



## **Motilal Oswal Mutual Fund launches MOST Shares M50 - India's 1<sup>st</sup> Fundamentally weighted ETF based on Nifty**

**Mumbai, 24th June, 2010:** Motilal Oswal Asset Management Company Ltd. has announced the launch of **Motilal Oswal MOST Shares M50 ETF**, an open ended Exchange Traded Fund focusing on investing in a fundamentally weighted basket of stocks that comprise the S&P CNX Nifty Index (Nifty). This will be India's 1<sup>st</sup> Fundamentally weighted ETF based on Nifty and will extend the ETF product set towards a new paradigm.

On the event of the launch of MOST Shares M50- India's 1<sup>st</sup> Fundamentally weighted ETF based on Nifty, Mr. Nitin Rakesh, MD & CEO, Motilal Oswal Asset Management Company Ltd said, "Motilal Oswal AMC is presenting a unique investment product to the investors that combines the benefits of active allocation and passive execution by using a fundamental weighing approach to the most popular market benchmark - Nifty. *As an ETF platform, MOST Shares M50 also provides the benefits of a mutual fund and a share.*"

Speaking on the occasion, Mr. Raamdeo Agrawal, Director, Motilal Oswal Asset Management Company Ltd., said, "In 5-6 years' time, India's GDP may touch US\$2.5 trillion. At the then projected savings rates of 40% of GDP, India's savings would be almost 1 trillion dollars. This provides a great opportunity for investment businesses and Motilal Oswal's MOST Shares M50 ETF is the first initiative, of Motilal Oswal AMC, to address this opportunity"

MOST Shares M50 will be listed on the NSE. The minimum investment amount during the NFO is Rs. 10,000 and in multiples of Re. 1 thereafter. The fund manager of the scheme is Mr. Rajnish Rastogi.

The New Fund Offer (NFO) will be open for subscription from June 30, 2010 till July 19, 2010.

### **About MOST Shares M50**

MOST Shares M50 is an open ended Exchange Traded Fund (ETF), which seeks investment return that corresponds (before fees and expenses) generally to the performance of the MOST 50 Basket (Underlying Basket), subject to tracking error. MOST 50 Basket is a fundamentally weighted basket based on S&P CNX Nifty Index. The constituents of MOST 50 Basket will be the same as the constituents of Nifty. The MOST 50 Basket passively allocates weights to its constituents at the time of rebalancing based on the pre-defined methodology of the basket. Weights assigned to constituents are dependent on their fundamental performance and their prices with higher weights being assigned to constituents which have demonstrated superior financial performance and have reasonable valuation.

MOST 50 Basket has been designed by Motilal Oswal Asset Management Company Ltd. (MOAMC) which owns the intellectual property of the methodology of the Basket. MOST Shares M50 would invest in securities constituting the MOST 50 Basket in same proportion as in the Basket.



Acts like a fund, Trades like a share

### **About Motilal Oswal Asset Management Company**

Motilal Oswal Asset Management Company is registered with SEBI as the Investment Manager to Motilal Oswal Mutual Fund. It was incorporated on November 14, 2008. MOAMC is a 100% subsidiary of Motilal Oswal Securities Limited.

### **About Motilal Oswal Financial Services Ltd**

Motilal Oswal Financial Services Ltd. (NSE :MOTILALOF, BSE :532892, BLOOMBERG : MOFS IN) is a well-diversified, financial services company focused on wealth creation for all its customers, such as institutional, corporate, HNI and retail. Its services and product offerings include wealth management, retail broking and distribution, institutional broking, asset management, investment banking, private equity, commodity broking and principal strategies. The company distributes these products through 1,397 business locations spread across 584 cities and the online channel to over 621,215 registered customers. MOFSL has strong research capabilities, which enables them to identify market trends and stocks with high growth potential, facilitating clients to take well-informed and timely decisions. MOFSL has been ranked by various polls such as the Best Local Brokerage 2005, Most Independent Research - Local Brokerage 2006 and Best Overall Country Research - Local Brokerage 2007 in the Asia Money Brokerage Polls for India. In the StarMine India Broker Rankings 2009 from Thomson Reuters, we won awards in 3 out of 4 categories and also bagged the No. 1 Broker Award in the ET Now – StarMine Analyst Awards 2009.

