



**A Weekly Investment Newsletter From KARVY**  
**A Research Product of Karvy The Finapolis**

1<sup>st</sup> February 2008 to 07<sup>th</sup> February 2008

Volume II: Issue 05

**Standard Chartered Small & Mid-Cap Equity Fund**

Standard Chartered Small and Midcap Equity Fund is a close ended scheme which predominantly invests in equity and equity related instruments of small and midcap stocks.

**Fund Diagnosis:**

**Risk-return profile:**

The fund seeks to invest primarily in midcap and small cap stocks. Since high volatility is associated with such stocks, investment in this fund involves higher degree of risk when compared to diversified or largecap funds. However, on the back of growing economy and the size migration of smallcaps to midcaps and midcaps to largecaps, the fund offers higher return potential

than a diversified or largecap fund. Hence, in terms of risk-return parameters, this kind of a fund is more risk prone than any other equity diversified fund and a pure midcap fund.

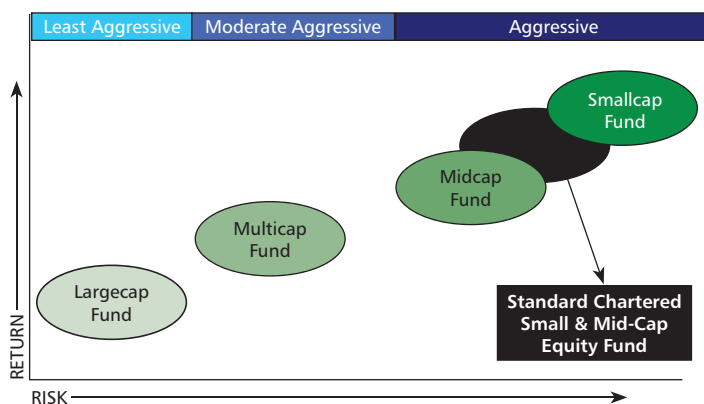
**Suitability:**

Investors willing to take additional risk to achieve higher returns can opt for the fund.

**Preferred investment duration:**

In order to mitigate the risk associated with midcap and smallcap stocks and realize true potential of the growth of these stocks, the fund should be held for a minimum of 3 years.

**Risk-Return Grid:**



**Investment Strategy:**

- ❖ An integral part of the strategy for Standard Chartered Small & Mid-Cap Equity Fund will involve identifying small & mid cap stocks with the exposure in
  - Small Cap – 15% to 50%
  - Mid Cap – 50% to 85%
- ❖ Invest in young companies which have high growth potential.
- ❖ Companies entering high growth phase in emerging new sectors.

**Invest in**

Standard Chartered  
**SMALL & MID-CAP**  
 EQUITY (SME) FUND

**and GAIN from the  
 BIG PERFORMANCE of  
 SMALL COMPANIES**

Little companies that beat the market.

Educomp	Deep Industries	ZEE Entertainment	DR.REDDY'S Ltd.	VSNL
Anant Raj Inds	Suzlon	Kalpitaru Power	Alphageo	Karaturi Network
Indian Hotel	JM Financial	India Bulls	Ganesh Housing	Pantaloons
rajay Engg	ICSA (India)	Videocon Inds	Punj Llyod	HCC
Phoenix Mills	Elecon Engg. Co.	Ansal Properties	Era Infra	Champagn Indage
Himadri Chemical	Lakshmi Energy	B F Utilities	Mercator Lines	Jai corp
			Sanghvi Movers	Walchand Ind.

Standard Chartered  
**SMALL & MID-CAP**  
 EQUITY (SME) FUND

Standard Chartered  
 Mutual Fund

**For more information on MUTUAL FUNDS contact: 1800-425-8283**

## Snapshot

<b>Offer period</b>	9 Jan 08 to 15 Feb 08
<b>Offer price</b>	Rs.10
<b>Investment objective</b>	The investment objective of the Scheme is to seek to generate capital appreciation from a diversified portfolio of equity and equity related instruments. The Scheme will predominantly invest in small and mid-cap equity and equity related instruments.
<b>Benchmark</b>	CNX-Midcap
<b>Scheme type</b>	Equity (Close-ended)
<b>Plans offered</b>	Growth and Dividend
<b>Minimum investment</b>	Rs.5000 and in multiples of Rs. 1 thereafter
<b>Entry load</b>	Nil
<b>Exit load</b>	Proportionate unamortisation expenses
<b>Liquidity</b>	Redemption permitted after 1 year and then after every 6 months
<b>Fund Manager</b>	Mr Kenneth Andrade

