

Plexus Management Services

New Fund Framework: Posted on 10th May, 2010

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| Name of Fund | Birla Sun Life India Reforms |
| Fund House | Birla Sun Life Mutual Fund |
| Offer Period | May 10, 2010 to June 09, 2010 |
| Scheme Type | Open Ended Diversified Equity |
| Unit Price and Subscription: | Unit Price : Rs. 10 per unit: Subscription : Rs. 5000 |
| Load and options. | Entry Load : NIL; Option: Growth & Dividend (Reinvestment, Payout) Exit Load: For units Redeemed / Switched out within 1 year from the date of allotment, an exit load of 1% of applicable NAV is payable. For units Redeemed / Switched out after 1 year from the date of allotment, no exit load is payable. |
| Fund Objective: | To generate growth and capital appreciation by building a portfolio of companies that are expected to benefit from the economic reforms, PSU divestment and increased government spending. |
| Benchmark: | S&P and CNX 500 |
| Fund Manager: | Ankit Sancheti |

Idea Distiller:

India and its reforms story apparently has a big pull even now. After the demographics and BRIC themes, the reforms theme is the next big money guzzler.

Asset allocation:

Equity and equity linked:65-100%
Debt & Cash equivalent:0-35%

Comparable Existing Scheme

HDFC Equity, DSPML Equity

Track record (Management DNA)

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|--|--|--|--|--|-------------------|
| | | | | | Return percentile |
| | | | | | Risk Percentile |

Performance of Fund Manager:

| | | | | | |
|--|--|--|--|--|-------------------|
| | | | | | Return percentile |
| | | | | | Risk Percentile |

Scheme DNA:

| | | | | | |
|-----|--|--|--|------|---------------------------------|
| Low | | | | High | Unique Idea |
| Low | | | | High | Return possibility |
| Low | | | | High | Risk |
| Low | | | | High | Opera ability/complexity |

Comments:

The fund is the same story with new bells and whistles. The biggest bell being the “reforms story. However, if we are to peel the layers the same old Sectoral allocation comes into play, the Difference being the fund lays out on the table first hand the favoured sectors viz. oil and gas, banking, utility, etc. etc. This is launching a fund for the sake of launching a fund. The same would tuirn out to be a BSL Equity in times to come and why would one go into a new fund when a close, proven substitute is available with the same fund house. On the pro side, Ankit Sancheti is still the manager but that still does not overturn the logic of the fund in its favour.