

## investment philosophy

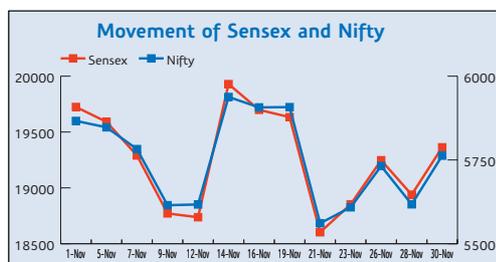
Reliance Life Insurance seeks consistent and superior long-term returns with a well-defined and disciplined investment approach symbolizing integrity and transparency to benefit all stakeholders.

## fund snapshot

asset allocation	funds	gross return (CAGR*) (%) as on November 30, 2007				date of inception
		last 1 year	last 2 years	last 3 years	since inception	
100% equity	Ulip Equity	45.41%	46.22%	41.85%	42.96%	August, 2004
80% equity, 20% debt	Ulip Super Growth	N.A.	N.A.	N.A.	N.A.	May, 2007
60% equity, 40% debt	Ulip High Growth	N.A.	N.A.	N.A.	N.A.	March, 2007
50% equity, 50% debt	Ulip Growth Plus	N.A.	N.A.	N.A.	N.A.	March, 2007
40% equity, 60% debt	Ulip Growth	22.40%	21.70%	19.97%	19.93%	August, 2004
20% equity, 80% debt	Ulip Balanced	15.29%	14.31%	13.32%	13.20%	February, 2003
100% bond instruments	Ulip Corporate Bond	N.A.	N.A.	N.A.	N.A.	May, 2007
100% debt instruments	Ulip Pure Debt	N.A.	N.A.	N.A.	N.A.	April, 2007
100% govt. securities	Ulip Gilt	N.A.	N.A.	N.A.	N.A.	May, 2007
100% money market instruments	Ulip Money Market Fund	N.A.	N.A.	N.A.	N.A.	May, 2007
100% money market instruments	Ulip Capital Secure	9.10%	7.76%	6.97%	6.23%	February, 2003

\*CAGR: Compounded Annual Growth Rate

## equity market update-november 2007



### Market Review

The month of November 2007 was a volatile month for the bourses. Selling pressure from FIIs continued throughout the month. The Sensex closed the month losing 2.4% at 19,363.19 points, while the Nifty closed at 5,762.8 points down 2.3%. On the other hand mid and small cap indices closed with strong monthly gains.

FIIs were net sellers in the equity market to the tune of Rs 5,849.90 crore. Mutual funds on the other hand were net purchasers to the tune of Rs 1,509.00 crore. Stocks in sectors such as metal, consumer durables registered gains, while healthcare, PSUs and IT underperformed. Realty stocks got a boost from the news during the end of the month that the Maharashtra government has abolished the Urban Land Ceiling Regulation Act.

The market was impacted by weak global sentiment and FII outflows during the month. The trend was also influenced by IIP figures for September 2007, Q2 GDP data, and rupee appreciation against the dollar, surging international oil prices, recessionary US economic performance and a fall in credit. Constant worries about the impact of sub-prime mortgage defaults on US economy pulled stocks down. However during the end investor sentiment was boosted by comments from Federal Reserve on the possibility that the Fed may cut interest rates further.

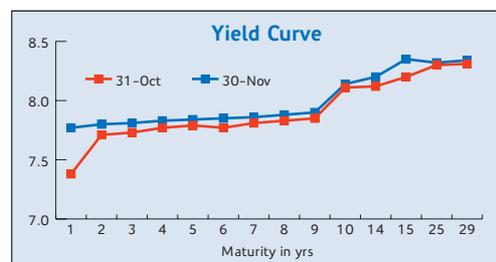
The Securities and Exchange Board of India (SEBI) on November 29, 2007 announced that subject to certain requirements big corporates would be allowed to make 'fast track issues' without filing the draft offer document. The regulator also allowed companies to offer up to 10% discount to retail investors in initial public offers.