Source: Standard Chartered AMC

## Why mid-caps & small-caps?:

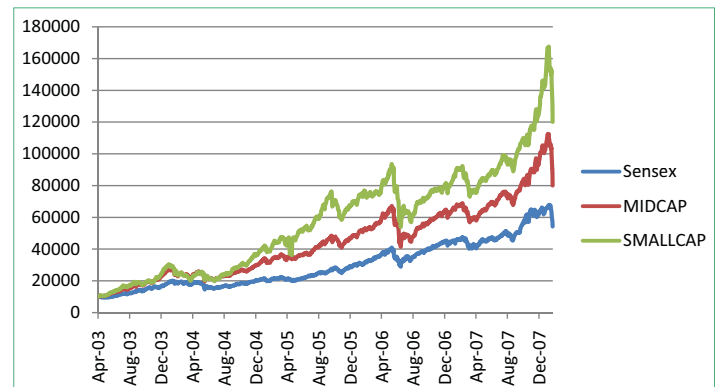
On the back of growing economy, markets are witnessing size migration, wherein smallcaps are growing to midcaps, midcaps are growing to become largecaps and largecaps are becoming larger. And in this whole picture, midcap and smallcap stocks are growing at a faster rate than largecap stocks. Following are the reasons for the high returns offered by midcap and smallcap segments:

- ❖ **High growth potential:** As the firm expands, it starts gaining benefits from the economies of scale and their sales and earnings tend to grow at attractive rates. Further, with lower turnover and net profits, any increase in absolute amounts translates into higher percentage of growth rate.
- ❖ **Re-rating potential:** Since there are a lot many midcap and smallcap stocks as compared to largecap ones, research on most of these stocks is not available and hence most of the midcap and smallcap businesses are yet to be fully discovered. As a result most of these stocks have a high re-rating potential.
- ❖ **Capturing new opportunities:** As these firms are small in size, they can be more agile in taking management decisions.

## Capitalizing through the mid 'n' small way:

Historically, midcap and smallcap stocks have offered higher returns than largecap. The chart below shows the growth of investment in the three indices. While midcap indices have delivered higher returns than largecap indices, smallcap index has given the highest returns. At the same time, higher volatility could be witnessed as one move from large cap to midcap and then further to smallcap stocks.

## Growth of investment of Rs. 10,000 (since Apr 2003):



## Why mid-caps & small-caps outperform large-caps?:

- a) **High growth curve:** Small sized companies have the potential to grow at a higher rate when compared to larger firms due to following reasons.
  1. As the firm expands, it starts gaining benefits from the economies of scale and their sales and earnings tend to grow at attractive rates. This makes these firms an attractive investment avenue.
  2. Due to smaller figures of earnings, the earnings of such firms grow at a higher rate.
  3. As these firms are small in size, they can be more agile in taking management decisions.
- b) **Not enough research:** The large cap universe consists of roughly 150 stocks. On the other hand, the universe of mid cap and small cap is vast comprising of approximately 350 and 2000 stocks respectively. Hence, research on all these stocks is not feasible. As a result of limited research, the scope of finding unidentified stocks at attractive valuations is higher.
- c) **Higher scope for institutional participation:** Institutional ownership in mid cap and small cap stocks is relatively lower than large cap stocks. Institutional participation leads to re-rating of the stocks, which results in increased market prices.

Please read the offer document/prospectus carefully before investing in this fund

For information on KARVY FINANCIAL PLANNING contact: 1800-425-8283

**Standard Chartered Small & Midcap Equity (SME) Fund**

A close ended equity scheme with no assured returns from Standard Chartered Mutual Fund. The tenor of the Scheme is 36 months with automatic conversion into an open ended equity scheme on completion of 36 months. Please read the Offer Document for further details.

**APPLICATION FORM**

App. No. \_\_\_\_\_

Please read the Instructions before completing this Application Form

**New Fund Offer Opens : 9 January, 2008**

**New Fund Offer Closes : 15 February, 2008**

**DISTRIBUTOR INFORMATION (Not to be filled in by Applicant)**

Broker Name / ARN No.	Sub Broker Name / ARN No.	Bank Code	Branch Code	Bank Sr. No.	Date of Receipt
<b>ARN- 0018</b>					

**1. EXISTING UNITHOLDER INFORMATION** (Please fill in your Folio No., and blocks 3, 8, 10 and 11 only in the Application Form) Please note that applicant(s) details should be as per existing Folio No.

