

BIRLA MUTUAL FUND LAUNCHES TWO NEW SCHEMES:

Birla Index Fund and Birla Midcap Fund – IPO opens on 10th September, 2002

Birla Sun Life AMC is launching two new growth oriented schemes - **Birla Index Fund and Birla Midcap Fund on 10th September, 2002.**

Birla Index Fund is an open-ended index linked scheme that aims to generate returns that are commensurate with the performance of the S & P CNX Nifty. Nifty is one of the most scientific indices in India and comprises 50 blue chips, large cap, liquid and highly traded stocks.

The scheme endeavors to be low on cost, and aims at delivering market returns through a broadly diversified portfolio. With as little as Rs 5000 an investor can enter this scheme and get access to a basket of blue chip stocks. As part of the fund management process the AMC would use derivative instruments like Index futures in order to achieve portfolio balancing and hedging.

Birla Index Fund offers two plans – **Dividend & Growth**. The initial public offer is at Rs.10 per unit for cash at par. **The IPO of Birla Index Fund will be open from 10th Sept to 17th Sept, 2002.** The schemes have no entry load but an exit load of 1%, if exited within 1 year for applications less than Rs. 5 lacs and nil for applications over Rs. 5 lacs from the date of allotment.

Keeping in mind the fact, that the bulk of over 5000 stocks listed on the stock exchange, fall under the Midcap range, Birla Sun Life AMC has launched its new scheme- **Birla Midcap Fund**, that focuses on the segment. As defined by CNX Midcap Index, the midcap segment constitutes stocks that are in the range of Rs. 150 to Rs. 1500 market capitalization.

Many Mid cap companies are run by quality management with strong business models. These businesses, being in the growth phase, their recognition is still limited. As such the share prices of these companies do not adequately reflect their future prospects. These stocks are not too small to be too risky nor have they acquired a size that commands large market following.

Birla Midcap Fund intends to capitalize on the opportunities that lie in the midcap segment to achieve superior growth for its investors. The scheme would be investing in the stocks which primarily fall within the market capitalization range of Rs 150-Rs 1500 crores. The scheme would benchmark its performance to CNX Midcap index. To achieve superior diversification and as a measure of risk control, Birla Midcap Fund would be investing in at least six sectors. The number of stocks in the portfolio will also be kept at a minimum level of 20 stocks. Sectoral exposures would be contained at a level of 25%.

Birla Midcap Fund is an open – ended scheme with two plans – Dividend and Growth. The scheme is aimed at achieving capital appreciation of controlled level of risk. An investor needs to invest a minimum amount of Rs. 5000/- in Birla Mid Cap Fund and in multiples of Rs. 1000/-. The initial offer price (IOP) will be Rs. 10/- per unit for cash at par. The IPO of Birla Midcap Fund will be open from 10th September to 1st October, 2002.

With a bottom-up research driven approach which has matured over the last many years, Birla Mutual Fund is well positioned to discover the right opportunities that lie in the midcap segment. At each stage the AMC follows a detailed process both for buying /selling stocks.

As an investor friendly measure, the AMC is bearing all the initial issue expenses. The application forms can be downloaded from the website www.birlasunlife.com or can be requested by email at connect@birlasunlife.com The forms will also be available at all the Branches, Distributors and Financial Planners of Birla Mutual Fund.

Birla Sun Life Asset Management Company

Birla Sun Life Asset Management Company Ltd (Investment Managers for Birla Mutual Fund) a joint venture between the Aditya Birla Group and Sun Life Financial Services of Canada. With total assets under management in excess of Rs. 5000 crores, including two offshore schemes, spread across about 5.75 lakh investor folios. Birla Sun Life AMC Limited (BSLAMC) has consistently endeavored to provide investors with superior risk adjusted

returns in a family of funds, which include diversified and sector specific equity schemes, balanced and monthly income funds, and a wide range of debt and treasury products. It offers a spectrum of investment schemes designed to cater to every need of the investor.

For further information:

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