



KARVY BAZAAR BAATEIN

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Unit linked Insurance Plans

Conceptual overview of a unit linked insurance plan

Unit linked insurance plans are undisputedly the most popular plans in the insurance industry today. These plans have carved a niche for themselves by combining the best of both mutual funds and insurance. While the risk mitigation part of a unit linked insurance plan covers against the adverse financial repercussions of death of the life assured, the savings component gets invested in market linked fund schemes thus assisting in creation of wealth over a long period of time. These plans are very much suited as the dependable basis for the creation of wealth for the achievement of major financial objectives of ones life. These plans are ideal for individuals who are interested in a single product which combines the benefits of investment returns along with cover for the life contingency.

Also, unit linked insurance plans qualify for the usual tax benefits that are available to the other categories of insurance plans. These benefits are:

- (i) Contribution towards the premium for a unit linked insurance plan is eligible for a deduction under the provisions of Section 80C of the Income Tax Act 1961, up to a maximum limit of Rs.1,00,000.
- (ii) A benefit amount that is received from a unit linked insurance policy is exempt from tax under the provisions of Section 10(10D) of the Act. Here, the benefits receivable under unit linked pension plans are subject to the requirements of commutation of a specific proportion and the remaining as used for the purchase of an annuity plan.
- (iii) In case if unit linked insurance plan also provides the benefits of reimbursement of hospitalization and associated

expenses, the premium payable (to the extent of this medical coverage) is eligible for deduction under the provisions of Section 80D of the Act.

The broad parameters of the unit linked insurance plans are more or less the same as those in the traditional insurance plus savings plans. The only differentiating factor, apart from the participation of the saving component in capital markets, is the charges for these plans. Hence, before selecting any unit linked insurance plan, an individual should consider the following aspects:

- (i) The various charges that are involved in the plan. These charges will include both the usually applicable charges such as the premium allocation charge, fund management charge, policy administration charge and mortality charge as well as the charges that are applicable in specific instances such as the switching charge, miscellaneous charge (for alteration in policy) and surrender charge.
- (ii) The mode of computation of the charges – whether it is at a fixed amount or is expressed as a percentage of the premium or invested fund value.
- (iii) The actual value of premium that will go towards the charges in the 1st policy year, first few policy years and thereafter.

Ulip Classification

Unit linked insurance plans have the capacity of catering to the combined requirements of risk mitigation and wealth creation for varied necessities. These plans can be classified into the following categories:



I. Unit linked endowment plans

- (i) These plans invest a portion of the premium in market linked instruments which will depend upon the choice exercised by the investor.
- (ii) On maturity such plans will return the fund value.
- (iii) In the event of death, such plans will return the higher of the fund value of the sum assured. (Though there are other plans which offer the sum of sum assured along with the market value of the units.)

Unit linked endowment plans are the similar to the traditional endowment assurance plans with the additional benefit of the savings component under the former eligible for participation in the capital markets.

II. Unit linked whole life plans

- (i) These plans invest a portion of the premium in market linked instruments depending upon the choice exercised by the investor. It could be either aggressive / conservative or a balanced fund or a further combination of these funds.
- (ii) The cover risk cover is available throughout the life of the policyholder.
- (iii) The accumulated fund value is available as the maturity benefit. In some cases, maturity benefits are provided to the policyholder on the expiry of a specified term or at the attainment of specific age by the life assured, say 100 years.

III. Unit linked pension plans

- (i) For these plans also the policy holder had to make a choice of the investment funds as seen in the unit linked endowment and pension plans above.
- (ii) The main purpose of such plans is to accumulate a wealth corpus that could form the basis for a regular income for the policy holder in the retirement years.
- (iii) Some pension plans also offer a risk cover which provides a lump sum benefit in the event of the death of the policyholder.