Folio No. \_\_\_\_\_ Scheme Name \_\_\_\_\_

**2. APPLICANT'S INFORMATION** (refer instruction A) Fresh / new investors fill in all the blocks (2 to 10)

Name of First / Sole Applicant / Corporate Investor \_\_\_\_\_ Date of Birth 

D	D	/	M	M	/	Y	Y	Y	Y
---	---	---	---	---	---	---	---	---	---

Mr. Ms. M/s. \_\_\_\_\_

PAN\* \_\_\_\_\_ ENCLOSED (Please )  PAN Proof KYC COMPLIANCE PROOF ENCLOSED (Please )

Name of the Second Applicant \_\_\_\_\_

Mr. Ms. M/s. \_\_\_\_\_

PAN\* \_\_\_\_\_ ENCLOSED (Please )  PAN Proof KYC COMPLIANCE PROOF ENCLOSED (Please )

Name of the Third Applicant \_\_\_\_\_

Mr. Ms. M/s. \_\_\_\_\_

PAN\* \_\_\_\_\_ ENCLOSED (Please )  PAN Proof KYC COMPLIANCE PROOF ENCLOSED (Please )

Name of Guardian (in case of First / Sole Applicant is a Minor / **Contact Person - Designation** (in case of non-individual Investors)

Mr. Ms. M/s. \_\_\_\_\_

PAN@ \_\_\_\_\_ ENCLOSED (Please )  PAN Proof KYC COMPLIANCE PROOF ENCLOSED (Please )

\* PAN Number and PAN Proof is Mandatory for all Applicants, irrespective of the amount of investment. Please attached a copy of PAN card.

@ In case of minor investing Rs. 50,000/- or more PAN of the guardian should be mentioned, if minor has no PAN.

KYC Mandatory if amount invested is Rs.50,000 or more. This will be applicable for each of the applicants. In the absence of KYC Compliance, the AMC reserves the rights to reject the application. Please attached a copy of KYC Compliance.

**ADDRESS OF FIRST / SOLE APPLICANT / CORPORATE INVESTOR** (P. O. Box Address may not be sufficient Investors residing overseas, please provide your Indian address)

\_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Pin Code \_\_\_\_\_

**CONTACT DETAILS OF FIRST / SOLE APPLICANT**

STD Code \_\_\_\_\_ Tel. Off. \_\_\_\_\_ Res. \_\_\_\_\_

Mobile \_\_\_\_\_ E-mail \_\_\_\_\_

Please fill Mobile No. for SMS Alert.

**3. PAYMENT OPTIONS** (Please mention the application Serial Number and the first applicant's name on the reverse of the Cheque. Please ensure there is only one Cheque per application form. Third party cheque signatory should sign in signature box provided therein.) Please () either Debit Mandate or Cheque / DD Payment

**3A. Debit Mandate** (please fill the Debit Mandate below)  **3B. Cheque / DD Payment**

Debit my (Please  any one only)  SCB  ABN AMRO Bank Cheque / DD No. \_\_\_\_\_ Dated \_\_\_\_\_

SB / Current A/c No. \_\_\_\_\_ Drawn on (Bank / Branch Name) \_\_\_\_\_

Branch \_\_\_\_\_ Cheque Issuer Name (in case cheque is issued by third party) \_\_\_\_\_

Total Amount | in figures (Rs.) \_\_\_\_\_ inclusive of DD charges in words \_\_\_\_\_ inclusive of DD charges DD Charges \_\_\_\_\_ if paid

... continued overleaf

**DEBIT MANDATE** (for SCB and ABN AMRO Bank account holders only) The Debit Mandate is to be submitted along with the transaction details. Filling up the Debit Mandate alone is not sufficient. Debit Mandate should not be detached from the Application Form.

