned should be credited to NRSR accounts (details of which should be furnished in the space provided for this purpose in the Application Form) maintained by the investor with an authorized dealer in India.

Refunds, interest and other distribution (if any) and maturity proceeds/repurchase price and/or dividend or income earned (if any) will be payable in Indian Rupees only. The maturity proceeds/repurchase value of units issued on repatriation basis, dividend or income earned thereon, net of taxes (if any), may be credited to NRE/FCNR accounts (details of which should be furnished in the space provided for this purpose in the Application Form) of the Non-Resident Investor or remitted to the Non-Resident Investor. Such payment in Indian Rupees will be converted into US dollars or into any other currency, as may be permitted by the RBI, at the rate of exchange prevailing at the time of remittance and will be dispatched through the Registered Post at the Unit holders risk. The Fund will not be liable for any loss on account of exchange fluctuations, while converting the rupee amount into US dollars or any other currency. Credit of such proceeds to NRE/FCNR account to remittance thereof may be permitted by authorized dealer only on production of a certificate from the Fund that the investment was made out of inward remittance or from the funds held in NRE/FCNR account of the investor maintained with the authorized dealer in India. However there is no objection to credit of such proceeds to NRO/NRNR account of the investor if he so desires.

Subscriptions by FIIs

In terms of Schedule 5 of Notification No. FEMA 20/2000 dated May 3, 2000 issued under the Foreign Exchange Management Act, the RBI has granted general permission to domestic mutual funds referred to in Clause (23D) of Section 10 of the Income Tax Act, 1961 to issue units and repurchase units of the Scheme which are approved by the SEBI to FIIs and to make payments therefore.

FIIs may pay subscription amount by direct remittance from abroad or out of their special Non-Resident Rupee Accounts maintained with a designated bank in India. The application must provide the FII's Special Non Resident Rupee Deposit Account maintained with any one of the RBI designated banks.

Rejection of Application and Refund of Application Moneys

The Trustee reserves its right to reject any application not in accordance with the terms of the Fund without assigning any reason. In case an application is rejected, the application money received will be refunded to the applicant, within 6 weeks of the date of closing of the subscription list. No interest will be paid on application monies refunded. In the event of failure to refund the amounts within the period specified above, the AMC shall be liable to pay interest to the applicants at a rate of 15% per annum on the expiry of 6 weeks from the date of closure of the subscription list.

Joint Applications/holders

If an account has more than one holder, the first named holder (as determined by the records of the Registrar) only will receive all notices and correspondence with respect to the Account, as well as the proceeds of any redemption requests or dividends or other distributions. In addition, such holder will have the voting rights, as permitted / associated with such units as per the applicable guidelines.

For DP account held in joint names, the rules of Depository for operation of such DP accounts will be applicable. However, in all cases, the proceeds of redemption will be paid to the first named unit holders. All payments and settlements made to the first unit holder would constitute valid discharge by the fund.

Application under Power of Attorney

In case of an application under a Power of Attorney or by a limited company or a body corporate or a registered society, or a trust, the original power of attorney or the certified copy duly notarized or the

relevant resolution or authority to make the application as the case may be or duly certified copy thereof along with a certified copy of the memorandum and articles of association and/or bye-laws must be lodged along with the application form or request for transfer/transmission and a separate set of all the documents be submitted to the Registrars.

Important Note on Anti Money Laundering, Know-Your-Customer and Investor Protection

Anti Money Laundering: Benchmark Mutual Fund is committed to complying with all applicable anti money laundering law and regulation in all of its operations. In India, the Prevention of Money Laundering Act, 2002 and the rules under it have been notified. Further, SEBI has also recently issued guidelines on Anti Money Laundering which are required to be followed by the intermediaries. Benchmark Mutual Fund recognises the value and importance of creating a business environment that strongly discourages money launderers from using Benchmark Mutual Fund. To that end, certain policies have been adopted by the AMC.

Know Your Customer (KYC): The need to “Know Your Customer” is vital for the prevention of money laundering. The AMC may seek information or obtain and retain documentation used to establish identity. It may re-verify identity and obtain any missing or additional information for this purpose.

The AMC, under powers delegated by the Trustee, shall have absolute discretion to reject any application, prevent further transactions by a Unit Holder, if 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” or the AMC believes that the transaction is suspicious in nature as regards money laundering. In this behalf the AMC reserves the right to reject any application and effect a mandatory Redemption of Units allotted at any time prior to the expiry of 21 Business Days from the date of the application.

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 Unit Holder 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.

Investor Protection: The Fund and the distributors may refuse to accept applications for Purchase, especially where transactions are deemed disruptive, particularly from market timers or investors who, in their opinion, have a pattern of short term or excessive trading or whose trading has been or may be disruptive for the Scheme. If in the opinion of the AMC, a Unit Holder is indulging in short term or excessive trading as above, it shall, under powers delegated by the Trustee, have absolute discretion to reject any application, prevent further transaction by the Unit Holder or redeem the Units held by the Unit Holder at any time prior to the expiry of 21 Business Days from the date of the application.

Investor’s Personal Information

The AMC may share investors’ personal information with the following third parties:

1. Registrar, Banks and / or authorised external third parties who are involved in transaction processing, despatches, etc. of investors’ investment in the Scheme;
2. Distributors or Sub-brokers through whom applications of investors are received for the Scheme.; or
3. Any other organisations for compliance with any legal or regulatory requirements or to verify the identity of investors for complying with anti-money laundering requirements.

Auto Debit and Electronic Clearing Service

The AMC may from time to time provide Electronic Clearing Services / Electronic Fund Transfer facility to the investors for subscriptions, redemptions and for payment of dividends. The investor opting for Electronic Clearing Services / Electronic Fund Transfer will be required to sign a mandate form on the basis of which the Fund will arrange for debiting and / or crediting his account as per the frequency, amount and date chosen by the investor or as and when dividend is declared.

Allotment

The units shall be allotted within 30 days from the date of the closure of the New Fund Offer and the same shall be deemed to be the date of allotment. Full and firm allotment is assured to every applicant if the application is received during business hours and the application is complete in all respect and found in order. Units may be allotted in fractions during allotment in the New Fund Offer. Fractional unit holder will be allotted upto 3 decimals.

Allotment of units under the Scheme would be at the discretion of the Trustee. The Trustee shall be entitled, at its absolute discretion, to reject any application.

Upon allotment, an Allotment Advice will be sent by ordinary post to each unit-holder, stating the number of units allotted, not later than 30 days from the close of New Fund Offer Period and the units will be credited to the DP account of the application as per the details provided in the application form.

Allotment Price in NFO

The Fund will start investing the amount received in New Fund Offer immediately after the receipt of Minimum Target Amount and may be fully invested prior to the date of allotment of Gold BeES.

The Allotment Price in the NFO will be calculated as follows:

The number of units allotted would be the total amount invested divided by the Allotment Price. Allotment price of Gold BeES will be based on the investment of New Fund Offer in Physical Gold. The allotment price and the NAV of the units of the Scheme would be different due to the fact that the allotment price is arrived at after considering the actual purchase price of physical gold in case of investment of NFO proceeds whereas the NAV is calculated at the end of the day based on the market price of physical gold at the end of the day as per the valuation policy.

Example showing the calculation of premium during the New Fund Offer (NFO) and for ongoing subscription after NFO:

Nominal Value per unit of Gold BeES	Rs. 100/-
Price of 10 grams of Gold	Rs. 8,600/-
Price of 1 grams of Gold	Rs. 860/-
Allotment price during NFO / NAV in ongoing subscription period after NFO per unit	Rs. 860/-
Premium (Rs. 860- Rs. 100)	Rs. 760/-

The above example is just for illustration purpose only.

Note:

1. The amount mentioned as "Premium" should not be construed in its strictest meaning. It is just a difference to ensure that the price of 1 unit which is charged from the investor is approximately equal to 1 gram of gold. Units of mutual fund schemes have to be subscribed and redeemed at NAV based prices.
2. All subscription and redemption in the Scheme for ongoing subscription / redemption after NFO would be at NAV based priced. Further, dividend, if any, would be paid based on the nominal value and not on the NAV.

Refunds

In accordance with the Regulations, if the Scheme fails to collect the minimum target amount during New Fund Offer Period, the Fund shall be liable to return application money to the applicants.

In addition to the above, refund of subscription to applicants whose applications are invalid for any reason whatsoever will commence immediately after the allotment process is completed. Refunds will be completed within six weeks of the close of the New Fund Offer Period. If the Fund refunds the amount after six weeks, interest @ 15% per annum shall be paid by the AMC. Refund orders will be marked "A/c

Payee Only” and drawn in the name of the applicant in the case of sole applicant and in the name of the first applicant in all other cases. All refund cheques will be sent by Registered Post A.D or as per applicable regulations.

As per the directives issued by SEBI, it is mandatory for applicants to mention their bank account numbers in their applications for purchase or redemption of units.

INVESTING ON AN ONGOING BASIS

The Scheme would open for ongoing subscription/redemption in Creation Units from the date of listing.

On the Exchange

An investor can buy/sell units on a continuous basis on the National Stock Exchange of India Ltd. during the trading hours like any other publicly traded stock at prices which may be close to the NAV of Gold BeES. The price of the units in the market will depend on demand and supply at that point of time. There is no minimum investment, although units are purchased in round lots of 1.

Entry/Exit Load

There will be no entry/exit load on Gold BeES bought or sold through the secondary market on the NSE. However, an investor would be paying cost in the form of a bid and ask spread and brokerage, as charged by his broker, for buying/ selling Gold BeES.

Settlement of Purchase/Sale of Gold BeES on NSE

Buying/Selling of units of the Scheme on NSE is just like buying/selling any other normal listed security. If an investor has bought units, an investor has to pay the purchase amount to the broker/sub-broker such that the amount paid is realised before the funds pay-in day of the settlement cycle on the NSE. If an investor has sold units, an investor has to deliver the units to the broker/sub-broker before the securities pay-in day of the settlement cycle on the NSE. The units (in the case of units bought) and the funds (in the case of units sold) are paid out to the broker on the pay-out day of the settlement cycle on the NSE. The NSE regulations stipulate that the trading member should pay the money or units to the investor within 24 hours of the pay-out.

If an investor has bought units, he should give standing instructions for ‘Delivery-In’ to his/her DP for accepting units in his/her beneficiary account. An investor should give the details of his/her beneficiary account and the DP-ID of his/her DP to his/her trading member. The trading member will transfer the units directly to his/her beneficiary account on receipt of the same from NSE’s Clearing Corporation.

An investor who has sold units should instruct his/her Depository Participant (DP) to give ‘Delivery Out’ instructions to transfer the units from his/her beneficiary account to the Pool Account of his/her trading member through whom he/she have sold the units. The details of the Pool A/C (CM-BP-ID) of his/her trading member to which the units are to be transferred, unit quantity etc. should be mentioned in the Delivery Out instructions given by him/her to the DP. The instructions should be given well before the prescribed securities pay-in day. SEBI has advised that the Delivery Out instructions should be given at least 24 hours prior to the cut-off time for the prescribed securities pay-in to avoid any rejection of instructions due to data entry errors, network problems, etc.