Oil prices rose in the beginning of the month sustained by supply disruptions ahead of peak winter demand but fell at the end amid growing expectation of an increase in OPEC production.

### Outlook

With quarterly number already out we believe the market in the near term will look for positive triggers from external factors like US Federal announcing a further rate cut or any positive move by the government on the policy front. We believe the market should consolidate at higher levels, before making any fresh move upward. At the same time outflow of funds by FIIs may dampen the sentiment. Since FIIs follow calendar year as their accounting, a profit booking in the near term cannot be ruled out.

## debt market update-november 2007



### Market Review

The debt market remained range-bound on tight liquidity conditions prevailing in the system. The 10-year G-sec yield closed the month at 7.91% as compared to 7.84% in the beginning of the month. Call rates traded in the range of 4.50%-8.00%.

In an measure to combat liquidity, the government raised the Market Stabilisation Scheme (MSS) from Rs 2,00,000 crore to 2,50,000 crore. The threshold at which the limit will be further reviewed is now at Rs 2,35,000 crore.

The rupee remained mixed during the month taking cues from stock market and rising global risk aversion. The rupee ended the month at 39.62/63 per dollar.

The Index of Industrial Production (IIP) grew by 6.4% in September 2007 as against 12.0% in the corresponding month last year. Within sectoral classification of IIP manufacturing recorded the highest growth at 6.6% in September 2007 which was almost half of 12.7% in the same period last year; mining was the next best at 6.0% (4.3%) and electricity stood at 4.5% much lower than 11.3% posted in September 2006.

The Gross Domestic Product (GDP) for the second quarter of 2007-08 recorded a growth of 8.9% which indicated a slowdown from the previous quarter when the GDP growth was higher at 9.3%. In the second quarter of previous financial year GDP recorded a higher growth of 10.2%.

Inflation data released during the month was in the range of 3.02%-3.21%. This was due to fall in prices of food and primary products. US 10-year yield closed the month at 3.95%.

### Outlook

Short-term yields may remain volatile as liquidity remains tight in the banking system although in general they may fall from current levels. We expect 10 year benchmark G-sec yield to remain in the range of 7.75% to 8.00% with a downward bias if liquidity improves.

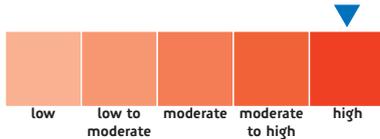
Indices (Closing)	This Month	Last Month	% change
BSE Sensex	19,363.19	19,837.99	-2.39
S&P CNX Nifty	5,762.80	5,900.65	-2.34
CNX Mid Cap	8,553.56	8,134.92	5.15
BSE Small Cap	10,526.02	9,796.86	7.44

Fixed Income (Indicators %)	This Month	Last Month	% change
NSE Mibor	7.75	6.15	26.02
91-day-T-Bills	7.51	7.31	2.74
182-day-T-Bills	7.70	7.58	1.58
5-Year-Gilt Yield	7.85	7.79	0.77
10 year GoI benchmark	7.91	7.84	0.89
5-year Corporate Bond Yield	9.29	9.05	2.65

## fund objective

Provide high real rate of return in the long-term through high exposure to equity investments, while recognizing that there is significant probability of negative returns in the short-term. The risk appetite is high.