IRDA Guidelines for Ulips

The charge structure of the unit linked insurance plans however made these plans complex and difficult to be understood by the layman. Moreover, earlier there was a lot of lack of uniformity in the terms and conditions of the unit linked policies. The IRDA Guidelines on ULIPs made effective from middle of 2006 was to a great extent successful in removing this anomaly and brought good amount of uniformity in this policy conditions. In this context, it becomes necessary to understand the revised guidelines issued by IRDA.

The procedure for computation of death benefits is as follows:

Policy term – 'T'

Policy term for a whole life plan - '70 minus current age'

2 possibilities can be identified – Single Premium (SP) and Annual Premium (AP) or Regular Premium (RP)

Minimum sum assured for a SP will be 125% of premium

Minimum sum assured for RP / AP will be $(0.5 \times T \times AP)$ or $(5 \times AP)$ whichever is higher.

The above regulations are not mandatory for a pension or annuity plan.

Sum assured payable on death cannot be reduced except for partial withdrawals made during the 2 year period immediately preceding death.

Term of the policy - The term of the unit linked insurance plan should be a minimum of 5 years.

Extension of risk cover - The risk cover cannot be extended beyond the policy term. Only deferred settlement options as per the contract to be allowed. Guaranteed amount - Every insurance company that is issuing a market linked insurance plan should necessarily provide a guaranteed amount on death. It will be left to the discretion of the insurance company whether to provide such guaranteed benefits in the event of maturity. Surrender of the policy - The insurance policy can be surrendered after the 3rd policy anniversary. Surrendering the policy would tantamount to the termination of the policy contract and the relation between the insured and the insurer will cease to exist.



Loans - No loans can be taken against the unit linked insurance plan.

Partial withdrawals - Partial withdrawals can be made from the policy fund after the completion of 3 years of premium payment. The partial withdrawal will be subject to the conditions of the policies of the insurance company.

Payment of the premiums - Premiums will have to be necessarily paid for 3 years. In case the policyholder stops paying the premiums after a period of 3 years, then the policy shall be continued for a certain stipulated period. During this period the risk cover shall continue as before. In case the policyholder does not pay his premiums, the accumulated value of the fund gets reduced year after year. In case the policyholder does not pay the premium for the first 3 years, the insurance cover ceases immediately. However, the policy can be revived as per the procedure.

Top ups - The policyholder can make additional top-ups in the premium payment. This is allowed only during the policy

We will now look at the product features of two recommendable unit linked insurance plans

term and only when the regular premiums have been paid. As long as the premium top-ups are less than 25% of the regular premiums, the sum assured norms need not be complied with. IRDA has authorized the insurance companies to give settlement options to the policyholder. Uniformity in the terminology of charges – IRDA has brought about uniformity in terms of the terminology and the nomenclature that is used for the charges of insurance company. The IRDA approved charges are: premium allocation charge, fund management charge, policy administration charge, surrender charge, switching charge, mortality charge, rider premium charge, withdrawal charge and miscellaneous charge. Every insurer should disclose the mode of computation of each of the charges and the same should be disclosed at the time of entering into the insurance policy.

Before investing in an investment and risk mitigation product such as a ULIP, every investor should carry out a close introspection of his own needs and requirements. Also, it is extremely important for an individual to be aware of the finer nuances of the product before taking a decision to purchase the same.

Product Showcase – DreamLife Pension Plan

DreamLife Pension Plan is a unit linked pension plan from Bharti AXA Life Insurance Company Limited.

Unique features

At the inception of the policy, the policyholder can choose to systematically increase the premiums by 5% or 8% each year with the Accumulator option. This option has been made available keeping in view the earning potential of the policy holder and can be stopped anytime during the policy term.

Policy provides the option to increase/decrease the premium any time after the 2nd policy year. This increase or decrease is subject to the minimum premium payable under the policy and any change has to be in the multiples of Rs.1,000.

Policy provides a special addition, starting from the end of the 10th policy year. This special addition is made to the policy fund every year till the retirement age. The amount of addition will be calculated as 0.10% of the average fund value for the preceding 36 months.