ROLLING SETTLEMENT

As per the SEBI’s circular dated March 4, 2003, the rolling settlement on T+2 basis for all trades has commenced from April 1, 2003 onwards. The Pay-in and Pay-out of funds and the units will take place 2 working days after the trading date.

The pay-in and pay-out days for funds and securities are prescribed as per the Settlement Cycle. A typical Settlement Cycle of Rolling Settlement is given below:

Day	Activity
T	The day on which the transaction is executed by a trading member
T+1	Confirmation of all trades including custodial trades by 11.00 a.m.
T+1	Processing and downloading of obligation files to brokers /custodians by 1.30 p.m.
T+2	Pay-in of funds and securities by 11.00 a.m.
T+2	Pay out of funds and securities by 1.30 p.m.

While calculating the days from the Trading day (Day T), weekend days (i.e. Saturday and Sundays) and bank holidays are not taken into consideration.

Directly from the Fund

After the New Fund Offer Period, the units of the Scheme can also be purchased directly from the Fund at the applicable NAV, subject to prevailing load, if any. The eligible investors can purchase the units directly from the Fund using any of the following modes of subscription

Creation/Redemption of units in Creation Unit Size by Exchanging Portfolio Deposit

The Authorised Participants and Large Investors can directly buy/sell with the funds in Creation Unit Size by exchanging portfolio deposit as follows: -

The Fund creates / redeems Gold BeES in large size known as “Creation Unit”. The value of the “Creation Unit” is 1 kilogram of physical Gold or in multiple thereof called as the “Portfolio Deposit” and a “Cash Component” which will be exchanged for a the respective number of units Gold BeES. The Portfolio Deposit and the Cash Component, which defines the Creation Unit are defined separately. The Portfolio Deposit and Cash Component may change from time to time and will be announced by AMC/Fund to the authorised participants.

Note: Gold BeES in less than Creation Unit cannot be purchased/redeemed directly with the Fund.

Procedure for Creating Gold BeES in Creation Unit Size

The requisite physical gold constituting the Portfolio Deposit have to be submitted to the Custodian/AMC/Registrar while the Cash Component has to be paid to the Custodian/AMC. On confirmation of the same by the Custodian/AMC that the predefined quantity and purity of physical gold has been received, the AMC will transfer the respective number of Gold BeES into the investor’s DP account. The AMC may create “Creation Unit” prior to receipt of all or a portion of the relevant Portfolio Deposit and Cash Component in certain circumstances where the purchaser, among other things, posts collateral to secure its obligation to deliver such outstanding Portfolio Deposit Securities and Cash Component.

The Portfolio Deposit and Cash Component for Gold BeES may change from time to time due to change in NAV. The Fund may from time to time change the size of creation unit size in order to equate it with marketable lot of underlying instruments.

The creation request can be made to the Fund in a duly filled application form. Application Forms for Creation of Gold BeES can be obtained from the office of AMC, Registrars and Transfer Agents.

Entry Load

There may be entry load at time of creation of Gold BeES in creation unit size. The load will be announced by the AMC from time to time and will be within the limits specified under the Regulations.

Procedure for Redeeming Gold BeES in Creation Unit Size

The requisite number of Gold BeES equaling the Creation Unit has to be transferred to the Fund’s DP

account and the Cash Component to be paid to the AMC / Custodian. On confirmation of the same by the AMC, the Custodian will transfer the Portfolio Deposit by handing over the physical Gold of the predefined purity and quantity to the investor and pay the Cash Component, if applicable.

The AMC may redeem Creation Unit of Gold BeES prior to receipt of all or portion of the relevant Gold BeES in certain circumstances where the purchaser, among other things, posts collateral to secure its obligation to deliver such outstanding Gold BeES.

The Portfolio Deposit and Cash Component for the Gold BeES may change from time to time due to change in NAV. The Fund may from time to time change the size of creation unit size in order to equate it with marketable lot of underlying physical gold.

Creation/Redemption of Gold BeES for Cash Directly with the Fund

The Fund may allow Cash purchases of Gold BeES in Creation Unit Size by large investors. Such investors shall make creation request to the Fund/AMC where upon the Fund/AMC will arrange to purchase the underlying physical Gold. The portfolio deposit and cash component will be exchanged for Gold BeES in Creation Unit size with the Fund.

Also, the Fund may allow Cash Redemption of Gold BeES in Creation Unit size by large investors. Such investors shall make redemption request to the Fund/AMC whereupon the Fund/AMC will arrange to sell physical Gold on behalf of the investor. Accordingly the sale proceeds of physical Gold after adjusting necessary charges/costs and prevailing exit load will be remitted to the investor.

The creation/redemption request for cash can be made to the Fund in a duly filled application form. Application form for Cash Creation/Redemption for Gold BeES can be obtained from the office of the AMC, Authorised Participants, Registrar and Custodian.

The minimum number of Gold BeES that can be created/redeemed for Cash directly with the Fund will be announced by the Fund from time to time.

Buy back

The Scheme will buy back, from time to time, the fractional units allotted to the unit holders of the Scheme subject to the approval of the Trustees, who shall also fix the record date. All the unit holders of the Scheme would be given an option to avail the buy back facility. Amount payable towards buy back will be calculated based on the NAV as on the record date fixed for that purpose.

Suspension of Sale and Redemption of Units and Right to Limit Redemptions

Right to Limit Fresh Sale & Redemption

In case the size of the Scheme increases to a level which in the opinion of the Trustees is not manageable, the Trustees reserve the right to stop fresh sale of units and also redeem the units on pro-rata basis to investors in order to reduce the size to a manageable level.

The Trustees reserves the right at its sole discretion to withdraw / suspend the allotment / sale of units in the Scheme temporarily or indefinitely, at the time of NFO or otherwise, if the AMC views that increasing the size of the Scheme may prove detrimental to the unit holders of the Scheme. A request or any order to purchase the units is not binding on and may be rejected by the Trustees or the AMC unless it has been confirmed in writing by the AMC and / or the payment has been received.

Right to limit Redemption

The Trustee, in the general interest of the unit holders of the Scheme offered under this Offer Document and keeping in view of the unforeseen circumstances/unusual market conditions, may limit the total number of units, which can be redeemed on any Business Day.

Any units, which by virtue of these limitations are not redeemed on a particular Business Day, will be carried forward for redemption to the next Business Day, in order of receipt. Redemptions so carried forward will be priced on the basis of the Applicable NAV (subject to the prevailing load) of the Business Day on which redemption is made. Under such circumstances, to the extent multiple redemption requests are received at

the same time on a single Business Day, redemptions will be made on pro-rata basis, based on the size of each redemption request, the balance amount being carried forward for redemption to the next Business Day.

Suspension of Sale and Redemption of Units

The Trustee may decide to temporarily suspend determination of NAV of the Scheme and consequently sale and redemption of Units, in any of the following events:

1. When one or more stock exchanges or markets, which provide basis for valuation for a substantial portion of the assets of the Scheme are closed otherwise than for ordinary holidays.
2. When, as a result of political, economic or monetary events or any circumstances outside the control of the Trustee and the AMC, the disposal of the assets of the Scheme is not reasonable or would not reasonably be practicable without being detrimental to the interests of the Unit holders.
3. In the event of breakdown in the means of communication used for the valuation of investments of the Scheme without which the value of the securities of the Scheme cannot be accurately calculated.
4. During periods of extreme volatility of markets which in the opinion of the AMC are prejudicial to the interests of the Unit holders of the Scheme.
5. In case of natural calamities, external aggression, internal disturbances, strikes, riots and bandhs.
6. In the event of any force majeure or disaster that affects the normal functioning of the AMC or the Registrar.
7. If so directed by SEBI.

In the above eventualities, the time limits indicated above, for processing of requests for purchase and redemption of units will not be applicable.

However the suspension or restriction of repurchase/redemption facility under the Scheme shall be made applicable only after the approval from Board of Directors of the Asset Management Company and Trustee Company. The approval from the AMC Board and the Trustee giving details of circumstances and justification for the proposed action will also be informed to SEBI advance.

Duration of the Scheme/Winding up

Gold BeES being an open-ended scheme, the duration of Scheme is perpetual. The AMC, the Fund and the Trustees reserve the right to make such changes/alterations in the Scheme (including the charging of fees and expenses) offered under this Offer Document to the extent permitted by the applicable Regulations. However, in terms of the Regulations, a Scheme may be wound up after repaying the amount due to the unit holders:

1. On the happening of any event, which in the opinion of the Trustee(s), requires the Scheme to be wound up; or
2. Seventy five percent (75%) of the Unit holders of the Scheme pass a resolution that the Scheme be wound up, or
3. If SEBI so directs in the interest of the Unit holders.

Where the Scheme is so wound up, the Trustee shall give notice of the circumstances leading to the winding up of the Scheme to SEBI and in two daily newspapers with circulation all over India and also in one vernacular newspaper circulating at the place where the Mutual Fund is formed.

On and from the date of the publication of notice of winding up as stated above, the Trustee or the AMC, as the case may be, shall:

1. Cease to carry on any business activities in respect of the Scheme so wound up;
2. Cease to create or cancel Units in the Scheme;
3. Cease to issue or redeem Units in the Scheme.

The following table indicates manner in which units of the Scheme can be subscribed or redeemed by the investors:

		Subscriptions	Redemptions
New Fund Offer	Small Investors	Yes through cheque / draft	N. A
	Large Investor / Authorised Participant	Yes through cheque / draft	N. A
On going basis when the Scheme opens for subscription / redemption	Small Investors	No	No
	Large Investor / Authorised Participant	Yes by depositing physical gold along with Cash component	Yes by receiving physical gold along with Cash component
Trading of units on the Exchange	Small Investors	Yes	Yes
	Large Investor / Authorised Participant	Yes	Yes

VII. LOAD STRUCTURE, FEES & EXPENSES

A. LOAD IN NEW FUND OFFER

There would be an entry load at the time New Fund Offer in the following manner.

Investments	Entry Load
Rs. 10,000 to Rs. 49,99,000	1.5%
Rs. 50,00,000 to Rs. 1,99,99,000	1.0%
Rs. 2,00,00,000 to Rs. 4,99,99,000	0.5%
Rs. 5,00,00,000 and above	Nil

B. ON AN ONGOING BASIS

There is no Entry or Exit Load for subscription or redemption of Gold BeEs in creation (minimum) unit size with the fund.

There is no Entry/Exit Load for investors for buy/sell of Gold BeES on the Exchange.

The Trustee reserves the right to change/modify/alter the load structure/Cash Component under the Scheme(s) and may decide to charge an entry load/exit load or a combination of entry/exit loads or introduce a differential load structure on the units subscribed/redeemed during the specified subscription periods/specified redemption dates or on any other business day. However any change in the exit load will be on the lower side and will be applicable prospectively to all the unit holders irrespective of the period during which such units are subscribed for or allotted.

