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Rel Mutual Fund collects Rs 2,350 cr via infra fund

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RELIANCE Mutual Fund has collected Rs 2,350 crore from its Infrastructure Fund — its new fund offer (NFO). This is the biggest collection by an NFO in the past one-and-a-half year and the eighth largest in the last five years. The fund house had received over 4.36 lakh applications in 434 centres across the country for the fund.

Reliance Natural Resource Fund had raised over Rs 5,600 crore in January 2008. Recently, ICICI Prudential Target Return Fund collected Rs 800 crore.

Sandeep Sikka, chief executive officer, Reliance Mutual Fund said around 95 per cent of the money collected has come from retail investors. "This is truly remarkable considering that the industry is still recovering from the economic slowdown. This proves that investors are willing to invest their money, if they are offered the right product at the right time," Sikka said.

He said new schemes should be relevant to investors, both in terms of features and timing so that more investors can partici-

Top 10 equity NFOs in last five years

Scheme	Mobilisation (Cr)
Reliance Equity	5,790.00
Reliance Natural Resources	5,660.00
UTI Infrastructure Advantage - Series I	3,500.00
State Bank of India Bluechip	2,850.00
Reliance Equity Advantage Retail	2,645.14
SBI Infrastructure Fund Series-1	2,536.50
Sundaram BNP Paribas Energy Oppt	2,431.96
Reliance Infrastructure Fund	2,350.00
Tata Indo Global Infrastructure	2,216.70
Reliance Long Term Equity	2,091.62

Source: Value Research

pate and benefit. "That is why we launched the Infrastructure Fund now in spite of getting approval in June, 2008. Looking at the market conditions then, we postponed the launch and refilled the product again to launch in June," he added.

According to Reliance Mutual Fund, the collection is more than 100 per cent of the combined industry NFO collection in the past 12 months.

Rajiv Bajaj, managing director, Bajaj Capital, said, the over Rs 2,000 crore collection by the NFO is "formidable" given the market conditions. "Though the infrastructure sector has been the

flavour of the season, especially after the election results, the success of the fund also shows investors faith in Reliance Mutual Fund, which has given consistence performance ever since it started operations," he added.

Among all equity NFOs, Reliance Equity has been the top grosser in the past five years with a collection of Rs 5,790 crore in 2006, followed by Reliance Natural Resource Fund (Rs 5,660 crore) in 2008 and UTI Infrastructure Advantage-Series I (Rs 3,500 crore) in December 2007.

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