

Press Release

Reliance Mutual Fund launches Index Fund

- Reliance Index Fund to invest in fundamentally strong, highly liquid and well known Nifty and Sensex stocks
- To provide regular dividend income in defined frequency
- No AMC fees to be charged
- NFO opens from September 9 and closes on September 23, 2010

Mumbai, September 9, 2010: Reliance Mutual Fund (RMF), India's largest fund house and a part of Reliance Capital, today announced the launch of Reliance Index Fund, an open-ended Index Linked Scheme which will invest in companies whose securities are covered in Nifty and Sensex.

The NFO was announced by Mr. Sundeep Sikka, CEO, Reliance Capital Asset Management, here today.

"Reliance Index Fund provides investors an opportunity to participate in India's Growth story by investing in well-diversified portfolio of fundamentally strong, highly liquid and well-known companies. We have decided not to charge any AMC fees for this fund in our effort towards financial inclusion and to make this product more attractive for our investors – especially in smaller cities or first time investors who have not participated in the success of capital markets in India" said Mr Sikka.

The funds is a conservative Large Cap Oriented Index Linked Funds with an objective to mirror the target index – Nifty/Sensex – so as to commensurate with the performance of the underlying Index, subject to tracking errors. The fund will be passively managed.

Investors will not be charged any AMC fees for this fund, perhaps the first fund not to charge any AMC fees till date. However, investors will be notified about any change in this fee structure, if proposed in future, on the company's website at least three months in advance.

The scheme proposes to invest 95–100 per cent in equities and equity– related securities covered by Nifty and Sensex. The scheme has both growth and dividend option. 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, whereas the exit load is 1 per cent for holding period of upto 12 months and Nil thereafter.

Dividend payout feature will also be provided with quarterly, half-yearly and annual dividend frequencies.



"These unique features – like no AMC fees and regular dividend payout – make the funds an ideal entry point for the mass retail investors and should be a part of every portfolio" said Mr Sikka. The NFO would be open from September 9 and closes on 23 September, 2010.

About Reliance Capital Asset Management Limited

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 subsidiary of Reliance Capital Limited and one of India's largest financial services companies.

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