## fund risk profile



## products

Reliance Market Return Plan-Equity Fund Option

Reliance Golden Year Plan-Equity Fund Option

Reliance Automatic Investment Plan-Equity Fund Option

# ULIP Equity Fund

details as on November 30, 2007

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	45.41%	45.73%	20.77%	23.63%	1.95	1.72
last 2 years (CAGR)	46.22%	47.41%	20.35%	21.46%	2.03	1.98
last 3 years (CAGR)	41.85%	43.29%	20.83%	21.57%	1.77	1.78
since inception (CAGR)	42.96%	46.00%	20.19%	20.92%	1.88	1.96
date of inception			august, 2004			

\*CAGR: Compounded Annual Growth Rate

## portfolio

security % to net assets 1-yr beta

### equity

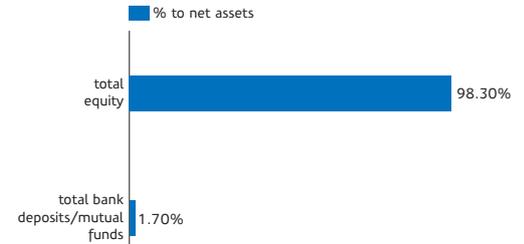
CAP GOODS/ENGINEERING	20.33	
SIEMENS	6.73	1.06
AREVA T&D INDIA	4.39	0.99
ALSTOM PROJECTS INDIA	3.41	1.13
CUMMINS INDIA	2.09	0.93
LARSEN & TOUBRO	2.06	1.16
TRIVENI ENGINEERING AND INDUSTRIES	1.54	0.67
INGERSOLL RAND INDIA	0.11	0.52
BANKING AND FINANCE	14.47	
STATE BANK OF INDIA	5.63	1.21
ICICI BANK	3.77	1.14
PUNJAB NATIONAL BANK	2.99	1.15
INDIABULLS FINANCIAL SERVICES	2.08	1.24
METALS	9.71	
TATA STEEL	3.16	1.18
STEEL AUTHORITY OF INDIA	2.74	1.49
STERLITE	2.06	1.29
HINDALCO	1.75	0.94
AUTOMOBILES	9.55	
MARUTI SUZUKI	4.65	1.00
TATA MOTORS	4.01	0.91
EICHER MOTORS	0.89	0.70
CEMENT & CEMENT PRODUCTS	7.39	
ACC	3.85	1.00
GRASIM INDUSTRIES	3.54	0.83
OIL REFINERIES	7.38	
RELIANCE INDUSTRIES	6.00	1.06
BHARAT PETROLEUM CORPORATION	0.82	0.49
INDIAN OIL CORPORATION	0.56	0.54
IT	6.38	
INFOSYS TECHNOLOGIES	4.08	0.63
TATA CONSULTANCY SERVICES	1.43	0.69
PATNI COMPUTERS	0.87	0.66
PHARMACEUTICALS	5.08	
DIVIS LABORATORIES	3.44	1.12
RANBAXY LABORATORIES	1.64	0.64
CONSTRUCTION	2.57	
GAMMON INDIA	2.57	0.77
OIL AND EXPLORATION	2.56	
ONGC CORPORATION	2.56	1.02
FERTILIZERS	2.53	
GUJARAT NARMADA VALLEY FERTILIZERS	2.53	0.96
AVIATION	2.37	
DECCAN AVIATION	2.37	0.73
TELECOM	2.33	
BHARTI AIRTEL	1.66	1.04
RELIANCE COMMUNICATIONS	0.67	1.22
POWER	2.02	
TATA POWER	2.02	1.03
HOTELS	1.42	
INDIAN HOTELS	1.42	0.68
AUTO ANCILLARY	1.22	
AUTOMATIVE AXLES	1.22	0.34
TEXTILE	0.99	
ADITYA BIRLA NUVO	0.99	0.87

