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'NRI Espresso'

Dear Investor,

Dear Investor, We are pleased to present to you "NRI Espresso", a handy newsletter exclusive for our NRI investors, for this month.

We thank you for your continued support and look forward to the same for our future endeavours.

NEWS YOU CAN USE

THREE REASONS TO CELEBRATE THIS MONTH

NFO receives an overwhelming response

SBI Infrastructure Fund – Series I garners over Rs 2500 crores and 6 lac applications. This is the highest mobilization for a close-ended scheme in recent times and is a testament to the faith investors have placed in us.

SBI Funds Management Pvt. Ltd. completes 20 years

SBI Funds Management Pvt. Ltd. completed 20 years on June 29, 2007. This is an important landmark for the organization which has rightfully grown into one of the premier fund houses. The fund house has achieved good amount success in the industry over the years being adjudged "Most Preferred Mutual Fund of the Year" by CNBC Awaaz and "Mutual Fund of the Year" by CNBC TV-18 Crisil and continues its path to achieve new heights.

SBI Mutual Fund achieves a new landmark – AUM crosses Rs 20000 crores

[Welfare Fund for NRIs Proposed by MOIA](#)

[Interest Rates on NRI Deposits High on MOIA's Agenda](#)

[Indian Government Reluctant to Extend Parity with NRIs to OC](#)

[NRI's in US allowed RTI excess](#)

[Steron Group's NRI mega-township in Navi Mumbai generates global interest](#)

[Cabinet Approves Largest FDI in PSU refinery](#)

SBI Mutual Fund, one of the leading mutual funds in the country has achieved a new milestone by crossing the Rs 20,000 crore assets under management (AUM) mark at the end of June 2007. According to the official numbers released to AMFI, the AUM of SBI Mutual Fund was placed at Rs 20,272 crore as on June 30, 2007 and is now ranked 6th among existing fund houses (source: www.amfiindia.com)

1. Welfare Fund for NRIs Proposed by MOIA

Source: www.nrirealtynews.com

The creation of a Welfare Fund for NRIs has been proposed by the Ministry of Overseas Indian Affairs. The Fund would be utilised to train workers for securing jobs overseas, protect the overseas Indian workers during troubled times and help them re-locate to India when they choose to do so. The proposal calls upon the government to make an initial investment of Rs.1.5 billion, and insurance companies to make contributions to the fund. NRIs could choose between a one-time registration and an annual payment to the pool fund. The MOIA proposal has suggested that the fee on emigration clearance stamp be raised to Rs.300 from Rs.200 - the difference could be taken for the NRI Welfare Fund. The Fund would be managed by a Trust, with an advisory committee comprising 5 nominees of the Central government and representatives from the State cabinets led by the MOIA Cabinet minister. The Planning Commission would also have to scrutinize the proposal. NRI remittances from the Gulf region account for half of India's total remittances, and the Government is responsible for the protection of the overseas Indian worker during and after his stay abroad.



2. Interest Rates on NRI Deposits High on MOIA's Agenda

Source: www.nrirealtynews.com

The low interest rates on NRI deposits have been a cause of concern for the Ministry of Overseas Indian Affairs, which it now plans to take up with the Indian Prime Minister and the Finance Ministry. The Minister holding the Overseas Indian Affairs portfolio, Vyalar Ravi is concerned that the rising rupee is affecting the savings of NRIs remitting money to India. The state is gravely affected by the drop in rates as a large population of Kerala depends heavily on NRI remittances. Concerned Members of Parliament from Kerala would be taking up the matter with the Centre shortly.



3. Indian Government Reluctant to Extend Parity with NRIs to OC

Source: www.nrirealtynews.com

The Government has expressed its reservations to put Overseas Citizens of India (OCIs) at par with Non-Resident Indians (NRIs), based on the objections raised by several ministries. Concerned ministries have sounded the government on security issues that could crop up if certain rights were given to people of Indian origin holding foreign passports. The proposal by the Minister of Overseas Internal Affairs (MOIA) seeks to bring the current number of 1.12 lakh OCIs on the same platform as regards investment, employment and other economic privileges, except the right to franchise. The Home Ministry seeks to draw a clear line between NRIs and OCIs who are, officially, foreign nationals. The Ministry of Health and Family Welfare has also given a conditional approval for OCIs in the medical profession who are eager to start a practice in India. These professionals would have to undergo a screening test, and register with the medical council concerned in order to be able to practice in the country.