Top up premiums can be paid any number of times after the 1st policy year. Minimum top up premium amount is Rs.2,500 and there is no maximum limit on the top up amount that can be paid under the policy.

Policy holder has the option to change the retirement age anytime during the policy term.

Policy benefits

Vesting benefit – At the vesting (retirement) age, the policy holder has the option of taking 1/3rd of the fund value as tax free lump sum amount (as per the prevailing tax laws) and the remaining value should be used for purchasing an annuity plan from the above insurer or any other IRDA approved annuity provider.

Death benefit – In the unfortunate event of death of the policy holder during the policy term, the nominee will receive the entire policy fund value and the policy will cease to exist.

Eligibility parameters

Age at entry: minimum – 18 years; maximum – 55 years

Choice of vesting (retirement) age: minimum – 45 years; maximum – 65 years

The policy holder had the option to pre-pone or post-pone the retirement age, subject to a minimum policy term of 10 years

Policy term: minimum – 10 years; maximum – 65 years less age of the policy holder at entry

The policy can be taken as a single premium policy or a regular premium policy

Premium payment frequency in case of a regular premium policy: annual, semi-annual, quarterly and monthly. Quarterly and monthly premium frequencies are available only under ECS.

Minimum premium amount: single premium policy – Rs.25,000; regular premium policy – Rs.12,000 p.a.

Investment funds

Policy provides 3 investment funds to choose from, depending on factors such as ones financial objectives and the life stage. The details of the funds are:

| Fund Name | Investment Objective | Risk Profile | Investment Allocation | | | |
|---------------------------|---|--------------|-----------------------|---------------------------------|-----------------|-------------------------------|
| | | | Listed equities | Cash & Money market instruments | Corporate bonds | Government bonds & securities |
| Grow Money Pension | To provide long term capital appreciation | High | 80% to 100% | 0% to 40% | - | - |
| Save'n'Grow Money Pension | To provide a mix of income and capital appreciation | Moderate | 0% to 60% | 0% to 40% | 0% to 50% | 0% to 40% |
| Steady Money Pension | To provide steady income | Low | - | 0% to 40% | 20% to 80% | 20% to 80% |

The policy provides the option to change the allocation of the various investment funds to cater to the changing financial priorities and objectives.

The policy also provides the provision of switching of investment funds from one fund to the other. The minimum value of a switch should be Rs.2,500 and 4 switches can be availed free-of-charge in one policy year. A switching charge of Rs.100 per switch is applicable after these 4 free-of-charge switches.

Policy charges

Premium allocation charge – in case of a regular premium policy it is based on the amount of premium paid. The details are:

| Annual regular premium band | Year 1 | Year 2 | Year 3 | Year 4 & 5 | Year 6 + |
|-----------------------------|--------|--------|--------|------------|----------|
| Rs.12,000 to Rs.24,999 | 21% | 10% | 8% | 1% | 0% |
| Rs.25,000 to Rs.49,999 | 17% | 10% | 8% | 1% | 0% |
| Rs.50,000 and above | 15% | 10% | 8% | 1% | 0% |

If in case the accumulator option is chosen, the allocation charge for the additional premium will be as per the premium band applicable to the annual regular premium paid in the 1st policy year. For the purpose of levying the allocation charge, every increase in the annual regular premium over and above the previous year's annual regular premium shall be treated like a new policy and shall follow the premium allocation charge structure as mentioned above.

In case of single premium policy, the premium allocation charge will be 6% if the premium amount is from Rs.25,000 to Rs.99,999. For a premium of Rs.1,00,000 and above, the charge will be 2.5%.

In case of top up premium, the allocation charge will be 2%

Policy administration charge – is a fixed charge of Rs.30 per month and is deducted by cancellation of units on a monthly basis.