total equity 98.30

total bank deposits/mutual funds 1.70

total net assets 100.00

## asset allocation



## fund characteristics as on November 30, 2007

Fund Beta 0.99

## NAV as on November 30, 2007

Reliance Market Return Plan (MRP) - Equity Fund Option: Rs 31.5936

Reliance Golden Year Plan (GYP) - Equity Fund Option: Rs 15.7882

Reliance Automatic Investment Plan (AIP) - Equity Fund Option: Rs 13.3687

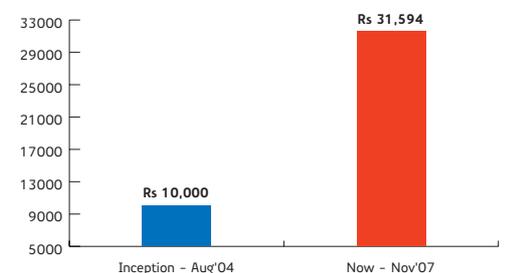
## fund manager's report

The month of November saw the markets losing momentum due to weak global sentiment and FII outflows. This trend was further influenced by weak Index of Industrial Production (IIP) figures for September 2007. The market saw high volatility during the month and Nifty closed 2.3% negative. Looking at the buying opportunity at lower level and the risk profile of the scheme, the holding in equities was kept at 98.34%.

## benchmark construction

S&P CNX Nifty: 100%

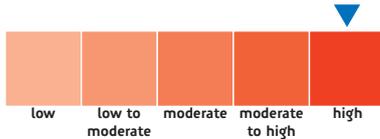
## growth of initial investment of Rs 10,000 in MRP



## fund objective

Provide high real rate of return in the long-term through high exposure to equity investments, while recognizing that there is significant probability of negative returns in the short-term, which will be moderated through some exposure to debt. The risk appetite is 'high'.

## fund risk profile



## products

Reliance Automatic Investment Plan - A Option

## fund manager's report

The month of November saw the markets losing momentum due to weak global sentiment and FII outflows. This trend was further influenced by weak Index of Industrial Production (IIP) figures for September 2007. The market saw high volatility during the month and Nifty closed 2.3% negative. Looking at the buying opportunity at lower level and the risk profile of the scheme, the holding in equities was kept at 79.19%.

The fund has 3% exposure to gilts, 16% exposure to corporate bonds and 1% exposure to short term assets like CDs and MFs. We may marginally increased the corporate bond exposure and duration going forward.

## benchmark construction

CRISIL ST Bond Index: 20%  
S&P CNX Nifty: 80%

# ULIP Super Growth Fund details as on November 30, 2007

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	data not available as the fund has not completed a period of one year since inception					
date of inception	may, 2007					

## portfolio

security	% to net assets	rating/1-yr beta
----------	-----------------	------------------

### corporate bonds

10.05% NABARD 11-06-14	3.92	AAA
5.85% POWER FINANCE CORP 01-08-08	2.85	AAA
9.50% NABARD NPS BONDS SER IX I 15-10-12	2.35	AAA
7% POWER FINANCE CORP 24-12-09	2.24	AAA
8.65% HDFC 12-09-11	1.43	AAA
6.10% IRFC 13-05-10	1.36	AAA
10% NABARD SER IX 14-05-12	0.90	AAA
9.25% POWER GRID CORP 09-02-13	0.73	AAA
9.76% IRFC 03-07-12	0.60	AAA

**total corporate bonds 16.37**

### gilts

		SOVEREIGN
7.38% GOI 03-09-15	0.99	
6.65% GOI 05-04-09	0.74	
11.99% GOI 07-04-09	0.31	
12% GOI 02-05-08	0.30	
8.07% GOI 15-01-17	0.29	
7.44% GOI SPL. OIL BOND 23-03-12	0.28	