To, Branch Manager - Standard Chartered Bank / ABN AMRO Bank  
 I / We (Name of account holder) \_\_\_\_\_ App. No. \_\_\_\_\_

authorise to Debit my / our Bank Account No. \_\_\_\_\_ with ( any one only)  SCB  ABN AMRO Bank

For Rs. (figures) \_\_\_\_\_ (words) \_\_\_\_\_

\_\_\_\_\_ with you and to pay Standard Chartered Small & Midcap Equity (SME) Fund

Please also sign in the signatures section on the reverse of the Application Form Date : \_\_\_\_\_ Signature of Applicant(s) / Authorised Signatory(s)

**ACKNOWLEDGEMENT SLIP** (To be filled in by the investor)

**Standard Chartered Small & Midcap Equity (SME) Fund**

Date : \_\_\_\_\_

App. No. \_\_\_\_\_

Received from Mr. / Ms. / M/s. \_\_\_\_\_

an application for allotment of units in Standard Chartered Small & Midcap Equity (SME) Fund. Debit Mandate  SCB  ABN AMRO Bank  Cheque / DD

Cheque / DD No. \_\_\_\_\_ Investment Amount (Rs.) \_\_\_\_\_

Bank \_\_\_\_\_ Branch \_\_\_\_\_

All purchases are subject to realisation of Cheque / Demand Draft / Debit Mandate

Signature & Stamp

**4. STATUS (of First / Sole Applicant) (Please ✓)**

Resident Individuals     Company / Body Corporate     Proprietor     NRI-NRE  
 NRI - NRO     FII     Trust     HUF     On Behalf of Minor     Partnership Firm  
 Society     PIO     Bank     Others (please specify) \_\_\_\_\_

**5. OCCUPATION (of First / Sole Applicant) (Please ✓)**

Service     Housewife     Defence     Professional     Retired     Business  
 Dealer in High Value commodities (Traders in Precious Metals, Jewellers & Antique Dealers)  
 Money Service Bureau     Others (please specify) \_\_\_\_\_

**6. MODE OF OPERATION (Please ✓)**

Joint     Anyone or Survivor\*    \*Default option is Anyone or Survivor

**7. BANK ACCOUNT DETAILS (Please note that as per SEBI Regulations it is mandatory for investors to provide their bank account details)**

Name of the Bank \_\_\_\_\_ Branch \_\_\_\_\_  
 Account No. \_\_\_\_\_ Bank City \_\_\_\_\_ State \_\_\_\_\_  
 IFSC Code \_\_\_\_\_ MICR Code \_\_\_\_\_  
 Account Type (Please ✓)  Savings     Current     NRE     NRO     FCNR     Others \_\_\_\_\_ (please specify)  
**This is the 9 digit number to the right of the cheque no. Please attach a blank extra cancelled cheque or a clear photocopy of the cheque.**

**8. INVESTMENT DETAILS**

Scheme **STANDARD CHARTERED SMALL & MIDCAP EQUITY (SME) FUND**    Option (Please ✓)  Growth\*     Dividend  
 Dividend Payout     Dividend Reinvest\*    \* Default Option  
 The Cheque / DD should be drawn in favour of **Standard Chartered Small & Midcap Equity (SME) Fund** and crossed **A/c. Payee Only**

**9. E-MAIL COMMUNICATION (Please ✓)**

I / We wish to receive the following document(s) via e-mail in lieu of physical document(s)     Newsletter     Account Statement     Annual Report     Other Information

**10. NOMINATION / CANCELLATION OF NOMINATION (To be filled in by Individual(s) applying Singly or Jointly)**

Having read and understood the instruction for Nomination, I / We hereby nominate the person more particularly described hereunder / and / cancel the Nomination made by me / us on the \_\_\_\_\_ day of \_\_\_\_\_ in respect of the Units under the Folio \_\_\_\_\_ held by me/us.

**Name and Address of the Nominee**

\_\_\_\_\_  
 \_\_\_\_\_  
 City \_\_\_\_\_ State \_\_\_\_\_ Pin Code \_\_\_\_\_

**Nominee's relationship with the Applicant**

\_\_\_\_\_

**Date of Birth of Nominee**

D D / M M / Y Y Y Y

**If Nominee is a Minor, details of the Guardian required :****Name and Address of the Guardian**

\_\_\_\_\_  
 \_\_\_\_\_  
 City \_\_\_\_\_ Pin Code \_\_\_\_\_  
 State \_\_\_\_\_  
**Signature of Guardian** \_\_\_\_\_