Fund management charge – is levied on each of the investment funds. For Grow Money Pension fund the charge is 1.50% p.a. For Steady Money Pension fund, it is 1.00% p.a. and for Save'n'Grow Money Pension fund it is 1.25% p.a.

Policy surrender

Policy provides the surrender facility with the surrender value depending on the year in which this option is exercised.

| Policy Year | Surrender value as % of the policy fund value | |
|-------------|---|-----------------------------|
| | For a regular premium policy | For a single premium policy |
| 1 | Nil | NA |
| 2 | 75% | NA |
| 3 | 88% | NA |
| 4 | 92% | 98% |
| 5 | 95% | 99% |
| 6+ | 100% | 100% |

Surrender value is payable subject to policy conditions.

Tax Benefits

Premium paid under the policy is eligible for deduction under the provision of Section 80C of the Income tax Act, 1961. The benefits payable under the policy are exempt from tax under the provision of Section 10(10D) of the Act applicable for a pension policy.

Important: In this policy, the investment risk in the investment portfolio is borne by the policy holder.

Product Showcase – Met Bhavishya Policy

Met Bhavishya is a money back endowment assurance policy from MetLife Insurance Company. This policy is specifically designed to take care of the education and career needs of the children and provides lump sum benefit payments, at important life stages of a child.

A money back endowment assurance policy is an endowment assurance plan providing lump sum benefit payments at regular intervals during the term of the policy. These periodic benefit payments are usually a percentage of the sum assured under the policy. The full sum assured amount is payable to the nominee in the event of the unfortunate death of the life assured any time during the term of the policy and is irrespective of the benefit payments already received under the policy.

Suitability

The policy is suitable for parents in the age group of 20 years to 50 years and having children aged between 0 years and 12 years.

Unique features

The parent is the life assured under the policy. The policy beneficiary is the child registered under the policy.

Choice of policy term – Policy provides the choice of two policy terms depending on the age of the child.

Guaranteed benefit additions – Policy provides for guaranteed additions of Rs.50 on every Rs.1000 of the face value for every complete year of premium payment, shall be payable to the

policy holder. Also, a guaranteed terminal addition equal to 20% of the total guaranteed periodic additions will be payable if the policy is in force till the end of the policy term. These guaranteed additions will form the maturity benefits under this plan.

Waiver of premium – In built waiver of premium waives does away with the need for the payment of premium in the event of death of the life assured during the policy term, while continuing the fixed term benefits post the death of the life assured.

Policy Benefits

Death benefits – available if death occurs during the term of policy

On death of the life assured – the family will receive the entire sum assured (face value) of the policy. The fixed term benefits to the beneficiary child will continue even after the death with the waiving off of all the future premium payments.

On death of the named child – any of the following three options may be exercised.

1. Another individual, in whom the policy holder has insurable interest, is nominated for the policy and the policy is kept in force by payment of the premiums as on their due date(s). The policy terms, due dates and periodical and maturity benefits remain the same
2. Policy is surrendered and the guaranteed surrender value, as specified in the policy document, is paid to the policy holder.
3. Further premium payments are discontinued and the policy is kept in force at a reduced paid-up value.

Fixed benefit payments for child – the benefits under the policy are provided at guaranteed intervals to secure the future of the named child.

| Percentage of payouts* | Option A | | Option B | |
|------------------------|--------------|-------------------|--------------|-------------------|
| | Age of child | Assumed Milestone | Age of child | Assumed Milestone |
| 20% | 15 years | Class X | 17 years | Class XII |
| 30% | 17 years | Class XII | 21 years | Graduation |
| 50% | 20 years | Graduation | 23 years | Higher Education |
| Guaranteed Additions | 21 years | Higher Education | 25 years | Wedding |

