

Reliance Growth Fund
An Open Ended Equity Growth Scheme
Flagship Scheme of Reliance Mutual Fund

Launched on 8th October, 1995, **Reliance Growth Fund (RGF)** fund focuses on companies in the mid-cap segment, while having some exposure to large-cap stocks.

With a corpus of Rs.6112.91 crores (As on 31st Oct 2009) the fund has outperformed the broad market in the recent turmoil and rally as well as in almost all market phases (For further details, please refer performance table below).

Bull Phase Returns (%)		
Historic Rally	Reliance Growth Fund	BSE 100
9th March 09- 31st Aug 09	99.52	97.71
Bear Phase Returns (%)		
Recent Crash	Reliance Growth Fund	BSE 100
8th Jan 08 - 9th March 09	-56.15	-58.04
Source: Valueresearch Vol VII, Number 1		

Performance as on Oct 30th , 2009						
Scheme Name	Absolute Returns (%)		Compounded Annualized Returns (%)			
	6 Months	1 Year	2 Years	3 Years	5 Years	Since Inception
Reliance Growth Fund- Growth	54.92	80.31	-2.60	14.61	33.05	29.41
BSE100	43.58	80.12	-10.19	7.92	22.42	12.25
BSE Mid Cap	71.16	94.00	-13.54	3.51	20.42	N.A

Past performance may or may not be sustained in future.
Returns for Retail Plan- Growth Option (Inception Date: 8th October, 1995).
Returns for less than one year are absolute returns.
Returns of and more than one year are compounded annualized returns.
Calculations assume that all payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV.

The fund also has a track record of consistently paying out high dividends

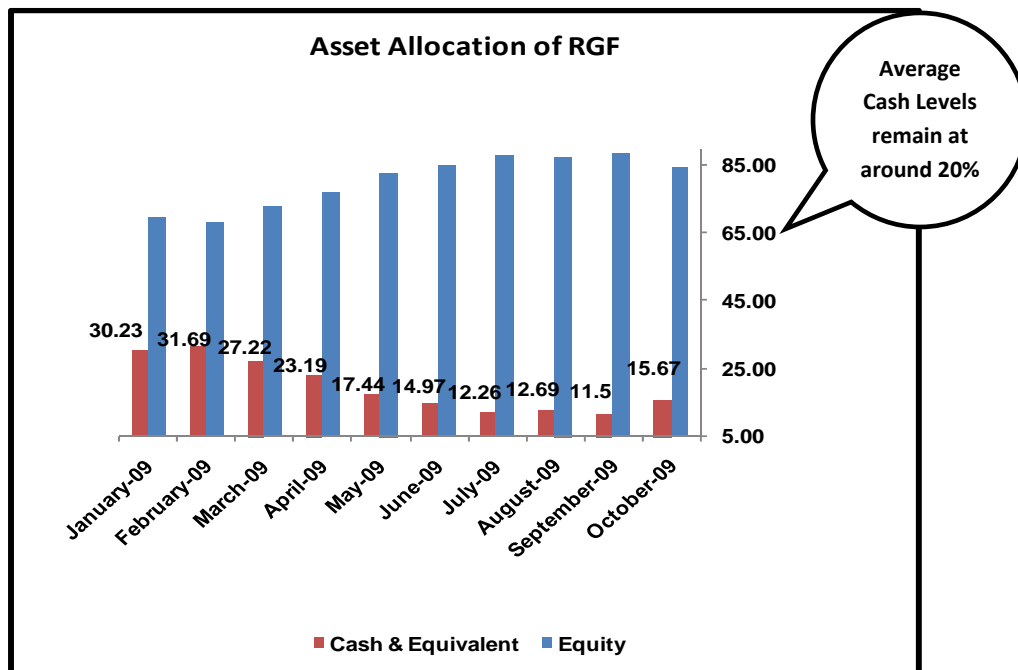
Dividend Plan				
Date	Rate (Re/ Unit)	% (per unit)	Cum Dividend NAV	*Ex-Dividend NAV
21/03/2000	10.00	100.00	40.89	30.90
18/02/2003	2.00	20.00	22.61	20.67
18/07/2003	3.00	30.00	27.96	24.47
09/10/2003	3.00	30.00	34.67	31.80
18/12/2003	6.00	60.00	41.1	35.28
12/03/2004	7.50	75.00	34.67	27.17
19/10/2004	3.00	30.00	33.61	30.37
24/12/2004	2.50	25.00	37.34	34.91
29/03/2005	5.00	50.00	36.21	31.80
19/12/2005	3.00	30.00	50.83	47.63
29/03/2006	7.50	75.00	57.77	50.90
30/10/2006	2.50	25.00	55.58	53.08
12/03/2007	7.50	75.00	54.09	47.16
17/08/2007	3.50	35.00	54.72	52.04
19/03/2008	6.50	65.00	54.53	47.42
20/03/2009	2.00	20.00	29.72	28.60

Past performance may or may not be sustained in the future. Dividend distribution is subject to availability & adequacy of distributable surplus. The Mutual Fund is not assuring that it will make periodical dividend distributions, though it has every intention of doing so. After the payment of dividend, the per unit NAV falls to the extent of the dividend payout and distribution taxes, if any.

* NAV on the 1st transaction day after Record Date, which includes the mark to market impact also. NAV of Dividend Plan as on 30.09.09 – 55.8195. Face value is Rs 10 per unit

Besides dynamic portfolio management, the fund takes cash calls aggressively. The cash allocation has reduced from 32% to 11% (Jan – Oct 09), which reaffirm Fund Manager's expertise on deciding appropriate levels of holding cash during turbulent times and deploying the same at right time and at right levels.