At the time of change in load structure in future, the AMC will take following steps:

1. The addendum detailing the changes shall be attached to the Offer Document and the abridged Offer Document. The addendum shall be circulated to all authorised participants, registrar to be attached to all the Offer Document and abridged offer document in stock. The addendum shall be sent along with the newsletter sent to the unitholders immediately after the change.
2. The AMC shall make arrangements to display the change / modification in the Offer Document in the form of a notice at the office of Registrar, Authorised Participants Offices.
3. The AMC will stamp the details of revised load in the acknowledge slip issued to the investors on submission of application form and will also be disclosed on the allotment advice issued after the introduction of such load.

Utilisation of Load

The load collected from the investors will be credited to a separate account with the AMC and will be utilized towards meeting the selling and distribution expenses and investor servicing related expenses and for any other purpose as may be permitted under the SEBI Regulations. Any surplus in this account may be credited to the Scheme, whenever felt appropriate by the AMC.

EXPENSES

As per the provisions of the Regulations, read with the amendments thereto, the following fees and expenses will be charged to the Scheme:

In August 2005, the Fund launched Benchmark Split Capital Fund - Balanced. The initial issue expenses of Rs. 21.37 Lacs being 5.13% of the amount collected in New Fund Offer were charged to the Scheme out of the total issued issue expenses of Rs. 29.97 Lacs. The actual Initial Issue Expenses as a percentage of initial amounts collected is more than the estimated. This is because of lower amount collected in the New Fund Offer as against the estimated amount.

Annual Scheme Recurring Expenses

The Scheme would commence incurring ongoing expenses from the first day including during the initial offering period. It shall be the endeavor of the AMC to maintain a lower expense ratio than that allowed by SEBI Regulations.

The AMC has estimated the following annual recurring expenses on daily average net assets of Gold BeES:

Item	First Rs. 100 Crores	Next Rs. 300 Crores	Over Rs.300 Crores	On Balance of Assets
Investment Management Fees	1.25%	1.00%	1.00%	1.00%
Trustee Fees	0.01%	0.01%	0.01%	0.01%
Marketing & Selling Cost of Investor Communication, Cost for Account Statement, Dividend, Cost of Statutory Advertisement	0.37%	0.37%	0.16%	0.06%
Custodial Fees	0.50%	0.50%	0.50%	0.40%
Registrar & Transfer Agents	0.08%	0.08%	0.06%	0.03%
Other Expenses	0.04%	0.04%	0.02%	0.00%
Total...	2.25%	2.00%	1.75%	1.50%

The table given above relating to Annual Scheme Recurring Expenses has been given to the investor to assist him/her in understanding the various costs and expenses that an investor of the scheme will bear directly or indirectly.

The estimates above have been made in good faith by AMC and are subject to change inter se as per actual expenses incurred. The expenses under any head may be more or less than as specified expenses in the table above, but the total annual scheme recurring expenses that can be charged to the Scheme will be subject to the limits as prescribed by SEBI Regulations from time to time. Expenses not specified above but directly attributable to the Scheme may be charged to the Scheme with the approval of the Trustee within overall limit as specified under SEBI Regulations. The expenses over and above the limits specified above will be borne by the AMC.

SEBI has prescribed the maximum annual recurring expenses that can be charged to the Scheme. Annual Scheme Recurring Expenses shall be within the limits stated in Regulations 52 (6) and subject to a percentage limit of Weekly Average Net Assets as in the table below:

First Rs.100 crore	Next Rs.300 crore	Next Rs.300 crore	Over Rs.700 crore
2.50%	2.25%	2.00%	1.75%

In case of scheme investing in bonds, the Annual Scheme Recurring Expenses shall be lesser by 0.25% of the weekly average net assets.

Remuneration of the AMC

For Gold BeES, AMC plans to charge an annual investment management and advisory fee @ 1.25% on the first Rs.100 crores daily average Net Assets and @ 1.00% on the daily average Net Assets in excess of Rs.100 crores of Gold Benchmark Exchange Traded Scheme (Gold BeES) outstanding in each financial year.

As per the Regulations, the AMC is entitled to receive investment management fees as follows:

1. 1.25% p.a. of the weekly average net assets outstanding for amounts upto Rs.100 Crores.
2. 1.00% p.a. of the weekly average net assets outstanding for amounts above Rs. 100 Crores.

Trustee Remuneration

The Trustee shall be entitled to receive Trustee Fees @ 0.01% per annum of the daily average net assets of the Scheme.

The direct expenses incurred by the Scheme of Benchmark Mutual Fund shall be chargeable to that Scheme. The common expenses incurred on various Schemes and the respective Plan(s) will be charged on the basis of number of unit holders, the size of corpus of the Scheme and in conformity with generally accepted accounting principles.

An example for calculation of NAV when the expenses of the Scheme are met from the Cash held by the Scheme and if cash is not sufficient, then Gold held by the Scheme would be sold:

Year	1	2	3	4	5
Price of Gold per gram	860.00	860.00	860.00	860.00	860.00
Gram of Gold per each unit of the Scheme	1.00	1.00	1.00	1.00	1.00
Net Assets of the Scheme	86,000,000.00	85,570,000.00	85,142,150.00	84,716,439.25	84,292,857.05
No. of Units of the Scheme	100,000.00	100,000.00	100,000.00	100,000.00	100,000.00
Gold Held by the Scheme in Grams	99,000.00	99,000.00	99,000.00	98,000.00	98,000.00
Portfolio Value (i.e. Value of Gold held by the Scheme)	85,140,000.00	85,140,000.00	85,140,000.00	84,280,000.00	84,280,000.00
Cash	860,000.00	430,000.00	2,150.00	436,439.25	12,857.05
NAV per unit	860.00	855.70	851.42	847.16	842.93
Annual Expenses					
Expenses as a % daily Net Assets	0.50	0.50	0.50	0.50	0.50
Expenses (in Rs.)	430,000.00	427,850.00	425,710.75	423,582.20	421,464.29
Quantity of gold sold to meet expenses (in Grams)	-	-	1,000.00	-	1,000.00
Total Value of gold sold to meet expenses	-	-	860,000.00	-	860,000.00

The above example is to illustrate the effect of the expenses on the NAV of the Scheme. The following points have been considered for the above example:

1. The Fund would be holding cash. So any expenses would be first met from the cash held by the Scheme.
2. When the cash is not sufficient to meet the expenses, then Gold would be sold.
3. As and when Gold is required to be sold, it would be sold in quantity of 1 kg.
4. For the purposes of this example and sake of simplicity, expenses considered are 0.50% per annum on the Net Assets of the Scheme.
5. For the purposes of this example and sake of simplicity, Cash held in the Scheme in the initial year is taken as 1% of the Net Assets of the Scheme.
6. As and when Gold is sold to meet the expenses, the balance amount remaining after meeting the expenses forms part of the Cash held by the Scheme and is reflected in the Net Assets of the Scheme.
7. The NAV of the Scheme would increase or decrease if there is an increase or decrease in the price of Gold.

CONDENSED FINANCIAL INFORMATION
I. Name of the Scheme : Nifty BeES

Historical Per Unit Statistics	For the Year ended 31-03-2004 (Audited)	For the Year ended 31-03- 2005 (Audited)	For the Year ended 31-03- 2006 (Audited)	For the period 01-04-06 to 31-12-06 (Unaudited)
Date of Allotment	December 18, 2001			
NAV at the beginning of the year (Rs.)	98.3008	177.7188	203.6859	344.2228
Net Income per unit (Rs.) #	106.32	64.41	105.46	203.67
Dividends (Rs.)	3.00	3.50	-	-
Transfer to Reserves (if any) (Rs.)	-	-	-	-
NAV at the end of year/period (Rs.)	177.7188	203.6859	344.2228	406.0582
Returns from the date of allotment till the end of the period (%)	28.17	23.77	33.62	32.27
Benchmark Returns from the date of allotment till the end of the period (%) \$	26.96	22.34	32.29	30.82
Net assets at the end of period (Rs. Crores)	8.66	22.15	161.6975	197.6479
Ratio of Recurring Expenses to Net Assets (%)	0.78	0.80	0.59	0.43

based on Corpus as on March 31, 2004, March 31, 2005, March 31, 2006 and December 31, 2006 respectively.

\$ S&P CNX Nifty Index

- For the purpose of calculation of Returns since the date of allotment, NAV on the date of allotment is taken at Rs.104.3927 being the allotment price at which the units are allotted in the New Fund Offer.
- The Scheme declared Bonus in the ratio of 1:110 and record date for the same was February 21, 2003. Dividend was declared Rs. 3/- per unit (record date August 21, 2003) and Rs.3.50 per unit (record date February 18, 2005). The returns have been calculated after adjusting for Bonus and Dividend, wherever applicable.
- Returns are compounded annualized.
- The ratio of expenses to Net assets is annualized.

II. Name of the Scheme : Junior BeES

Historical Per Unit Statistics	For the Year ended 31-03-2004 (Audited)	For the Year ended 31-03- 2005 (Audited)	For the Year ended 31-03- 2006 (Audited)	For the period 01-04-06 to 31-12-06 (Unaudited)
Date of Allotment	February 21, 2003			
NAV at the beginning of the year	125.9633	33.9182	43.2295	65.0084
Net Income per unit #	7.35	8.28	29.315	3.133
Dividends	4.00	-	-	-
Transfer to Reserves (if any)	-	-	-	-
NAV at the end of year/period	271.3456*	43.2295	65.0084	72.3990
Returns from the date of allotment till the end of the period (%)	121.06	70.52	63.79	53.11

Benchmark returns from the date of allotment till the end of the period (%) \$	122.49	69.89	63.68	52.42
Net assets at the end of period (Rs. Crores)	6.31	9.07	6.1575	44.1575
Ratio of Recurring Expenses to Net Assets (%)	1.00	1.00	1.00	1.00

based on Corpus as on March 31, 2004, March 31, 2005, March 31, 2006 and December 31, 2006 respectively.

\$ CNX Nifty Junior Index

* Each unit of Junior BeES having face value of Rs.10/- each was split into 8 units having a face value of Rs.1.25 each on February 19, 2004. Hence, NAV after February 19, 2004, is multiplied by 8 wherever applicable.

1. The Scheme declared dividend @Rs.4/- per unit and Bonus in the ratio of 1 unit for every 4 units held. Also, one unit of Rs. 10/- each was split into 8 units having a face value of Rs. 1.25/- each. The Record dates for all corporate action was February 19, 2004. The returns have been calculated after adjusting for Bonus & Dividend, wherever applicable.
2. For the purpose of calculation of Returns since the date of allotment, NAV on the date of allotment is taken at Rs.142.7852 being the allotment price at which the units are allotted in the New Fund Offer.
3. The ratio of expenses to Net assets is annualized.
4. The returns for the period ended March 31, 2003 are in absolute terms since returns are for less than one year. Returns for more than one year compounded annualized from the date of allotment.

