

## Press Release

### Reliance Mutual Fund launches Small Cap Fund

- First dedicated and focused small cap fund from RMF
- To invest primarily in small cap companies for long-term capital appreciation
- Sunil Singhania will be fund manager for the fund
- NFO to open from Aug 26 and close on September 09, 2010

**Mumbai, August 25, 2010:** Reliance Mutual Fund (RMF), India's largest asset management company and a part of Reliance Capital, announced the launch of its first Small Cap Fund, an open ended equity scheme, which will predominantly invest in small cap companies.

This is the first dedicated Small Cap focused product from RMF and the NFO was announced by Mr. Sundeep Sikka, CEO, Reliance Capital Asset Management, here today.

Mr Sunil Singhania, Deputy Head, Equities, RMF, will be the fund manager for the fund.

"We at RMF have always been very selective in launching new products and focused on products that offer unique proposition to our investors. Our in depth research capabilities coupled with stock picking abilities have, over the years, offered superior returns to our investors. We are confident that investors will look favorably at the NFO being offered" said Mr. Sikka

Reliance Small Cap fund is the only fund in RMF's product basket with a pre-dominant investment focus on small cap companies where stock selection would play a key role. The scheme proposes to invest at least 65 per cent of the corpus in equity and equity-related instruments of small cap companies which may go up to 100 per cent of the corpus.

'We feel that select small caps are potential large caps of tomorrow because of their benefit of high growth prospects. Valuation gap is also visible between small caps and large caps thus giving an opportunity for alpha creation. In today's economic environment, we see individuals with entrepreneurial mindset are exploring new business opportunities which have the potential to grow faster. With presence in all emerging sectors of India, small cap have the ability to become multi baggers which are a true reflection of entrepreneurial spirit, new opportunities and creation of global behemoths,' said Mr. Sunil Singhania.

Investment in equity and equity-related instruments of any other companies, including derivatives, other than small cap companies will be in the range of 0-35 per cent. The scheme has both growth and dividend option. Dividend option offers payout and reinvestment facility.

The minimum investment amount is Rs 5,000 and in multiples of Re 1 thereafter. Entry load is nil for the scheme, as per SEBI's guidelines, where as the exit load is 2 per cent for holding period less than or up to 12 months and 1 per cent for holding period above 12 months and Nil thereafter.

This fund will offer an auto switch facility from Reliance Liquid Fund – Treasury Plan to Reliance Small Cap Fund during the New Fund Offer. Reliance Small Cap Fund's performance would be benchmarked against BSE Small Cap Index.

The NFO would be open from August 26 to September 09, 2010.

### About Reliance Capital Asset Management Limited

[www.reliancemutual.com](http://www.reliancemutual.com)

Reliance Capital Asset Management Limited (RCAM) manages US \$30 billion (as on June 30, 2010) across mutual funds, pension funds, managed accounts and hedge funds.

It is the only AMC in India to have been chosen to manage both public funds sponsored by the Indian government – the Provident Fund and Pension Fund. The company offers a well-rounded portfolio of products that meet varying requirements and constantly endeavors to launch innovative products and customer service initiatives to enhance value for its investors.

Reliance Mutual Fund (RMF) schemes are managed by RCAM, a part of Reliance Capital and one of India's largest financial services companies.

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