### **For more information please contact:**

<p>Alpesh Nakrani / Anirudh Rajan Paradigm Shift Public Relations Mob: +91 9869121167 / +91 9892343828 Tel: +91 22 22813797 / 98</p>	<p>Mr. Hari Krishnan Motilal Oswal Asset Management Company Ltd Mob: +91 9820520392 Ph: +91 22 39825500</p>
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**Statutory Details: Constitution:** Motilal Oswal Mutual Fund has been set up as a trust under the Indian Trust Act, 1882. **Trustee:** Motilal Oswal Trustee Company Limited. **Investment Manager:** Motilal Oswal Asset Management Company Ltd. **Sponsor:** Motilal Oswal Securities Ltd. **Scheme Classification & Investment Objective:** **Motilal Oswal MOST Shares M50 ETF (MOST Shares M50), an open ended Exchange Traded Fund** that seeks investment return that corresponds (before fees and expenses) generally to the performance of the MOST 50 Basket (Underlying Basket), subject to tracking error. **Asset Allocation:** Securities constituting MOST 50 Basket: 95%-100%; Debt and Money market instruments and cash at call: 0-5%. The total exposure to Derivatives would be restricted to 10% of the net assets of the Scheme. **Load:** Entry Load: Nil Exit Load: Nil **Terms of Issue: Minimum Application Amount: During NFO,** Rs. 10,000/- and in multiples of Re. 1/- each. **Ongoing Basis, On the Exchange:** The units of the Scheme are proposed to be listed on the Capital Market Segment on National Stock Exchange of India Ltd. (NSE). On NSE, the units of the Scheme can be purchased/sold in round lot of 1 unit and in multiples thereafter. Directly with the Fund: The minimum number of units of the Scheme that investors can create/redeem in exchange of portfolio deposit and cash component is 50,000 units and in multiples thereof. **Face Value & Issue Price:** Offer of units of Rs. 10/- per unit for cash at a premium approximately equal to difference between the face value of Rs. 10/- and 1/100<sup>th</sup> of the value of



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MOST 50 Basket during the New Fund Offer and at NAV based prices on ongoing basis. **Investor Benefits and General Services:** During NFO, Investors can also subscribe to the units through the mutual fund trading platforms viz. BSE StAR MF of Bombay Stock Exchange Limited (BSE) and Mutual Fund Service System (MFSS) of NSE. The AMC will calculate and publish the first NAV of the Scheme not later than 30 days from the closure of the NFO. Subsequently, the NAVs will be calculated and disclosed at the close of every Business Day. **Risk Factors: (1) All the Mutual Funds and securities investments are subject to market risks and there can be no assurance that the Scheme's objectives will be achieved (2) As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the Net Asset Value (NAV) of units issued under the Scheme may go up or down depending upon the factors and forces affecting the securities market (3) Past performance of the Sponsor/AMC/Mutual Fund and its affiliates does not indicate the future performance of the Scheme and may not provide a basis of comparison with other investments (4) Motilal Oswal MOST Shares M50 ETF (MOST Shares M50) is the name of the Scheme and does not in any manner indicate either the quality of the Scheme, its future prospects and returns. Investors are therefore urged to study the terms of offer carefully and consult their Investment Advisor before they invest in the Scheme (5) The Sponsor is not responsible or liable for any loss or shortfall resulting from the operation of the Mutual Fund beyond the initial contribution made by it of an amount of Rs. 1 Lac towards setting up of the Mutual Fund (6) Motilal Oswal Asset Management Company Limited (MOAMC) has no previous experience in managing a Mutual Fund. The present Scheme is the first Scheme being launched under its management (7) The present Scheme is not a guaranteed or assured return Scheme. Scheme Specific Risk Factors: Investment in the scheme shall be subject to various other risk factors including but not limited to risk associated with investment in Equities such as trading volumes, settlement risk, liquidity risk, default risk, tracking error risk, calculating agent risk, Underlying Basket risk, risk associated with investment in derivatives, risk of fundamentally weighted Basket, risk of total return, etc. For further Scheme Specific Risk Factors & other details, Please read the Scheme Information Document (SID) & Statement of Additional Information (SAI) carefully before investing. IISL Disclaimer: The MOST 50 Basket is not sponsored, endorsed, sold or promoted by India Index Services & Products Limited (IISL). MOST 50 Basket has been developed by MOAMC and IISL has calculated and maintained as per the specifications and requirements of MOAMC. IISL does not make any representation or warranty, express or implied regarding the advisability of investing in the products linked to MOST 50 Basket and availing the services generally or particularly or the ability of MOST 50 Basket to track general stock market performance in India. Please read the full Disclaimers in relation to the MOST 50 Basket in the Scheme Information Document. S&P Disclaimer: "S&P®" and "Standard and Poor's®" are trademarks of S&P, and have been licensed for use by India Index Services & Products Limited in connection with the S&P CNX Nifty Index. MOST Shares M50 is not sponsored, endorsed, sold or promoted by India Index Services & Products Limited ("IISL") or Standard & Poor's ("S&P"), a Delaware limited liability company. Neither IISL nor S&P makes any representation or warranty, express or implied, to the owners of MOST 50 Shares or any member of the public regarding the advisability of investing in securities generally or in MOST Shares M50. Please read the full Disclaimers in relation to the S&P CNX Nifty Index in the Scheme Information Document. NSE Disclaimer: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Scheme Information Document. The investors are advised to refer to the Scheme Information Document for the full text of the 'Disclaimer Clause of NSE'. A copy of SID, SAI and KIM alongwith the application form are available at the office of the AMC, R&T, Distributors, or can be downloaded from [www.motilaloswal.com/assetmanagement](http://www.motilaloswal.com/assetmanagement) and [www.mostshares.com](http://www.mostshares.com) Investors can also contact us on our toll free number 1800-200-6626 or send email at [mfservice@motilaloswal.com](mailto:mfservice@motilaloswal.com)**

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