III. Name of the Scheme : Liquid BeES

Historical Per Unit Statistics	For the Period 08-07-2003 to 31-03-2004 (Audited)	For the Year 31-03-2005 (Audited)	For the Year 31-03-2006 (Audited)	For the period 01-04-06 to 31-12-06 (Unaudited)
Date of Allotment	July 8, 2003			
NAV at the beginning of the year	1000.00	1000.00	1000.00	1000.00
Net Income per unit #	17.10	29.57	43.72	37.00
Dividends (Gross)	36.620	45.325	51.499	48.203
Transfer to Reserves (if any)	-	-	-	-
NAV at the end of year	1000.00	1000.00	1000.00	1000.00
Returns from the date of allotment till the end of the period (%)	4.99	4.65	4.83	4.98
Benchmark returns from the date of allotment till the end of the period (%) \$	4.06	4.14	4.40	4.76
Net assets at the end of period (Rs. Crores)	55.72	96.08	142.72	157.47
Ratio of Recurring Expenses to Net Assets (%)	0.40	0.70	0.66	0.45

based on Corpus as on March 31, 2004, March 31, 2005, March 31, 2006 and December 31, 2006 respectively.

\$ CRISIL Liquid Fund Index

1. For the purpose of calculation of returns since the date of allotment, NAV on the date of allotment is taken at Rs.1000.00 being the allotment price at which the units are allotted in the New Fund Offer. Returns less than one year are in absolute terms and more than one year are compounded annualised

2. The Scheme declares daily dividend that is compulsorily reinvested in the Scheme.
3. Returns are based on gross dividend inclusive of dividend distribution tax.
4. The ratio of expenses to Net Assets is annualized

IV. Name of the Scheme : Bank BeES

Historical Per Unit Statistics	For the period 27-05- 2004 to 31-03-2005 (Audited)	For the Year ended 31-03- 2006 (Audited)	For the period 01-04-06 to 31-12-06 (Unaudited)
Date of Allotment	May 27, 2004		
NAV at the beginning of the period	253.5576	359.1892	467.6701
Net Income per unit #	42.06	182.0146	68.9597
Dividends (Gross)	-	8.00	-
Transfer to Reserves (if any)	-	-	-
NAV at the end of year	359.1892	467.6701	608.7369
Returns from the date of allotment till the end of the period (%)	41.66	40.70	41.16
Benchmark returns from the date of allotment till the end of the period (%) \$	39.81	39.31	39.63
Net assets at the end of period (Rs. Crores)	282.9503	533.0251	7398.62
Ratio of Recurring Expenses to Net Assets (%)	0.55	0.46	0.45

based on Corpus as on March 31, 2005, March 31, 2006 and December 31, 2006, respectively.

\$ CNX Banking Index

1. For the purpose of calculation of Returns since the date of allotment, NAV on the date of allotment is taken at Rs 253.5576 being the allotment price at which the units are allotted in the New Fund Offer.
 2. The Scheme declared dividend @Rs.8/- per unit and the Record date was February 15, 2006. The returns have been calculated after adjusting for Dividend wherever applicable.
 3. Returns less than one year are in absolute terms and more than one year are compounded annualized.
 4. The ratio of expenses to net assets is annualized.
- V. Name of the Scheme : Benchmark Derivative Fund

Historical Per Unit Statistics	For the period 18-12-2004 to 31-03-2005 (Audited)	For the Year 31-03-2006 (Audited)	For the period 01-04-06 to 31-12-06 (Unaudited)
Date of Allotment	December 18, 2004		
NAV at the beginning of the period (Rs.)	1000.00	1007.0743	Growth Option : 1074.5522
			Dividend Option : 1012.2123
Net Income per unit # (Rs.)	11.16	38.69	36.56
Dividends (Rs)	-	Dividend Option : - Rs.20/	Dividend Option : Rs. 45/-
Transfer to Reserves (if any) (Rs.)	-	-	-
NAV at the end of period (Rs.)	Growth Option: 1007.0743	Growth Option : 1074.5522	Growth Option : 1136.5257

		Dividend Option : 1012.2123	Dividend Option : 1024.4756
Returns from the date of allotment till the end of the period (%)	Growth Option	Growth Option :	Growth Option:
	0.71	5.77	6.51
		Dividend Option :	Dividend Option
		6.80	7.41
Benchmark returns from the date of allotment till the end of the period	1.17	50.64	39.70
S&P CNX Nifty Index (%)	1.99	4.80	5.27
Crisil Composite Bond Fund Index (%)	1.27	4.15	4.55
Crisil Liquid Fund Index (%)			
Net assets at the end of period (Rs. Crores)	76.58	133.99	135.29
Ratio of Recurring Expenses to Net Assets (%)	2.25	1.35	1.50

based on Corpus as on March 31, 2005, March 31, 2006 and December 31, 2006, respectively.

1. For the purpose of calculation of returns since the date of allotment, NAV on the date of allotment is taken at Rs.1000.00 being the allotment price at which the units are allotted in the New Fund Offer. The returns have been calculated after adjusting for Dividend, wherever applicable.
2. Benchmark Derivative Fund - Dividend Plan, which was introduced from September 30, 2005, declared dividend @ Rs.20/- per unit, Rs. 25/- per unit and Rs. 20/- per unit and the Record date was February 08, 2006, June 28, 2006 and September 27, 2006 respectively. The returns have been calculated after adjusting for Dividend wherever applicable.
3. Returns less than one year are in absolute terms and more than one year are compounded annualized.
4. The ratio of expenses to Net assets is annualized.

VI. Name of the Scheme : Benchmark Split Capital Fund - Balanced (SCF - Balanced)

Historical Per Unit Statistics	For the period 16-08-2005 to 31-03-2006 (Audited)	For the period 01-04-2006 to 31-12-2006 (Unaudited)
Date of Allotment	August 16, 2005	
NAV at the beginning of the period (Rs.)		
Class A	100.0000	117.4319
Class B	100.0000	113.6896
Net Income per unit # (Rs.)	7.4963	10.5253
Dividends (Rs)	-	-
Transfer to Reserves (if any) (Rs.)	-	-
NAV at the end of period (Rs.)		
Class A	117.4319	126.9491
Class B	113.6896	127.8850
Returns from the date of allotment till the end of the period (%)		
Class A	17.43	17.13
Class B	13.69	17.61
Benchmark returns from the date of allotment till the end of the period		
S&P CNX Nifty Index (%)	29.75	67.37
Net assets at the end of period (Rs. Crores)	4.8549	5.2930
Ratio of Recurring Expenses to Net Assets (%)	Nil	Nil

based on Corpus as on March 31, 2006 and December 31, 2006.

1. For the purpose of calculation of returns since the date of allotment, NAV on the date of allotment is taken at Rs.100.00 being the allotment price at which the units are allotted in the New Fund Offer.
2. Returns less than one year are in absolute terms and more than one year are compounded annualized.
3. The ratio of expenses to Net assets is annualized.

Borrowings by the Fund

As on date, Benchmark Mutual Fund does not have any borrowing. Also the Fund did not borrow under any of its scheme till date.

VIII. VALUATION POLICY AND DETERMINATION OF NET ASSET VALUE (NAV)

The Fund will invest in physical Gold.

The market price of gold in the domestic market on any business day would be arrived at as under:

Value of gold:

- (1) The gold held by a the Scheme shall be valued at the AM fixing price of London Bullion Market Association (LBMA) in US dollars per troy ounce for gold having a fineness of 995.0 parts per thousand, subject to the following:
 - (a) adjustment for conversion to metric measures as per standard conversion rates;
 - (b) adjustment for conversion of US dollars into Indian rupees as per the RBI reference rate declared by the Foreign Exchange Dealers Association of India (FEDAI); and
 - (c) addition of -
 - (i) transportation and other charges that may be normally incurred in bringing such gold from London to the place where it is actually stored on behalf of the Fund; and
 - (ii) notional customs duty and other applicable taxes and levies that may be normally incurred to bring the gold from London to the place where it is actually stored on behalf of the Fund;

Provided that the adjustment under clause (c) above may be made on the basis of a notional premium that is usually charged for delivery of gold to the place where it is stored on behalf of the Fund:

Provided further that where the gold held by a Scheme has a greater fineness, the relevant LBMA prices of AM fixing shall be taken as the reference price under this sub-paragraph.

- (2) If the gold acquired by the Scheme is not in the form of standard bars, it shall be assayed and converted into standard bars which comply with the good delivery norms of the LBMA and thereafter valued in terms of sub-paragraph (1).

Domestic price of gold = (London Bullion Market Association AM fixing in US\$/ounce X

Conversion factor for converting ounce into kg for 0.995 fineness X rate for US\$ into INR) + Custom duty for import of gold + Sales Tax/octroi and other levies applicable.

Government Securities

Government Securities would be valued at prices provided by agency suggested by AMFI, presently CRISIL. (As per SEBI Circular MFD/CIR No.14/442/2002 dated February 20, 2002).

Fixed Income and Money Market Securities

While investments in call money, bills purchased under rediscounting plan and short-term deposits with banks shall be valued at cost plus accrual, other money market instruments shall be valued at the yield at which they are traded. For this purpose, instruments not traded for a period of seven days will either be valued at cost plus interest accrued till the beginning of the day plus the difference between the redemption

value and the cost spread uniformly over the remaining maturity period of the instruments or valued on the basis recommended by the AMC, which will be reviewed by the Trustees periodically.

Instruments which have been bought on a “repo” basis, would be valued at the resale price after deduction of applicable interest upto the date of resale. Where an instrument has been sold on a “repo” basis, adjustment shall be made for the difference between the repurchase price (after deduction of applicable interest upto date of repurchase) and the value of the instrument. If the repurchase price exceeds the value, the depreciation would be provided for and if the repurchase price is lower than the value, credit would be taken for the appreciation.

Expenses and Incomes Accrued

All expenses and incomes accrued up to the valuation date shall be considered for computation of NAV. For this purpose, major expenses like management fees and other periodic expenses would be accrued on a day-to-day basis. The minor expenses and income will be accrued on a periodic basis, provided non-accrual does not affect the NAV calculations by more than 1%.

Changes in securities and in number of units:

Any changes in securities and in the number of units will be recorded in the books not later than the first valuation date following the date of transaction. If this is not possible, given the frequency of NAV disclosure, the recording may be delayed up to a period of seven days following the date of the transaction, provided as a result of such non-recording, the NAV calculation shall not be affected by more than 1%.

In case the Net Asset Value of a Scheme differs by more than 1% due to non-recording of the transactions, the investors or scheme/s as the case may be, shall be paid the difference in amount as provided in sub-clause (i) and (ii) of Clause 6 of Eighth Schedule.

Determination of Net Asset Value

NAV of units under the Scheme shall be calculated as shown below:

$$\text{NAV (Rs.)} = \frac{\text{Market or Fair Value of Scheme's investments} + \text{Current Assets} - \text{Minus Current Liabilities and Provision}}{\text{No. of Units outstanding under Scheme on the Valuation Date}}$$

The NAV will be calculated up to four decimals. The first NAV will be calculated and announced not later than 30 days after the close of the New Fund Offer Period. Subsequently, the NAV shall be calculated and announced on each Business Day.

The valuation of the Scheme's assets and calculation of the Scheme's NAV shall be subject to audit on an annual basis and such regulations as may be prescribed by SEBI from time to time.