* payout percentage is as on the face value of the policy

Eligibility parameters

| | Option A | Option B |
|--------------------------------------|---|-------------------------------------|
| Minimum entry age of the named child | 0 years | 0 years |
| Maximum entry age of the named child | 8 years | 12 years |
| Minimum entry age of parent | 20 years | 20 years |
| Maximum entry age of parent | 50 years | 50 years |
| Minimum face value of the policy | Rs.1,00,000 | |
| Maximum face value of the policy | No limits | |
| Minimum premium amount | Rs.6,000 | |
| Policy term | 21 less age of named child (child registered under the policy) at entry | 25 less age of named child at entry |
| Premium payment frequency | Annual, semi-annual, quarterly, monthly, savings payroll program | |

Riders available

The policy four optional riders:

1. Accident Death Benefit
2. **Waiver of Premium** – covering accidental disability
3. **Critical Illness** – covering 10 illnesses viz. heart attack, stroke, cancer, surgery to coronary arteries, kidney failure, major organ transplant, aorta surgery, blindness, heart valve replacement, paraplegia.
4. **Term Rider** – allows the payment of an additional amount should death of the life insured occur before 60 years.

Policy surrender

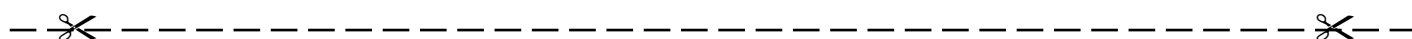
If all premiums have been paid for at least 3 full years, the policy will acquire a guaranteed surrender value. This value will be equal to 30% of the total premium paid excluding the first year's premium and extra premiums, if any.

Tax Benefits

Premium paid under the policy is eligible for deduction under the provision of Section 80C of the Income Tax Act 1961. Also, the benefit payments received under the policy are fully exempt from tax under the provisions of Section 10 (10D).

Important: In this policy, the investment risk in the investment portfolio is borne by the policy holder.

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You could also give us your feedback at www.thefinapolis.com/kbbfeedback.asp

For information on KARVY FINANCIAL PLANNING contact: 040-2344 0601 or visit: www.thefinapolis.com

KARVY BAZAAR BAATEIN

22nd Aug 2008 to 28th Aug 2008

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"THE MUTUAL FUND HOUSE OF THE YEAR"
 Awarded by **CNBC TV 18-CRISIL**
BIRLA SUN LIFE FRONTLINE EQUITY FUND
CNBC TV18-Crisil Awards 2007

(Large cap oriented equity scheme, out of 22 schemes, CRISIL CPR rankings during calendar year 2007)

BIRLA SUN LIFE MONTHLY INCOME
CNBC TV18-Crisil Awards 2007

(Monthly Income Plans (Conservative), out of 9 schemes, CRISIL CPR rankings during calendar year 2007)

BIRLA SUN LIFE SHORT TERM FUND
CNBC TV18-Crisil Awards 2007

(Income Short Term Funds, out of 12 schemes, CRISIL CPR rankings during calendar year 2007)

BIRLA SUN LIFE INCOME FUND
CNBC TV18-Crisil Awards 2007

(Income Funds, out of 17 schemes, CRISIL CPR rankings during calendar year 2007)

BIRLA INFRASTRUCTURE FUND
CNBC TV18-Crisil Awards 2007

(Emerging Equity Fund, out of 14 schemes, CRISIL CPR rankings during calendar year 2007)

BIRLA INCOME PLUS
ICRA Awards 2008

(Debt Schemes- Long Term, 1 year performance ending December 31, 2007 out of 18 schemes)

BIRLA SUN LIFE SHORT TERM FUND-GROWTH
ICRA Awards 2008

(Liquid Plus Schemes, 1 year performance ending December 31, 2007 out of 26 schemes)

BIRLA GILT PLUS-REGULAR PLAN
Lipper Awards 2008

(Bond Indian Rupee- Government, 5 year performance period ended on December 31, 2007, out of 35 funds)

BIRLA SUN LIFE INCOME FUND
Lipper Awards 2008

(Bond Indian Rupee- General, 3 year performance period ended on December 31, 2007 out of 100 funds)