Besides restricting the downside to some extent, the huge cash exposure kept at turbulent times, has provided the fund manager with the flexibility of investing in high quality mid cap stocks at attractive valuations.



The strategy of increasing exposure to large cap stocks in an uncertain environment has also helped in limiting the downside. The fund will stick to its core philosophy of focusing on mid cap stocks while maintaining small exposure to large cap stocks. During the last 6 months (May–Sep 09), investment allocation in each of the top 5 sectors has been in the range of 5%-11% of the total equity exposure. During this period, exposure to top 5 sectors, i.e. Banks, Software, Ferrous Metals, Pharmaceutical and Consumer Non-Durable remained in the range of 35%-40%. **The exposure to certain sectors has almost remained unchanged which implies that the Fund Manager has avoided short-term aggressive bets and has invested in stocks with a long term view, with a few entry and exits.**

Sector	Allocation (%)					
	Oct-09	Sep-09	Aug-09	Jul-09	Jun-09	May-09
Banks	11.06	11.52	10.11	10.8	10.82	10.34
Ferrous Metals	8.36	8.35	8.1	6.71	6.5	5.67
Pharmaceuticals	7.69	7.58	6.7	6.62	6.86	6.92
Software	6.32	6.95	7.44	7.41	7.24	7.23
Consumer Non Durables	6.7	6.28	6.81	6.42	6.15	5.46

Note: Sector Classification as per AMFI, Source: Internal

Portfolio of Reliance Growth Fund as on 31/10/2009	
Top Ten Holdings	Weightage %
Equities-	
STATE BANK OF INDIA	4.20
LUPIN LTD.	4.16
JINDAL STEEL & POWER LTD.	3.58
BANK OF BARODA	3.28
JINDAL SAW LTD.	2.92
JAIN IRRIGATION SYSTEMS LTD.	2.76
ICICI BANK LTD.	2.53
E.I.D. PARRY (INDIA) LTD.	2.43
INFOSYS TECHNOLOGIES LTD.	2.18
RELIANCE INDUSTRIES LTD.	2.17

Fund Facts

Fund Objective: The primary investment objective of the scheme is to achieve long term growth of capital by investing in equity and equity related securities through a research based investment approach.

Type of Scheme: An Open-Ended Equity Growth Scheme

Fund Manager: Mr. Sunil Singhania

Benchmark Index: BSE 100

Inception Date: 8th October 1995

Corpus : Rs.6112.91 Crore (As on 31/10/2009)

Asset Allocation :

Type of Security	% of Corpus (Indicative)	Risk Profile
Equity & Equity Related Securities	65%-100%	High

Debt Instruments & Money Market Instruments	Up to 35%	Medium to Low
---	-----------	---------------

Plans/Options: Retail & Institutional Plan. Under each plans:

Growth Plan : Growth & Bonus Option

Dividend Plan : Dividend Pay-out & Dividend Reinvestment Option

Minimum Investment: Retail Plan: Rs.5000/- & in multiples of Re.1 thereafter.

Institutional Plan: Rs. 5 Crs & in multiples of Re.1 thereafter.

Entry Load : Retail Plan: Nil

Institutional Plan: Nil

In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors' assessment of various factors including the service rendered by the distributor

Exit Load : Retail Plan & Institutional Plan (w.e.f 24th Aug 09)

- 1% if redeemed or switched out on or before completion of 1 year from the date of allotment of units.
- Nil if redeemed or switched out after the completion of 1 year from the date of allotment of units.

The views expressed herein are the personal views of the Fund Managers. The views constitute only the opinions and do not constitute any guidelines or recommendation on the course of the action to be followed. These are not necessarily the views on Reliance Capital Asset Management Ltd. The Sponsor, The Investment Manager, The Trustee or any of their respective directors, employees, affiliates or representatives do not assume any responsibility for, or warrant the accuracy, completeness, adequacy and reliability of such information. None of The Sponsor, The Investment Manager, The Trustee, their respective directors, employees, affiliates or representatives shall be liable for any direct, indirect, special, incidental, consequential, punitive or exemplary damages, including lost profits arising in any way from the information contained in this material.

Sponsor: Reliance Capital Limited **Trustee:** Reliance Capital Trustee Co. Limited **Investment Manager:** Reliance Capital Asset Management Limited **Statutory Details:** The Sponsor, the Trustee and the Investment Manager are incorporated under the Companies Act 1956.

Investment Objective Reliance Growth Fund (An Open Ended Equity Growth Scheme): The primary investment objective of the scheme is to achieve long-term growth of capital by investing in equity and equity related securities through a research – based investment approach. .

Risk Factors: Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Scheme will be achieved. As with any investment in securities, the NAV of the Units issued under the Scheme can go up or down depending on the factors and forces affecting the capital markets. Past performance of the Sponsor/AMC/Mutual Fund is not indicative of the future performance of the Scheme. Reliance Growth Fund is the name of the Scheme and does not in any manner indicate either the quality of the Scheme; its future prospects or returns. The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond their initial contribution of Rs.1 lakh towards the setting up of the Mutual Fund and such other accretions and additions to the corpus. The NAV of the Scheme may be affected, interalia, by changes in the market conditions, interest rates, trading volumes, settlement periods and transfer procedures. The Mutual Fund is not assuring that it will make periodical dividend distributions, though it has every intention of doing so. All dividend distributions are subject to the availability of distributable surplus in the Scheme. For details of scheme features apart from those mentioned above and for scheme specific risk factors, please refer to the Scheme Information Document. **Please read the Scheme Information Document carefully before investing.**