IX. ACCOUNTING POLICIES AND STANDARDS

Accounting Policies:

The accounting policies of the Fund will be consistent with those prescribed in the Ninth Schedule to SEBI Regulations. The fund shall adhere to the following accounting policies:

1. The AMC shall keep and maintain proper books of accounts, records and documents for each Scheme so as to explain its transactions and to disclose at any point of time the financial position of each Scheme and in particular give a true and fair view of the state of affairs of the Fund and intimate to the Board the place where such books of accounts, records and documents are maintained.
2. For the purposes of financial statements, the Scheme shall mark all investments to market and carry investments in the balance sheet at market value. However, since the unrealised gain arising out of appreciation on investments cannot be distributed, provision would be made for exclusion of this item when

arriving at distributable income.

3. In respect of all interest-bearing investments, income would be accrued on a day-to-day basis as it is earned. Therefore when such investments are purchased, interest paid for the period from the last interest due date upto the date of purchase will not be treated as a cost of purchase but will be debited to Interest Recoverable Account. Similarly, interest received at the time of sale for the period from the last interest due date upto the date of sale will not be treated as an addition to sale value but will be credited to Interest Recoverable Account.
4. In determining the holding cost of investments and the gains or loss on sale of investments, the “average cost” method will be followed.
5. Transactions for purchase or sale of investments shall be recognised as of the trade date and not as of the settlement date, so that the effect of all investments traded during a financial year are recorded and reflected in the financial statements for that year. Where investment transactions take place outside the stock exchange, for example, acquisitions through private placement or purchases or sales through private treaty, the transactions shall be recorded, in the event of a purchase, as of the date on which the Scheme obtains an enforceable obligation to pay the price or, in the event of a sale, when the Scheme obtains an enforceable right to collect the proceeds of sale or an enforceable obligation to deliver the instruments sold.
6. When income receivable on investments has been accrued and has not been received for a period specified in the guidelines issued by the Board, provision shall be made by debiting to the revenue account the income so accrued in the manner specified by guidelines issued by the Board.
7. When units are sold, the difference between the sale price and the face value of the unit, if positive, shall be credited to reserves and if negative will be debited to reserves, the face value being credited to Capital Account. Similarly, when in respect of such Scheme, units are repurchased, the difference between the purchase price and face value of the unit, if positive shall be debited to reserves and, if negative shall be credited to reserves, the face value being debited to the Capital Account.
8. When units are sold, an appropriate part of the sale proceeds shall be credited to an Equalisation Account and when units are repurchased an appropriate amount shall be debited to Equalisation Account. The net balance on this account shall be credited or debited to the Revenue Account. The balance on the Equalisation Account debited or credited to the Revenue Account shall not decrease or increase the net income of the Scheme but is only an adjustment to the distributable surplus. It shall therefore be reflected in the Revenue Account only after the net income of the fund is determined.
9. The cost of investments acquired or purchased shall include brokerage, stamp charges and any charge customarily included in the broker’s bought note. In respect of privately placed debt instruments any front-end discount offered shall be reduced from the cost of the investment.
10. The valuation of physical gold would be as per the method mentioned in Chapter VIII on Valuation Policy and determination of Net Asset Value

The accounting policies and standards as mentioned above are in accordance with the Ninth Schedule of the SEBI Regulations and are subject to change as per any changes in the SEBI Regulations. All other policies and standards as specified therein, as well as any additions / modifications thereto as may be specified by SEBI from time to time shall be adhered to while preparing the books of accounts and financial statements of the Mutual Fund.

Unclaimed Redemption/Dividend Amount

As per SEBI Circular No. MFD/CIR/9/120/2000 dated November 24, 2000, the unclaimed redemption amount and dividend amounts may be deployed by the Mutual Fund in call money market or money market instruments only and the investors who claim these amounts during a period of three years from due date shall be paid at the prevailing Net Assets Value. After a period of three years, this amount will be transferred to a pool account and the investors can claim the amount at NAV prevailing at the end of third year. The income earned on such investments will be used for the purpose of investor education. The AMC will make a continuous effort to remind the investors through letters to take their unclaimed amounts. Further, the

investment management fee charged by the AMC for managing unclaimed amounts shall not exceed 50 basis points.

X. TAXATION

The following tax benefits are available to investors and the Mutual Fund under present taxation laws. The information set forth below is based on the Mutual Fund's understanding of the Tax Laws as of this date of offer document.

A) TAX IMPLICATIONS TO UNITHOLDERS

The following summary outlines the key tax implications applicable to unit holders based on the relevant provisions under the Income-tax Act, 1961 ('Act'), the Wealth-tax Act, 1957 and the Finance Act 2006 (collectively called 'the relevant provisions').

THE FOLLOWING INFORMATION IS PROVIDED FOR GENERAL INFORMATION ONLY. HOWEVER, IN VIEW OF THE INDIVIDUAL NATURE OF THE IMPLICATIONS, EACH INVESTOR IS ADVISED TO CONSULT WITH HIS OR HER OWN TAX ADVISORS/AUTHORISED DEALERS WITH RESPECT TO THE SPECIFIC TAX AND OTHER IMPLICATIONS ARISING OUT OF HIS OR HER PARTICIPATION IN THE SCHEME.

The Scheme Gold BeES is categorized as a Scheme other than equity oriented mutual fund scheme.

"Equity oriented fund" is defined as -

- a fund where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such fund; and
- which has been set up under a scheme of a Mutual Fund specified in Section 10 (23D) of the Act

Gold BeES is classified as a Scheme other than Equity Oriented Mutual Fund Scheme. Hence, Securities Transaction Tax is not applicable.

UNDER THE INCOME-TAX ACT, 1961

The following summary outlines the key tax implications applicable to unit holders based on the relevant provisions under the Act subsequent to the amendments enacted by the Finance Act, 2006.

The tax implications of the following income received by the investors are discussed below:

- i) Income on units (other than sale/redemption);
- ii) Income on sale/redemption of the units.
 - (i) Taxability of income on units (other than sale): The income received by an investor (other than income on sale/redemption) in respect of units of a mutual fund specified under Section 10(23D) of the Act, is exempt under the Act. As the income is exempt from tax, no tax is withheld by the Mutual Fund upon distribution of such income.
 - (ii) Taxability of income on sale/redemption of units: The taxability of the income on sale/redemption of units and the rates at which such income is taxed is discussed below:
 - (a) If the units are held as stock-in-trade: If the units are held by an investor as stock-in-trade of a business, the said income will be taxed at the rates at which the normal income of that investor is taxed. The rates applicable to different investors are discussed at length in Table 1.
 - (b) If the units are held as investments

If the units are held as investments, the tax rates applicable will depend on whether the gain on sale of units is classified as a short term capital gain or a long term capital gain. As per section 2(42A) of the Act, units of the scheme held as a capital asset, for a period of more than 12 months immediately preceding the date of transfer, will be treated as long-term capital asset for the computation of capital gains; in all other cases, they would be treated as short-term capital asset.

The tax rates applicable on short term or long term capital gains arising on transfer of units of an equity oriented fund are stated in the following table:

Nature of income	Tax rate
Short-term capital gains on sale either to the Mutual Fund or on a recognized stock exchange	Capital gains tax payable at 10 percent* [applicable to all investors including Foreign Institutional Investors (FII)]
Long- term capital gains on sale either to the Mutual Fund or on a recognized stock exchange	No capital gains tax payable by any investor.

*plus surcharge and education cess as may be applicable (refer Table 2). In case of non-resident investors, the above rates would be subject to applicable treaty relief.

The tax rates applicable on short term or long term capital gain arising on transfer of units of a scheme not dealt with above are stated in the following table:

Nature of income	Tax rate
Short-term capital gains	In case of FIIs, 30 percent* For others, taxed at normal tax rates (as explained in Table 1).
Long-term capital gains	In case of FII's, 10 percent* (without indexation) In case of others, 20 percent* (with indexation#) or, 10 percent* (without indexation), whichever less.

* plus surcharge and education cess as may be applicable (refer Table 2). In case of non-resident investors, the above rates would be subject to applicable treaty relief.

no indexation benefit for non-resident investors if investment made is in foreign currency.

The withholding tax implication (i.e. TDS) in respect of the capital gains explained above is discussed below:

- (a) Resident Investors: No tax is required to be deducted at source from capital gains arising to resident investors at the time of repurchase or redemption of the units.
- (b) Non-Resident Investors: As per the provisions of Act [Section 195], tax is required to be deducted at source from the sale proceeds or redemption proceeds paid to non-resident investors. This withholding is in addition to the STT payable, if any, by the investor. The rates are:
 - (i) Foreign Institutional Investors: No tax has to be deducted on redemption/sale proceeds [Section 196D(2)].
 - (ii) Non-Resident Indian ('NRI') / Person of Indian Origin ('PIO'): Tax, on short term capital gains arising out of redemption of units is deducted at the rate of 10% (plus surcharge) for an equity oriented fund and at 30% (plus surcharge) for a non equity oriented fund. Tax, on long term capital gains is deducted at the rate of 20% (plus surcharge). However, in case of long term capital gains on redemption of units of an equity oriented fund, no tax would be deducted.
 - (iii) Non-Resident Corporates: Tax is deducted at the rate of 40 percent on short term capital gains and 20 percent on long-term capital gains. The said rates at which capital gains are charged to tax would be further increased by the applicable surcharge and education cess stated in Table 2 below. No tax would, however, be deducted in case of long term capital gains on redemption of units of an equity oriented fund.

All the above non-resident investors may also claim the tax treaty benefits available, if any. For details of applicability and eligibility of such benefits, the investors are requested to consult their tax advisors.

Provisions regarding Dividend income and Bonus

According to the provisions of Section 94(7) of the Act, losses arising from the sale/redemption of units purchased within 3 months prior to the record date (for entitlement of dividends) and sold within 9 months after such date, is disallowed to the extent of income on such units (other than on sale/redemption) claimed as tax exempt.

According to the provisions of Section 94(8) of the Act, if an investor purchases units within 3 months before the record date (for entitlement of bonus) and sells/redeems the units within 9 months after that date, and by virtue of holding the original units, he becomes entitled to bonus units, then the loss arising on transfer of original units shall be ignored for the purpose of computing his income chargeable to tax. In fact, the loss so ignored will be treated as cost of acquisition of such bonus units.

Table 1:

The individuals (including NRIs/PIOs) and HUFs, are proposed to be taxed in respect of their total income at the following rates:

Slab	Tax rate *
Total income upto Rs.1,00,000#	Nil
More than Rs.100,000# but upto Rs.150,000	10 percent of excess over Rs.100,000#
More than Rs.150,000 but upto Rs.250,000	20 percent of excess over Rs. 150,000 + Rs.5,000\$
Exceeding Rs.250,000	30 percent of excess over Rs 250,000 + Rs.25,000\$

* plus surcharge and education cess as may be applicable (refer Table 2).

for females below sixty-five years of age, Rs. 100,000 has to be read as Rs. 135,000 and for senior citizens of sixty-five years of age and above, Rs. 100,000 has to be read as Rs. 185,000.