BIRLA SUN LIFE INCOME FUND
Lipper Awards 2008

(Bond Indian Rupee- General, 10 year performance period ended on December 31, 2007 out of 6 funds)

BIRLA SUN LIFE '95 FUND
Lipper Awards 2008

(Mixed Assets- Aggressive- General, 10 year performance period ended on December 31, 2007 out of 6 funds)

THE MUTUAL FUND HOUSE OF THE YEAR

At Birla Sun Life Mutual Fund we are committed to consistently providing superior returns to our investors. A commitment that has won us recognition and awards from ICRA, LIPPER and CNBC TV18-CRISIL and also the trust of over 16 lakh investors. Today, we are one of the fastest growing mutual fund companies of India, with domestic assets under management in excess of Rs. 36,000 crores as on 29th February, 2008. As we humbly thank our investors and partners for the recently won "Mutual Fund of the Year" award, we look forward to continuing this journey towards a richer tomorrow. Together,


Birla Sun Life
 Mutual Fund

Past performance may or may not be sustained in the future.

SMS GAIN to 56767

Award Methodology, Disclaimer & Statutory: **Award-CNBC TV18 - CRISIL Mutual Fund of the Year Award for 2007.** Birla Sun Life Mutual Fund, Category - Mutual Fund of the Year, out of 26 fund houses. Fund Houses winning at least two awards for their schemes in the category level awards for 2007 were considered for the award based on consistency of fund houses' performance across various scheme categories in the four quarterly CRISIL CPR rankings released during the calendar year 2007. The individual CRISIL CPR ranks for their schemes were aggregated on a weighted average basis to arrive at the final ranks for fund houses. Birla Sun Life Frontline Equity Scheme was among the 2 schemes that won the CNBC TV18 - CRISIL Mutual Fund of the Year Award in the category - Large Cap Oriented Equity Funds. In total 22 schemes were eligible for the award universe. Birla MIP was the only scheme that won the CNBC TV18 - CRISIL Mutual Fund of the Year Award in the category - Monthly Income Plans (Conservative). In total 9 schemes were eligible for the award universe. Birla Sun Life Short Term Fund was the only scheme that won the CNBC TV18 - CRISIL Mutual Fund of the Year Award in the category of Income Short Term Funds. In total 12 schemes were eligible for the award universe. Birla Sun Life Income Fund was the only scheme that won the CNBC TV18 - CRISIL Mutual Fund of the Year Award in the category of Income Funds. In total 17 schemes were eligible for the award universe. Schemes present in all four quarterly CRISIL CPRs were considered for the award. The award is based on consistency of scheme's performance in the four quarterly CRISIL CPR rankings released during the calendar year 2007. The individual CRISIL CPR parameter scores averaged for the four quarters were further multiplied by the parameter weight as per the CRISIL CPR methodology to arrive at the final scores. Birla Infrastructure Fund was the only scheme that won the CNBC TV18 - CRISIL Mutual Fund of the Year Award in the category - Emerging Equity Fund of the Year. In total 14 schemes were eligible for the award universe. Open ended equity schemes having a one to two year track record as on December 31, 2007 and fulfilling CRISIL's eligibility criteria on disclosure were considered for the award. The award is based on the scheme's performance using the analytical approach of the CRISIL CPR rankings having the analysis period as the year 2007. A detailed methodology of the CRISIL CPR is available at www.crisil.com. **Ranking & Award Source:** CRISIL Fund Services, CRISIL Ltd. Past performance is no guarantee of future results. **ICRA Awards:** Birla Income Plus (Category: Debt Schemes-Long Term), 7-Star indicates Best performance amongst the 5-Star Funds, 1 year Performance for the period ending December 31, 2007. Birla Sun Life Short Term Fund (Growth) (Category: Liquid Plus Schemes), 7-Star indicates Best performance amongst the 5-Star Funds, 1 year Performance for the period ending December 31, 2007. The rank is an outcome of an objective and comparative analysis against various parameters, including: risk adjusted return, fund size, sector concentration, portfolio turnover, liquidity, company concentration and average maturity. The ranking methodology did not