4. NRI's in US allowed RTI excess **Source: PunjabNewslines.com**

Now non-resident Indians (NRIs) living in the US would now be able to exercise the Right to Information (RTI). The Indian embassy in Washington DC has been brought under the purview of the RTI Act, 2005 and a public information officer (PIO) has been appointed. This does not mean that the embassy's functions alone would be under the RTI Act purview. If NRIs need any information on Government departments in India, they would be able to file an RTI in the embassy, which in turn would send it to the department in India. The information would be given within 35 days of filing of the application.



5. Sternon Group's NRI mega-township in Navi Mumbai generates global interest **Source: ameinfo.com**

An NRIs-only mega-township of villas and row-houses in Navi Mumbai, being promoted by Sternon Group, Dubai-based real estate developers, builders and promoters, has generated global interest, driven by Navi Mumbai's growing reputation as one of the hottest real estate markets, Hussaini F. Nalwalla, Managing Director, Sternon Group, said in Dubai.



6. Cabinet Approves Largest FDI in PSU refinery

Source: www.nrirealtynews.com

The Cabinet Committee on Economic Affairs has formally approved NRI steel magnate Lakshmi Mittal's bid to acquire 49% of the stocks of Hindustan Petroleum Corporation's Bhatinda refinery. The large-scale refinery with a capacity to process 9 million tones of crude a year will sell its stake for Rs.3, 365 crore to Mittal Energy Investments Pte Ltd headquartered in Singapore. The company is a wholly owned subsidiary of Mittal Investments based in Luxembourg. FEMA laws

restrict FDI in the petroleum refining sector to 26%, and Mittal's offer to HPCL had to be put up to the Union Cabinet for a special approval. While retaining a 49% stake in the refinery, HPCL intends to shift the remaining 2% to financial institutions. The Rs.3, 365 crore buyout signals the biggest foreign direct investment in the petroleum refining sector. The Bhatinda refinery will commence processing from September 2010.



7. Feedback

Click here to visit NRI Corner (<http://www.sbimf.com/nri.asp>) for more information / queries / feedback

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SBI Infrastructure Fund – Series I Disclaimer - Investment Objective: To provide investors with opportunities for long-term growth in capital through an active management of investments in a diversified basket of equity stocks of companies directly or indirectly involved in the infrastructure growth in the Indian economy and in debt & money market instruments. **Tenure:** 3 year close-ended growth scheme with an automatic conversion to open-ended scheme on maturity. **Load Structure (During NFO):** Entry Load will not be charged. Exit Load – Nil. (Investor will have to bear the proportionate unamortized initial issue expenses for exiting during the close-ended tenure of the scheme) **Risk Factors:** Mutual Funds and Securities Investments are subject to market risks and there is no assurance or guarantee that the objective of scheme(s)/plan(s) will be achieved. As with any other investment in securities, the NAV of the Magnums/Units issued under the scheme(s)/plan(s) can go up or down depending on the factors and forces affecting the securities market. Past performance of the Sponsor/AMC/Mutual Fund/Scheme(s)/Plan(s) and their affiliates do not indicate the future performance of the scheme(s) of the Mutual Fund. **Statutory details:** SBI Mutual Fund has been set up as a trust under the Indian Trusts Act, 1882. State Bank of India ('SBI'), the sponsor is not responsible or liable for any loss resulting from the operation of the schemes beyond the initial contribution made by it of an amount of Rs. 5 lakhs towards setting up of the mutual fund. **Trustee Company:** SBI Mutual

Fund Trustee Company Pvt. Ltd. **Asset Management Company-** SBI Funds Management Private Limited (A joint venture with SBI and Société Générale Asset Management). **Please read the offer document of the respective schemes carefully before investing.**