\$ for females below sixty-five years of age, Rs. 5,000 has to be read as Rs. 1,500 and Rs 25,000 has to be read as Rs 21,500. Similarly for senior citizens of sixty-five years of age and above, Rs. 5,000 has to be read as nil and Rs 25,000 has to be read as Rs. 13,000.

The corporate tax rate for domestic companies is 30 per cent [plus applicable surcharge (as per Table 2) and education cess]. However, the tax rate applicable to foreign companies is 40 per cent [plus applicable surcharge (as per Table 2) and education cess].

Table 2: Rate of applicable surcharge:

Assessee	Rate of surcharge applicable
Individuals (including NRIs/PIOs), HUFs, Non-Corporate FIIs where the taxable income is	A surcharge by way of education cess of 2 percent is payable on the total amount of tax up to Rs. 1,000,000 per annum
Individuals (including NRIs/ PIOs), HUFs and Non-corporate FIIs where the taxable income is in excess of Rs. 1,000,000 per annum	10 percent basic surcharge. An additional surcharge by way of education cess of 2 percent is payable on the total amount of tax plus surcharge.
Domestic Companies	10 percent basic surcharge. An additional surcharge by way of education cess of 2 percent is payable on the total amount of tax plus surcharge.
Foreign Companies (including corporate FII)	2.5 percent basic surcharge. An additional surcharge by way of education cess of 2 percent is payable on the total amount of tax plus surcharge.

UNDER THE WEALTH TAX ACT, 1957

Units are not to be treated as assets as defined under Section 2(ea) of the Wealth-Tax Act, 1957 and hence will not be liable to wealth-tax.

B) TAX IMPLICATIONS ON MUTUAL FUND

INCOME EARNED OR RECEIVED BY THE MUTUAL FUND

Benchmark Mutual Fund is registered with SEBI and as such, the entire income of the Fund is exempt from income tax under Section 10(23D) of the Act. In view of the provisions of Section 196 (iv) of the Act, no income tax is deductible at source on the income earned by the mutual fund.

INCOME DISTRIBUTED BY THE MUTUAL FUND

As per provisions of the Act (Section 115R), Benchmark Mutual Fund will be required to pay dividend distribution tax ('DDT') as follows:

- (i) No DDT to be paid on equity oriented funds;
- (ii) DDT to be paid on other funds at the following rates:
 - (a) at 14.025 percent (including a surcharge of 10 percent and an additional surcharge by way of education cess of 2 percent on the amount of tax plus surcharge) on dividend distributed to individuals and HUFs; and
 - (b) at 22.44 percent (including a surcharge of 10 percent and an additional surcharge by way of education cess of 2 percent on the amount of tax plus surcharge) on dividend distributed to persons other than individuals and HUFs, for instance, corporates.

XI. TRANSACTION WITH SPONSORS/ASSOCIATE

For the purpose of this Scheme, an associate or group company shall include Sponsors, Niche Financial Services Pvt. Ltd., its subsidiaries, including AMC (Benchmark Asset Management Company Pvt. Ltd) and joint ventures.

At present the Fund does not have any transactions with the Sponsor or its subsidiaries. In future, however, Niche Financial Services Pvt. Ltd. or any of its associates may be entrusted the work of marketing, book-building, distribution or any other activity connected with the Scheme or any other Scheme of Benchmark Mutual Fund, as may be allowed by SEBI or any other competent authority and within the relevant provisions of Regulations prevailing from time to time. Associate transactions, if carried out, will be as per the Regulations and the limits prescribed there under.

The AMC shall also ensure that brokerage/fee paid to sponsors/associates for sale and distribution of the units is at the same rates offered to other distributors. All other associate transactions shall be in accordance with the Regulations.

For applications directly solicited and collected by associate they may also be paid an agent commission at a rate not exceeding the rate of commission being paid to other agents of the Scheme. Commission paid to associate overseas for marketing the fund internationally shall be as per the Regulations and as approved by SEBI.

In case of applications directly solicited and collected by overseas from NRIs/FIIs by any associates, they may also be paid an agent commission at a rate not exceeding the rate of commission being paid to other agents for the Scheme, subject to terms & conditions detailed in RBI's approval.

The AMC, Sponsor or any associate may invest in units of the Funds/Scheme (the existing Funds/Scheme, including Scheme as may be launched from time to time), only after the full disclosure of its intention to investment has been made in the offer document. The percentage of such investments will vary from time to time. However the AMC shall not charge any management fees on its own investment in the Units of the funds/Schemes in the Fund.

XII. INVESTOR RIGHTS & SERVICES

The unit holders of the Scheme have a proportionate right in the beneficial ownership of the assets of and the dividends/bonus declared by the Funds for this Scheme. Unit holders are advised to refer to the relevant provisions of the Indian Trust Act, 1882, in this regard. Copies of certain relevant documents will be available for inspection at the office of the AMC at Mumbai. The following are the significant rights of the unit holders under the SEBI Regulations.

1. Unit holders of the Scheme have a proportionate right in the beneficial ownership of the assets of the Scheme.
2. When the Scheme declares the Dividend under the Scheme, the dividend warrants will be dispatched within 30 days of the declaration of dividend.
3. Under the normal circumstances, redemption/repurchase proceeds will be mailed within 10 working days from the date of redemption/repurchase.
4. The Trustee is bound to make such disclosures to the unit holders as are essential in order to keep them informed about any information known to the Trustee which may have a material adverse bearing on their investment.
5. The appointment of AMC for the Scheme/Fund can be terminated, with the prior approval of SEBI, by the majority of the Directors of the Trustee or by 75% of the Unit holders of the Scheme. Any change in the controlling interest of the AMC shall be only with the prior approval of SEBI and the Trustee. Approval of holders of the Units will not be necessary if: (i) the Unit holders are informed about the proposed change by sending individual communication and an advertisement is given in one national English newspaper and one daily newspaper published in the language of the region where the head office of the Fund is situated; and (ii) the holders of the units are given an option to exit at the prevailing NAV without any exit load regardless of lot of Gold BeES held.
6. The Trustee is obliged to convene a meeting on a request of 75% of the unit holders of the respective scheme.
7. 75% of the Unit holders of the Scheme can pass a resolution to wind up the Scheme.
8. The Trustee shall obtain the consent of the holders of the Units: -
 - i. Whenever required to do so by SEBI in the interest of the holders of the Units; or
 - ii. Whenever required to do so on the requisition made by three-fourths of the holders of the Units of any Scheme; or
 - iii. When the majority of the Trustee decide to wind up or prematurely redeem the Units
9. As per the regulations 18 (15A) of the SEBI Regulations, the trustees shall ensure that no change in the fundamental attributes of any of the Scheme or the trust or the fees and expenses payable or any other change which would modify the Scheme and affect the interest of the unit-holders, shall be carried out unless:
 - (i) A written communication about the proposed change is sent to each Unit holder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
 - (ii) The Unit holders are given an option to exit at the prevailing Net Asset Value without any exit load regardless of lot of Gold BeES held.For this purpose, type of the Scheme, Investment Objectives and terms of an issue constitute the fundamental attributes of the Scheme vide clarification issued by SEBI on February 4, 1998.
10. Unit holders have the right to inspect all the documents listed under “Documents available for Inspection.”

Voting Right of the Unit Holders

Subject to the provisions of the Regulations as amended from time to time, the consent of the Unit Holders shall be obtained, if necessary through postal ballot/mail or any other mode, in consultation with SEBI. Each Unit Holder shall be entitled to one vote for each unit held by him in respect of each resolution to be passed.

All issues to be voted upon will be intimated to Unit holders by mail / courier. Unit holders of record as of the most recent month end prior to the month, in which a request for a vote is sent, will be eligible to vote. Unit holders are entitled to one vote per Unit held on all matters to be voted upon by Unit holders. Issues to be put to vote will be sent out to Unit holders of record along with an explanation from the Trustee as to why the vote is being requested. A ballot paper will also be sent to Unit holders. In case of joint holders “anyone or survivor” the ballot paper shall be sent to the first named holder. Unit holders will be requested to respond by mailing back their ballot paper by a specified cut-off date. Duly completed and signed ballots received on or before the close of working hours on the cut-off date would be considered a valid ballot. Valid ballots will be counted and if more than 50% of the valid ballots received vote for the proposal then the proposal will stand carried and will be made binding on all Unit holders in the Scheme. Unit holders who oppose the proposal will be allowed to redeem their holdings in the Scheme in the manner specified by SEBI Regulations. As each ballot may contain more than one proposal, Unit holders who cast a negative vote on any one of the proposals will be allowed to redeem their holdings in the Scheme as aforesaid. Unit holders will be informed of the results of the voting either by mail or through an advertisement or by such other means as may be decided by the Trustee. All proposals that have been accepted by Unit holders, will come into effect on the next Business Day following the date on which the valid ballots were counted or any other date as specified in advance to Unit holders. In all matters to be voted upon the Unit holders will be requested to return their ballots to the offices of the Scheme’s Transfer Agent and the Transfer Agent will conduct the counting of the ballots in the presence of an independent third party. Unit holders can inspect the votes cast, if so required by them, at the office of the Registrar & Transfer Agent in Mumbai. The votes will be preserved for a period of one month after the cut-off date. The scheme shall follow any other voting policy specified by SEBI for seeking Unit holders consent.

Information Dissemination

The NAV of the Scheme will be calculated and announced by the AMC at the close of each business day.

The NAV of the Scheme will be communicated to least two daily newspapers on a daily basis in accordance with the SEBI Regulations. NAV will also be displayed on the website of the Fund (www.benchmarkfunds.com)

The NAV of the Scheme will be updated on the website of the Association of Mutual Funds in India, (www.amfiindia.com) by 9.00 p.m. everyday. In case of delay, the reasons for delay would be explained to AMFI and SEBI next day. If the NAVs are not available before commencement of the business hours on the following day due to any reasons, the Fund shall issue a press release providing reasons and explaining when the Fund will be able to publish the NAV.

The Fund will send to all the unit holders, an abridged Scheme wise annual report, not later than six months from the date of closure of relevant accounting year containing details as specified in SEBI Regulations. Further, the full text of the annual report will be available for inspection at the office of the Fund and copy shall be made available on specific request on payment of nominal fees, if any. Also the Scheme wise annual report will be displayed on www.benchmarkfunds.com and link will be provided on www.amfiindia.com.

Before the expiry of one month from the close of each half-year, i.e. on March 31 and September 30, the Fund will publish its un-audited half yearly financial results in format prescribed in Twelfth Schedule of Regulations 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.

The Fund will display the half-yearly un-audited results in the old format on its website, www.benchmarkfunds.com, before the expiry of two months from the close of each half-year. These results are not required to be published in the newspaper.

Before the expiry of one month from the close of each half year i.e. on March 31 and September 30, the Fund will publish its Scheme portfolio in the prescribed format as per SEBI Regulation 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 or send a copy to all the unit-holders. The portfolio statement will also be placed on www.benchmarkfunds.com and link will be provided on www.amfiindia.com.

The Mutual Fund shall disclose large unit holding in the Scheme, which are over 25% of the NAV. The information on the number of such investors and total unit holding by them in percentage terms will be disclosed in the allotment letters after the Initial Public Offer, account statements and also in the annual and the half-yearly results.