**Guardian's relationship with the Minor Nominee**

\_\_\_\_\_

**11. DECLARATION AND SIGNATURES****The Trustee, Standard Chartered Mutual Fund**

Having read and understood the contents of the Offer Document of the Scheme, I / We hereby apply for units of the scheme and agree to abide by the terms, conditions, rules and regulations governing the scheme. I / We hereby declare that the amount invested in the scheme is through legitimate sources only and does not involve and is not designed for the purpose of the contravention of any Act, Rules, Regulations, Notifications or Directions of the provisions of the Income Tax Act, Anti Money Laundering Laws, Anti Corruption Laws or any other applicable laws enacted by the government of India from time to time. I / We have understood the details of the scheme and I / We have not received nor have been induced by any rebate or gifts, directly or indirectly in making this investment. I / We confirm that the funds invested in the Scheme, legally belong to me / us. In the event "Know Your Customer" process is not completed by me / us to the satisfaction of the Mutual Fund, I / We hereby authorise the Mutual Fund, to redeem the funds invested in the Scheme, in favour of the applicant at the applicable NAV prevailing on the date of such redemption and undertaking such other action with such funds that may be required by the Law.

**For NRIs only:** I / We confirm that I am / we are Non Residents of Indian Nationality / Origin and that I / we have remitted funds from abroad through approved banking channels or from funds in my / our Non-Resident External / Non-Resident Ordinary / FCNR account.

I / We confirm that details provided by me / us are true and correct.

Date \_\_\_\_\_

**SIGNATURE(S)**

First / Sole  
Unit holder

Second  
Unit holder

Third  
Unit holder

Third Party  
Cheque Issuer

Contd ... Standard Chartered Small & Mid-Cap Equity Fund

## Performance of a few comparable funds:

Scheme Name	Corpus Size (Rs. Crs) as on Dec, 07	Return as on Jan 23, 08		
		3-month (abs.)	6-month (abs.)	1-year (ann.)
Birla Long Term Adv Fund	481.71	-2.09	3.02	14.40
DBS Chola Midcap Fund	39.15	3.64	14.84	27.77
DSP Merrill Lynch Small and Midcap Fund	1506.04	4.33	11.38	25.11
HDFC Mid-Cap Opportunities Fund	1680.41	5.97	13.82	--
JM Small & Mid-Cap Fund - Regular	287.58	12.40	29.05	--
Lotus India Mid Cap Fund	60.24	13.72	17.73	--
Sundaram BNP Paribas Select Small Cap Fund	458.00	5.61	11.34	--

Source: MFI explorer

Note: The above mentioned funds are not strictly comparable to Standard Chartered Small & Mid-Cap Equity Fund as each one of them have defined small cap and mid cap stocks differently. Few of the funds may have some allocation to mid cap stocks.

## Performance of a few existing funds of Standard Chartered Mutual Fund:

Scheme Name	Corpus Size (Rs. Crs) as on Dec, 07	Return as on Jan 23, 08		
		3-month (abs.)	6-month (abs.)	1-year (ann.)
Standard Chartered Arbitrage Fund - Plan A	1218.33	2.49	4.58	9.59
Standard Chartered Classic Equity Fund	496.55	-0.03	18.62	37.72
Standard Chartered Enterprise Equity Fund	1974.65	-5.49	--	25.9
Standard Chartered Imperial Equity Fund	176.05	-3.28	15.28	30.57
Standard Chartered Premier Equity Fund	818.30	20.26	37.25	77.31
Standard Chartered Tax Saver (ELSS) Fund	102.48	7.04	24.49	--
Benchmark Index – BSE 200		-0.65	16.01	32.81

Source: MFI explorer

## Proposed Asset Allocation:

Equity and Equity related instruments of companies which have a market capitalization lower than the highest components of CNX Midcap Index*	65-100%
Equity & Equity related instruments of companies which have a market capitalization higher than the highest component of CNX Midcap Index	0-35%
Debt and Money market instruments	0-35%

Source: Standard Chartered AMC

\*Scheme would seek to limit the investment in Companies with market capitalization less than Rs.100 Crores, to 15% of outstanding corpus.

### Tax implication:

The fund will invest a minimum 65% of its funds in Indian equities. So, it will be treated as an equity oriented fund and the tax implications are:

**Dividends will be completely tax-free**

**Short Term Capital Gain: 11.33%**

**Long Term Capital Gain: Nil**

**STT 0.25% on sale**

### Fund Manager:

**Mr. Kenneth Andrade** is a commerce graduate from Mumbai University. Prior to joining Standard Chartered Mutual Fund he worked for 3 years with Sharekhan. He has also worked with Apple Asset Management Company Ltd., Meghraj Financial Services Ltd. and LSP Shares and Securities Ltd.