take into account entry and exit loads imposed by the scheme. The rank is neither a certificate of statutory compliance nor any guarantee on the future performance of Birla Sun Life Mutual Fund or its Schemes. Ranking source and publisher: ICRA Online. **Lipper Awards 2008:** Methodology: Birla Sun Life Income Fund - Growth Best Fund - Bond Indian Rupee - General for 3 year performance period ended on December 31, 2007 out of 100 funds and Best Fund - Bond Indian Rupee - Government for 10 year performance period ended on December 31, 2007, out of 35 funds. Birla Gilt Plus - Regular Plan - Growth Best Fund - Bond Indian Rupee - Government for 5 year performance period ended on December 31, 2007, out of 10 funds. Birla Sun Life '95 Fund - Best Fund - Mixed Assets Aggressive - General for 10 year performance period ended on December 31, 2007, out of 6 funds. Entry / Exit load not considered. Past performance is no guarantee of future results. Ranking source: Lipper - A Reuter Company. **Statutory Details:** Constitution: Birla Sun Life Mutual Fund has been set up as a Trust under the Indian Trust Act, 1882. **Sponsors:** Aditya Birla Nivo Limited and Sun Life (India) AMC Investments Inc. (liability restricted to seed corpus of Rs. 1 Lacs). **Trustee:** Birla Sun Life Trustee Company Pvt. Ltd. **Investment Manager:** Birla Sun Life Asset Management Company Ltd. **Scheme Name, Nature & Objective:** **Birla Sun Life Frontline Equity Fund** (an Open-end growth scheme) with an objective of long term growth of capital, through a portfolio with a target allocation of 100% equity by aiming at being as diversified across various industries and or sectors as its chosen benchmark index, BSE 200. **Birla Sun Life Monthly Income** (an Open-end income scheme) with an objective to generate regular income so as to make monthly and quarterly distribution to unit holders with the secondary objective being growth of capital. **Monthly Income** is not assured and is subject to availability of distributable surplus. **Birla Sun Life Short Term Fund** (an Open-end short term income scheme) with an objective to generate income and capital appreciation by investing 100% of the corpus in a diversified portfolio of debt and money market securities with relatively low levels of interest rate risk. **Birla Sun Life Income Fund** (an Open-end income scheme) with an objective to generate income and capital appreciation by investing 100% of the corpus in a diversified portfolio of debt and money market securities. **Birla Infrastructure Fund** (an Open-end growth scheme) with an objective of providing for medium to long-term capital appreciation by investing predominantly in a diversified portfolio of equity and equity related securities of companies that are participating in the growth and development of infrastructure in India. **Birla Income Plus** (an Open-end income scheme) with an objective to generate consistent income through superior yields on its investments at moderate levels of risk through a diversified investment approach. **Birla Gilt Plus** (an Open-end Government Securities scheme) with an objective to generate income and capital appreciation through investments exclusively in Government Securities. **Birla Sun Life '95 Fund** (an Open-end balanced scheme) with an objective of long term growth of capital and current income, through a portfolio of equity and fixed income securities. **Risk Factors:** Mutual Funds and securities investments are subject to market risks and there can be 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 may go up or down depending on the various factors and forces affecting capital markets and money markets. Past performance of the Sponsors / Investment Manager / Mutual Fund does not indicate the future performance of the Scheme and may not necessarily provide a basis of comparison with other investments. The names of the Schemes do not, in any manner, indicate either the quality of the Scheme or its future prospects or returns. Unitholders in the Scheme are not being offered any guaranteed/assured returns. **Investors should read the Offer Document/ Key Information Memorandum available at Investor Service Centers and with Distributors carefully before investing.**

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