The annual report of the AMC will be displayed on the website of the Mutual Fund. Unit holders, if they so desire, may request for the copy of annual report of the AMC.

E-Mail Communication

Allotment Advice/Transaction Statement/Annual Reports/Newsletters etc. can be sent to each unit holder through courier/post or e-mail.

Unit holder who has opted to receive documents by e-mail will be required to download and print the documents after receiving e-mail from the Fund/AMC. Should the unit holder experience any difficulty in accessing the electronically delivered documents, the unit holder shall promptly advise the Fund to enable it to deliver the document through alternate means. It is deemed that the unit holder is aware of all security risks including possible third party interception of the documents and contents of the documents becoming known to third parties.

The option of sending the documents through e-mail is solely at the option of the Fund. The Fund may discontinue the e-mail communication, at any time and may prefer to send the physical copies of the documents.

Register Of Unit-holders

A register of holders of the Units shall be maintained electronically or in any other mode at the office of the Registrar and Transfer Agent and also at such other places as the AMC may decide and such register will be conclusive evidence of ownership. The register may be closed for such time and for such period as the AMC may determine. In the event of closure of the register for a period or periods, appropriate notice shall be given by way of publication in newspaper(s) or other media. Requests for fresh/ongoing sales, repurchase, switching will not be accepted during the period the register is closed and no NAV would be determined/declared.

1. In the event of death of a holder, any other person being entitled to the said Units, upon recognition of the claim in such manner as the Asset Management Company may deem necessary, shall be registered as the holder of the Units.
2. When an Account Statement is held in the name of two or three persons, such persons shall be deemed to hold the Units jointly or any one or survivor basis.
3. In all such cases and in all matters concerning the Scheme (including voting rights), it shall be deemed that the first of such persons is the holder of the Units. All communications and correspondence from/to the Fund shall be only with the first of such persons.
4. All payments and settlements made to the first holder and a receipt thereof shall be a valid discharge.
5. The Scheme shall for all purposes correspond only with the first holder and all communications shall be only with the first holder including information on the working of the Scheme. Dispatch of dividend/redemption/refunds will be to and in the name of the first holder.

6. In case of death of a joint holder, the survivor(s) shall be the only person(s) recognized by the Scheme as having any title to or interest in the Units.
7. Where investment is made on a 'Joint' basis, redemption requests need to be signed by all the holders.
8. Any change in the name and address of the holder of the Units shall be notified in writing to the Scheme. The AMC shall, on being satisfied of such change and on compliance with such formalities as may reasonably be required, record the changes accordingly.

Duration of the Scheme/Winding up

Gold Benchmark Exchange Traded Scheme (Gold BeES), being an open ended Scheme, the duration of Scheme is perpetual. The AMC, the Fund and the Trustees reserve the right to make such changes/alterations in the Scheme (including the charging of fees and expenses) offered under this Offer Document to the extent permitted by the applicable SEBI Regulations. However, in terms of the Regulations, a Scheme may be wound up after repaying the amount due to the Unit holders:

1. On the happening of any event, which in the opinion of the Trustee(s), requires the Scheme to be wound up; or
2. Seventy five percent (75%) of the Unit holders of the Scheme pass a resolution that the Scheme be wound up, or
3. If SEBI so directs in the interest of the Unit holders.

Where the Scheme is so wound up, the Trustees shall give notice of the circumstances leading to the winding up of the Scheme to SEBI and in two daily newspapers with circulation all over India and also in a vernacular newspaper circulating at the place where the Mutual Fund is formed.

Effect of Winding Up

On and from the date of the publication of notice of winding up as stated above, the Trustee or the AMC, as the case may be, shall:

1. Cease to carry on any business activities in respect of the Scheme so wound up;
2. Cease to create or cancel Units in the Scheme;
3. Cease to issue or redeem Units in the Scheme.

Procedure and manner of Winding up

In the event of the Scheme being wound up, the AMC shall proceed as follows:

1. The Trustee shall call the meeting of the unit holders to consider and to approve by simple majority of the Unit holders present and voting at the meeting for authorizing the Trustee, the AMC or any other person to take steps for the winding up of the Scheme.
2. The Trustee, the AMC or the person authorized as above shall dispose of the assets of the Scheme concerned in the best interest of unit holders of the Scheme.
3. The proceeds of sale realized in pursuance of the above, shall be first utilized towards discharge of such liabilities as are due and payable under the Scheme and after making the provisions for meeting the expenses connected with such winding up, the balance shall be paid to Unit holders in proportion to their respective interest in the assets of the Scheme, as on the date when the decision for winding up was taken.
4. On completion of the winding up, the AMC shall forward to SEBI and the unit holders a report on the winding up, detailing the circumstances leading to the winding up, the steps taken for disposal of the assets of the Scheme before winding up, expenses of the Scheme for winding up, net assets available for distribution to the Unit holders and a certificate from the auditors of the Fund.
5. Notwithstanding anything contained herein above, the provisions of the Regulations in respect of disclosures of half-yearly reports and annual reports shall continue to be applicable until winding up is completed or the Scheme ceases to exist.

6. After the receipt of the report referred to above, if SEBI is satisfied that all measures for winding up of the Scheme have been complied with, the Scheme shall cease to exist.

Investor Grievance Redressal Mechanism

Investor can approach the office of AMC or Registrar or any of the Branches of Registrar for redressal of their Grievances. The AMC has appointed Mr. Bibek Sengupta as Investor Relation Officer. He can be contacted at:

Benchmark Asset Management Company Pvt. Ltd.

405, Raheja Chambers, Free Press Marg,

213, Nariman Point, Mumbai - 400 021

Tel (91 22) 6651 2727

Fax: (91 22) 2200 3412

Email: bibek@benchmarkfunds.com

No complaints have been referred by SEBI. The status of investor complaints as on December 31, 2006 is as follows:

Complaints Pending	No. of Cases Received	No. of Cases Resolved	No. of Cases Pending as on December 31, 2006
NIL	9	9	NIL

Power to remove difficulties

If any difficulty arises in giving effect to the provisions of the Scheme, the Trustee may take such steps that are not inconsistent with these provisions, which appear to them to be necessary and expedient, for the purpose of removing difficulty.

Power to make rules

Subject to the Regulations, the Trustee may, from time to time, prescribe such terms and make such rules as may be necessary for the purpose of giving effect to the scheme, with power to the AMC to add to, alter or amend all or any of the terms and rules that may be framed from time to time.

Other Points

1. No amendment to the Trust Deed will be carried out without prior intimation to/approval of SEBI and where it affects their interest, Unit-holder's consent will also be obtained, to the extent and in the manner prescribed/approved by SEBI. Subject to the Regulations and the guidelines issued by SEBI, the consent of the Unit holders will be obtained through voting or by mail. Detailed modalities of the same, including the principles for entitlement of votes for each Unit holder will be finalized in consultation with and after obtaining the approval of SEBI and the Trustee.
2. Subject to SEBI Regulations and guidelines issued by SEBI, the consent of the unit holders will be obtained either at a meeting, through postal ballot, by mail or any other mode of communication as may be allowed from time to time. Detailed modalities of the same will be finalized in consultation and after obtaining the approval of Trustee and SEBI, if necessary.
3. The Trustee may declare dividends to the unit holders under the scheme. Such dividend will be payable to the unit holders whose name appear on the register of the unit holders on the record date. The date will be fixed by the Trustee appropriately. The dividend warrants will be dispatched to the unit holders within 30 days or such stipulated period of the declaration of dividends.
4. The Trustee may declare bonus also. Bonus, if any declared, will be payable to the unit holders whose name appear on the register of the unit holders on the record date. Such bonus may result in allotting fractional units.

5. The Trustees may also split the units of Gold BeES in such ratio as may be approved by Trustees. Such split may result in the face value of units in decimal. The units with new face value under the New ISIN will be credited to investor's demat account who are holding the units on the record date fixed for that purpose.
6. Despatch of redemption/dividend instruments or any other communication shall be made by ordinary mail or registered mail or courier, unless otherwise required under the regulations, at the risk of the investor. Further redemption/dividend may also be paid through Electronic Clearing System (ECS) or Electronic Fund Transfer.
7. The holders of the units may pledge their units after complying with the requirements of the Depository for pledge.
8. The units can be transmitted after completion of necessary formalities to the entitled person(s) in the event of death of unit-holders. All the restrictions and limitations specified herein including those relating to lock-in period and creation of charge, will be binding also on the successors, legal heirs or assigns of the investor.
9. Allotment advice/intimation will be sent to the applicant/unit holder not later than 10 days from the date of application intimating the number units allotted and credited to the beneficiary account of the applicant with the Depository Participant.

XIII. DUE DILIGENCE CERTIFICATE

It is confirmed that:

1. The Draft Offer Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
2. All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc. issued by the Government and any other competent authority in this behalf have been duly complied with.
3. The disclosures made in the offer document are true, fair and adequate to enable the investors to make a well-informed decision regarding investment in the proposed Scheme.
4. The intermediaries, except the Custodians, named in the offer document are registered with SEBI and till date such registrations are valid.

**For Benchmark Asset Management Company Pvt. Ltd.
(Asset Management Company for Benchmark Mutual Fund)**

Sd/-

**Gautam H. Rathor
(Compliance Officer)**

Date: May 5, 2006

Place: Mumbai

Note: The aforesaid Due Diligence Certificate dated May 5, 2006 was submitted to Securities and Exchange Board of India on May 8, 2006.

XIV. PENALTIES AND PENAL LITIGATIONS
PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATION FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

<p>Cases of penalties awarded by SEBI under the SEBI Act or any of its regulations against the Sponsor of the Mutual Fund or any Company associated with the Sponsor in any capacity including the Asset Management Company, Trustee Company/Board of Trustees, or any of the Directors or key personnel (specifically the fund managers) of the Asset Management Company and Trustee Company. For sponsors and its associates, other than the penalties mentioned above, the penalties awarded by any financial regulatory body, including stock exchanges, for defaults, in respect of shareholders, debenture holders and depositors; penalties for any economic offence and violation of any securities laws shall be disclosed.</p>	NIL
<p>Any pending material litigation proceeding incidental to the business of the Mutual Fund to which the sponsor of the Mutual Fund or any company associated with the Sponsor in any capacity including the AMC, Board of Trustees/Trustee Company or any of its directors or key personnel is a party. Any pending criminal cases against the Sponsor or any company associated with the Sponsor in any capacity including the AMC, Board of Trustees/ Trustee Company or any of the directors or key personnel.</p>	NIL
<p>Any deficiency in the system and operation of the Sponsor of the Mutual Fund or any company associated with the Sponsor in any capacity including the AMC or the Trustee Company which SEBI has specifically advised to be disclosed in the offer document, or which has been notified by any other regulatory agency, shall be disclosed.</p>	NIL
<p>Any inquiry/adjudication proceedings under the SEBI Act and the Regulations made there under, that are in progress against the Sponsor of the Mutual Fund or any Company associated with the Sponsor in any capacity including the AMC, Board of Trustees/Trustee Company or any of the Director or key personnel of the Asset Management Company.</p>	NIL

The above information has been disclosed in good faith as per the information available to the AMC.