**For assistance on SIP investment in this fund contact: 1800-425-8283**

## Aspire Life

Aspire Life is a unit linked insurance policy from Bharti AXA Life Insurance Company Limited.

### Unique features

1. First year premium under the policy is used for the provision of a **Guaranteed Special Addition**. This is payable as part of maturity/death benefits. Guaranteed Special Addition is calculated as a percentage of the first year regular premium amount, depending on the policy term opted for. The first year regular premium is not allocated towards the investment fund(s) chosen under the policy.

Policy Term	15 years	20 years	25 years
Guaranteed Special Addition as a percentage of first year regular premium	130%	160%	175%

2. If the regular annual premium is Rs. 50,000 or more, **no premium allocation charge** is payable under the policy. The other policy charges are applicable from the second year onwards, irrespective of the annual premium amount.
3. **Sum assured** under the policy is calculated as a multiple of the regular annual premium depending on the policy term opted for.

Policy Term	15 years	20 years	25 years
Sum assured as a multiple of regular annual premium	10 times	15 times	20 times

4. **Premium holiday option** provides flexibility of managing the changing financial requirements.

### Policy benefits

**Maturity benefit:** The fund value (as calculated on the date of maturity) and the guaranteed special additions are payable as policy maturity benefits. This benefit can be received by the policyholder as a lump sum or in installments over a period of upto 5 years, or as a combination of both.

**Death benefit:** In the event of death of life assured during the policy term, either the sum assured (net of partial withdrawals, if any, made from regular premium's policy fund value in the 12 months prior to death) **or** the policy fund value plus the applicable guaranteed special addition, whichever is higher is payable to the nominee / beneficiary under the policy.

In case of death occurring during the first policy year, the death benefit would be higher of sum assured or the amount of the first year premium multiplied by market index factor. Here, the market index factor is defined as the ratio of NSE CNX Nifty Index (closing value) as on policy issue date to the NSE CNX Nifty Index (closing value) as on date of death.

In case of death of the life insured before attaining the age of 5 years (age as on last birthday) or before the policy anniversary date immediately after attaining 5 years of age, the death benefit payable would be:

Death in the 1 <sup>st</sup> policy year	1 <sup>st</sup> year regular premium multiplied by market index factor would be payable
Death after the 1 <sup>st</sup> policy year	Policy fund value plus the guaranteed special addition as applicable, would be payable

### Eligibility parameters

**Age at entry:** minimum – 3 years; maximum – (70 years less policy term) i.e. 55 years, 50 years and 45 years for the policy term of 15, 20 and 25 years, respectively.

**Maximum age at maturity:** 70 years

**Policy term:** 15 years, 20 years or 25 years

**Minimum premium:** regular premium – Rs.18,000 p.a.; top-up premium – Rs.5,000

**Premium payment frequency:** annual, semi-annual, quarterly or monthly. Quarterly and monthly premium frequencies are available only via the ECS payment mode.

**Top-up premium** payment at any time during the policy term cannot be more than 25% of the total regular premium paid till that date.

### Tax benefit

The premium payable under the policy is eligible for deduction under Section 80C of the Income Tax Act, 1961. Also, the benefit payments under the policy are exempt from tax under Section 10(10D) of the Act.

**Insure LIFE**  
through  
**AspireLife**

A unit-linked plan  
that protects and guarantees return  
of your first year premium.



Be Life Confident



## IPOs

### The initial public issue of Emaar MGF Land Limited

Emaar MGF Land Limited is a joint venture between Emaar and MGF on an exclusive basis in India.

The mission of the company is to develop and deliver unique integrated lifestyle and work place environments and planned developments and to be recognized as a responsible corporate citizen and an employer of choice.

In its **residential business** line, the company's main focus is on developing integrated master planned communities in the mid to luxury segment, wherein it designs, builds and sells a wide range of properties including villas, townhouses and

apartments of varying sizes.

In its **commercial business** line, the company is focused on developing, selling and leasing office and SEZ properties targeted towards a wide range of customers from individual users and small companies to large corporate in various sectors including IT and ITES. Company's commercial properties shall include both stand-alone commercial sites and properties forming part of its integrated master planned communities.

In its **retail business** line, the company is developing for sale or lease shopping centers within its inte-

grated master planned communities and on a stand-alone basis, large regional destination malls and luxury retail space at its luxury hotel developments.