XV. GENERAL INFORMATION
DOCUMENTS FOR INSPECTION

- 1 Copies of the following documents will be available for inspection by the unit-holders of the Scheme during working hours on working days at the office of Benchmark Asset Management Company Pvt. Ltd. 405, Raheja Chambers, Free Press Journal Marg, 213, Nariman Point, Mumbai 400 021
 - i Memorandum & Articles of Association of Trustee Company and AMC.
 - ii Trust Deed.
 - iii Investment Management Agreement.
 - iv Mutual Fund Registration Certificate dated June 12, 2001 issued by the SEBI.
 - v Custodian Agreement.
 - vi Securities and Exchange Board of India (Mutual Fund) Regulations, 1996.

- vii Registrars' and Transfer Agents Agreement.
 - viii Consent of the Auditors to act in the said capacity.
 - ix Indian Trust Act, 1882.
 - x Offer Document of the Scheme.
 - xi Annual Reports of the Asset Management Company.
 - xii Annual Reports of the Fund.
- 2 The Fund/AMC is not bound to represent any payment instruments, which are dishonoured and in such cases the facility to pay by cheque may not be available to the investor.
 3. An entry made by the AMC as to the date/time of receipt of an application for purchase/redemption of units will be conclusive evidence and binding on the investor.
 4. Investors are requested to read the terms of offer carefully. All applicants/investors (including their legal heirs, assigns, successors) will be bound by the terms of offer (including any modifications thereof). Payment will be made to the investor with reference to the data submitted in the application at the investor's risk. Such payments will constitute adequate discharge of the obligation of the Trust and AMC. Any act, thing or deed done in good faith in pursuance of or with reference to the information provided in the application or other communications received from the applicant/unit holder will constitute good and full discharge of the obligation of the Trust and the AMC. Investors must give the details of their bank accounts in the application forms and redemption requests. Applications without such details may be liable to be treated as incomplete and rejected.
 5. All non-resident investors must submit necessary documents to the AMC (such as FIRC issued by the bank) and follow procedures as may be prescribed by RBI without which repatriation or credit to NRE Account will not be allowed. Payment of dividend and redemption amount to non-resident investors will be subject to the guidelines and policies of Reserve Bank of India from time to time.
 6. Subject to the approval of SEBI/other authorities wherever necessary, the Trustee/AMC may, from time to time, for the purpose of ensuring proper operation/administration of the Scheme or for removal of difficulties therein or for giving effect to the provisions of the Scheme and in the interest of Unit holders of the Scheme, issue necessary clarifications, guidelines and procedures or prescribe rules/terms as also amend/delete them, consistent with the offer document which appear to them to be necessary, desirable or expedient.
 7. The Trustee may from time to time vary any feature or term of the Scheme, after obtaining the approval of SEBI or investors to the extent and in the manner required under the Regulations and such variations shall be binding on Unit holders or any person claiming through them or their legal heirs/successors.
 8. The procedure for seeking approval of the Unit holders will be in such manner as SEBI may direct or approve.
 9. All disputes arising out of or in relation to the issue of the Scheme units will be subject to the exclusive jurisdiction of the courts in India or as advised by the SEBI.
 10. The Fund will have a first and paramount lien/set-off with respect to every unit/dividend for any money that may be owed by the Unit holder.
 11. The Fund/AMC will not be responsible for any delay/non-receipt of dividend/redemption proceeds where it is attributable to any incorrect/incomplete information provided by the investor.
 12. An application for redemption, purchase or exchange or any other instruction must be correct, complete, clear and unambiguous in all respects and should conform to the prescribed procedure/documentation requirements, failing which the Trustee/AMC reserve the right to reject the same.
 13. All statements in this offer document are based on the laws currently in force and are subject to changes thereto. Subject to the Regulations authorising, any amendment/clarifications issued by SEBI from time to time for operation or management of mutual fund schemes shall apply.

14. Subject to the provisions herein contained, the Trustee and the AMC shall not be bound to receive notice of any trust, express, implied or constructive, nor shall they be bound to enter any such notice in respect of any units in the register except when so directed by a Court of Competent Jurisdiction.
15. There are no such instances of pending litigations, penalties, and criminal offences.
16. "Notwithstanding anything contained in the offer document the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable."

The Scheme, Gold BeES, in this Offer Document has been approved by the Trustees through Resolution by passed Circulation dated March 1, 2005 and they have ensured that the Gold Benchmark Exchange Traded Scheme is a new product offered by Benchmark Mutual Fund and is not a minor modification of the existing Schemes/Fund/Product.

**For and On Behalf of Board of Directors of
Benchmark Asset Management Company Pvt. Ltd.
(Investment Manager to Benchmark Mutual Fund)**

Sd/-

**Sanjiv Shah
Executive Director**

Place: Mumbai

Date: January 29, 2007

COLLECTION CENTRE DURING NEW FUND OFFER
HDFC Bank and its Branches

Agra:	Shop No F3, F3-A 1st Floor , Friend's Plaza , Sanjay Place Agra-282 002 Ph:0562-3052011 / 3052013 /3052016	Lucknow:	Pranay Tower,Darbari lal Sharma Marg Beside Pratibha Cinema Lucknow 226 001 Ph:0522-3019124-27 /3919811 / 3919813 /3019132/3019136 /3019140
Ahmedabad:	HDFC Bank House near Mithakali Six Roads Navrangpura-380 009 Ph:079-55217163 /55217184	Ludhiana:	CMS Dept , 5th Floor Mall Road Ludhiana 141 001 Ph:0161- 2422344 / 5021699
Allahabad:	54/1 S.P. Marg Civil Lines Allahabad 211 003 Ph:0532- 2260049	Madurai:	7 - A , West Veli Street Opp Railway Station Madurai 625 001 Ph:0452-2350707
Amritsar:	1st floor , R.S Towers Hall Bazar Amritsar-143 001 Ph:0183 - 3018604	Mangalore:	M.N Towers Kadri Mangalore 575 002 Ph:0824 - 2225405/2225410
Bangalore:	No 8 / 24 Salco Centre Richmond Road Bangalore 560 025 Ph:080-41266865	Meerut:	381 Western Kachery Road Meerut 250 001 Ph:0121- 2666080/2665799
Baroda:	5th Floor , Midway Heights Next to Panchmukhi Hanuman Temple , Lokmanya Tilak Road ,Kirti Mandir, Near Kala Ghoda , Raopura Baroda - 390 001 Ph:0265-5585516,	Mumbai:	Maneckjiwadia Building Nanik Motwani Marg Mumbai 400 023 Ph:022 - 56573657 / 56573669 / 22679947 / 22679961 / 22693329
Bhopal:	E - 1/57 , Arera Colony Bhopal 462 016 Ph:0755-2461145(Direct), Board-5281616,5276007,5276008.	Mysore:	Nageetha Complex Vishwamanawa Double Road, Saraswathi Puram Mysore 570 009 Ph:0821-5255304
Bhubaneshwar:	Junction of Janpath & Gandhi Marg Hotel Jajati Complex , Kharvelanagar , Unit - III , Master Canteen Square Bhubaneshwar 751 001 Ph:0674-2400986/95	Nagpur:	303 & 304 3rdfloor , Wardh Road 12, Milestone, Near Lokmat Square, Nagpur 440 010 Ph:0712- 2554405 / 2551746 Extn - 119 and 111
Chandigarh:	Sco 371/372 Sector 35 -B Chandigarh 160 034 Ph:0172- 2711285/5088303	Panjim:	Swami Vivekanand Road 301 , Milroc lar Menezes,Opp Gomantak Maratha Samaz Panjim 403 001 Ph:0832 - 5621250 / 5621251 / 2421952
Chennai	751 - B - Anna Salai Mariam Centre Chennai 600 002 Ph:044-28420870 / 76 : Extn : 203 / 204	Patna:	Rajendra Ram Plaza Exhibition Road Patna 800 001 Ph:0612-2206161,2224332,3116348
Cochin:	2nd floor , Elmar Square , M.G Road , Ravipuram Cochin 682 016 Ph:0484-2359436	Pune:	5 th Floor Millennium Tower , Bhandarkar Road, Shivaji Nagar Pune 411 004 Ph:020 -25651575 Extn 121
Coimbatore:	1635 Classic Tower Trichy Road Coimbatore 641 018 Ph:0422- 2302630/46/2303300	Raipur:	Chawla Complex , Near Vanijya Bhawan , Sai Nagar Devendra Nagar Road Raipur 492 009 Ph:0771 - 252 9110 (D), 0771 - 505 8901 /02 / 03 Ext. 201 / 202
Delhi:	Figops , 1st Floor Kailash Building , 26 KG Marg New Delhi 110 001 Ph:011-41699406 / 41699418	Rajkot:	Opp Alfred High School 2nd Floor , Panchratna Bldg , Jawahar Road Rajkot 360 001 Ph:0281-5595553
Guwahati:	House No 126 , Opp Times of India Bhangagarh Guwahati 781 005 Ph:0361 - 2461082 (D), 74/80/81	Ranchi:	Shop No 3 & 4 ,Ranchi Club Shopping Complex Main Road Ranchi 834 001 Ph:0651-2308148
Hyderabad:	6-1-73 3rd Floor Saeed Plaza Lakadikapaul Hyderabad 500 004 Ph:040-55666821/ 55630666 / 32347423/ 32347412	Surat:	7th Floor, Kashi Plaza Next to Dr Bipin Desai Children Hospital , Majura Gate Surat 395 002 Ph:0261 - 6563650
Indore:	3 rd Floor , 9/1A , U,V, House South Tukonj Indore 452 001 Ph:0731- 5201919/5077794 / 5077793 / 5200043	Tirupur:	160 ,Chidambaram Complex Kumaran Road Tiruppur 641 604 Ph:0421 - 4342422
Jaipur:	1st Floor ,O - 10 , Ashok Marg Ahimsa Circle , C Scheme Jaipur 302 001 Ph:0141-5593966	Trichur:	Kalliyath Royal Square Palace Road Trichur 680 020 Ph:0487- 2330980/2330981
Jalandhar:	911 , Near Narinder Cinema G T, Road Jalandhar 144 001 Ph:0181- 5071644	Trivandrum:	Kenton Towers Vazhuthacaud Trivandrum 695 014 Ph:0471 2337615
Jamshedpur:	C/O Mithila Motors Ltd Near Ram Mandir , Bistupur Jamshedpur 831 001 Ph:0657-2756006 / 2756066	Vijaywada:	40 - 1 -48 / 2 , M.G Road Labbipet Vijaywada 520 010 Ph:0866 - 5547400
Kanpur:	Navin Market Branch 15/46 Civil Lines Kanpur 280 001 Ph:0512- 3018052	Vishakapatnam:	1st floor , Poduri Castle Above Rayomond Showroom Dwarka Nagar Vishakapatnam 530 016 Ph:0891-5571123
Kolkata:	Abhilasha II ,6 1st floor, 6 Royd Street Kolkata 700 016 Ph:033-22273760-65,2227 3761		