In its **hospitality business** line, the company is developing hotels at various price points in the luxury, up market, midmarket and budget segments across India. It intends to enter into management agreements with well-recognized, experienced and successful international hospitality companies for the operation and management of its hotels, on an exclusive geographical basis wherever possible.

### Snapshot

**Price Band:** Rs.610 to Rs.690 per equity share

**Issue available to public for subscription is for:** 10,25,70,623

**No. of shares reserved for subscription by retail investors:** 3,07,71,187

**Issue is managed by:** Enam Securities Private Limited, DSP Merrill Lynch Limited, Citigroup Global Markets India Private Limited, Goldman Sachs (India) Securities Private Limited, HSBC Securities and Capital Markets (India) Private Limited, J. P. Morgan India Private Limited, Kotak Mahindra Capital Company Limited

**Registrar to the Issue is:** Karvy Computershare Private Limited

## IPOs in Pipeline

### IRB Infrastructure Developers Ltd

**Opening on:** Jan 31, 2008

**Closing on:** Feb 05, 2008

**Price:** Rs. 180 to Rs. 220

### Wockhardt Hospitals Ltd

**Opening on:** Jan 31, 2008

**Closing on:** Feb 05, 2008

**Price:** Rs. 280 to Rs. 310

### Manjushree Extrusions Ltd

**Opening on:** Jan 31, 2008

**Closing on:** Feb 06, 2008

**Price:** Rs. 45 (Fixed price)

### Tulsi Extrusions Ltd

**Opening on:** Feb 01, 2008

**Closing on:** Feb 05, 2008

**Price:** Rs. 80 to Rs. 85

### Emaar MGF Land Ltd

**Opening on:** Feb 01, 2008

**Closing on:** Feb 06, 2008

**Price:** Rs. 610 to Rs. 690

### SVEC Constructions Ltd

**Opening on:** Feb 04, 2008

**Closing on:** Feb 08, 2008

**Price:** Rs. 85 to Rs. 95

## Personal Finance Planning

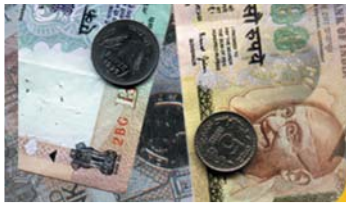
### Nuts and Bolts of PFP

#### Introduction to Financial Planning

Personal financial planning is the process of meeting your life goals through the proper management of your finances. Life goals can include buying a home, saving for your child's education or planning for retirement etc. While embarking on a journey to achieve the financial objectives, as a first step it is

necessary to prioritize amongst them. Making investments in a haphazard manner may not yield the desired results. Any investment choice should be preceded by a careful introspection of one's needs and requirements, analysis of income and expenditure and last but not least, an objective prioritization of the goals. The objective of financial planning is to find ways to increase the individual's net worth and help the individual accomplish all his financial goals.

It identifies financial roadblocks that create barriers to achieving financial independence. Problem areas can include too little or too much insurance coverage or a high tax burden, the individual's cash flow may be inadequate, or the current investments may not be winning the battle with changing economic times. Clear cut clarity could be brought out in the form of making a detailed and a comprehensive financial plan.



# KARVY BAZAAR BAATEIN

**KARVY** *the* **Finapolis**  
Your Personal Finance Advisor

1<sup>st</sup> Feb 2008 to 07<sup>th</sup> Feb 2008

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## HSBC Investments



Some little ones have more growth potential than others

sms INVEST to 56767

Presenting the HSBC Small Cap Fund. It invests in small cap companies that have the potential to grow into tomorrow's blue chips. Selectively picked by our fund managers, these are the stocks that have strong fundamentals and are under-priced relative to their intrinsic value. It's a good way to ensure that your portfolio grows along with the stocks that it invests in. To know more on how to invest, call us or your investment advisor today.

## HSBC Small Cap Fund

A close-ended equity scheme

**NFO closes 03 March 2008**

HSBC  Mutual Fund

Issued by HSBC Asset Management (India) Private Limited.

[www.hsbcinvestments.co.in](http://www.hsbcinvestments.co.in)

For more information call: • Ahmedabad 098983 77319 / 21 • Andhra Pradesh 098496 77319 / 21 • Bangalore 080 4118 6519 / 21 • Bihar 099313 97319 / 21 • Chandigarh 0172 500 8119 / 21 • Chennai 044 4200 8719 / 21 • Coimbatore 098944 77319 / 21 • Delhi 011 4149 0719 / 21 • Hyderabad 040 6667 4719 / 21 • Indore 098934 77319 / 21 • Jaipur 099280 37319 / 21 • Karnataka 099809 27319 / 21 • Kerala 098954 77319 / 21 • Kochi 098954 77319 / 21 • Kolkata 033 2213 9919 / 21 • Lucknow 099367 97319 / 21 • Maharashtra / Goa 099600 77321 • MP / Chattisgarh 098934 77319 / 21 • Mumbai 022 6666 8819 / 21 • NCR 099107 97319 • Pune 020 2600 1119 / 21, 020 2613 4283 • Punjab 098769 37319 / 21 • UP 099350 97321 • Vadodara 098983 77319 / 21 or write to us at [hsbcmf@hsbc.co.in](mailto:hsbcmf@hsbc.co.in)

Investors may obtain Offer Documents and Key Information Memorandums along with application forms from the office of HSBC Mutual Fund, 314 D.N. Road, Fort, Mumbai 400 001. Tel: 022-6666 8819. **Statutory Details:** HSBC Mutual Fund has been set up as a trust by HSBC Securities and Capital Markets (India) Private Limited (liability restricted to the corpus of Rs 1 lakh). The Sponsor/associates of the Sponsor/Asset Management Company (AMC) are not responsible or liable for any loss or shortfall resulting from the operation of the Schemes. The Trustees of HSBC Mutual Fund have appointed HSBC Asset Management (India) Private Limited as the Investment Manager. **Risk Factors:** All investments in mutual funds and securities are subject to market risks and the Net Asset Value (NAV) of the Scheme may go up or down depending on the factors and forces affecting the securities markets. There can be no assurance that the objectives of the Scheme will be achieved. Past performance of the Sponsor, AMC, Mutual Fund or any associates of the Sponsor/AMC does not indicate the future performance of the Scheme of the Mutual Fund. HSBC Small Cap Fund (HSCF) is the name of the Scheme and does not in any manner indicate the quality of the Scheme or its future prospects or returns. **Scheme Classification:** HSCF is a three year close-ended equity scheme with automatic conversion into open ended equity scheme at the end of three years from the date of allotment of Units. **Investment Objective:** HSCF (a close-ended equity scheme) seeks to provide long-term capital appreciation primarily from a diversified portfolio of equity and equity related instruments of small cap companies. **Asset Allocation:** Equity and equity related instruments of Small Cap Companies\* - 65 to 100%; Equity and equity related instruments of other than Small Cap Companies\* - 0 to 35% and Debt and money market instruments - 0 to 35%. \* Small Cap Companies are defined as the Companies with the market capitalization which is 1) lower than or equal to the market capitalization of the stock in the BSE Small Cap Index with the largest market capitalization and 2) higher than or equal to the market capitalization of the stock in the BSE Small Cap Index with the smallest market capitalization. **Terms of Issue:** Units of the Scheme are being offered at Rs. 10/unit for cash during the NFO. The AMC will calculate and publish the first NAVs within 30 days from the closure of the NFO. Subsequently, the NAVs will be calculated and disclosed at least once a week, i.e., every Wednesday and daily during the period of redemption. Subscription to the units will be permissible only during the New Fund Offer period. The scheme will not be open for ongoing subscriptions/switch ins. However, units can be redeemed/switched out on a monthly basis on the stipulated date i.e. last 3 business days of every month at NAV based prices, subject to provisions of exit load, if any and recovery of balance proportionate unamortized NFO expenses. **Load Structure ^: During NFO & the close ended period** - Entry - Nil; Exit # - If the investments are redeemed/switched out within: 1 year - 2%; 2 years - 1.5% and 3 years - 1%. # Balance proportionate unamortized NFO expenses to be recovered in case of exit within close-ended period. **Upon conversion into open ended scheme** - Entry - For investments/switched in below Rs. 5 Crores - 2.25%, otherwise Nil; Exit - Nil. ^ No entry load shall be charged in case of direct applications received by the AMC i.e. application received through internet, submitted to AMC or Collection Centre/Investor Service Centre and are not routed through any Distributor/Agent/Broker. It shall also be applicable to additional purchases done directly by the investor under the same folio and switch-in to a scheme from other schemes if such a transaction is done directly by the investor. The entry/exit loads set forth above are subject to change at the discretion of the AMC and such changes shall be implemented prospectively. **Please read the Offer Document carefully before investing.**

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