**total gilts 2.91**

### equity

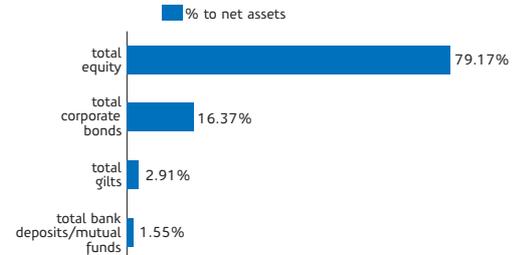
CAP GOODS/ENGINEERING	14.95	
SIEMENS	5.06	1.06
ALSTOM PROJECTS INDIA	3.29	1.13
AREVA T & D INDIA	2.53	0.99
CUMMINS INDIA	1.70	0.93
TRIVENI ENGINEERING AND INDUSTRIES	1.24	0.67
LARSEN & TOUBRO	0.98	1.16
INGERSOLL RAND INDIA	0.15	0.52
BANKING AND FINANCE	10.84	
STATE BANK OF INDIA	4.53	1.21
PUNJAB NATIONAL BANK	2.42	1.15
ICICI BANK	2.33	1.14
INDIABULLS FINANCIAL SERVICES	1.56	1.24
AUTOMOBILES	7.80	
MARUTI SUZUKI	3.97	1.00
TATA MOTORS	3.36	0.91
EICHER MOTORS	0.47	0.7
CEMENT & CEMENT PRODUCTS	6.57	
ACC	3.33	1.00
GRASIM INDUSTRIES	3.24	0.83
OIL REFINERIES	6.56	
RELIANCE INDUSTRIES	5.30	1.06
BHARAT PETROLEUM CORPORATION	0.66	0.49
INDIAN OIL CORPORATION	0.60	0.54
IT	5.65	
INFOSYS TECHNOLOGIES	3.61	0.63
TATA CONSULTANCY SERVICES	1.36	0.69
PATNI COMPUTERS	0.68	0.66
PHARMACEUTICALS	5.09	
DIVIS LABORATORIES	3.86	1.12
RANBAXY LABORATORIES	1.23	0.64
METALS	7.96	
TATA STEEL	2.53	1.18
STEEL AUTHORITY OF INDIA	2.47	1.49
STERLITE	1.66	1.29
HINDALCO	1.30	0.94
FERTILIZERS	2.07	
GUJARAT NARMADA VALLEY FERTILIZERS	2.07	0.96
OIL AND EXPLORATION	2.07	
ONGC CORPORATION	2.07	1.02
CONSTRUCTION	1.99	
GAMMON INDIA	1.99	0.77
AVIATION	1.91	
DECCAN AVIATION	1.91	0.73
POWER	1.60	
TATA POWER	1.60	1.03
TELECOM	1.47	
BHARTI AIRTEL	1.42	1.04
RELIANCE COMMUNICATIONS	0.05	1.22
HOTELS	1.13	
INDAIN HOTELS	1.13	0.68
TEXTILE	0.82	
ADITYA BIRLA NUVO	0.82	0.87
AUTO ANCILLARY	0.69	
AUTOMATIVE AXLES	0.69	0.34

**total equity 79.17**

**total bank deposits/mutual funds 1.55**

**total net assets 100.00**

## asset allocation



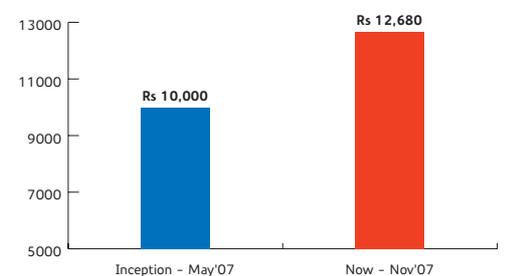
## fund characteristics as on November 30, 2007

M.Duration of debt portfolio: 2.78 years  
YTM of debt portfolio: 8.79%  
Beta of equity portfolio: 0.99

## NAV as on November 30, 2007

Reliance Automatic Investment Plan (AIP) - A Option: Rs 12.6804

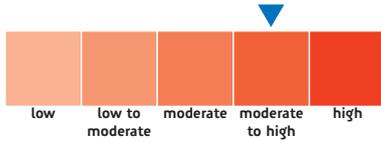
## growth of initial investment of Rs 10,000 in AIP



## fund objective

Provide, in the long-term, returns which are significantly higher than the inflation rate, through high exposure to equity investments, while recognizing that there is some probability of negative returns in the short-term. The risk appetite is 'moderate to high'.

## fund risk profile



## products

Reliance Money Guarantee Plan - F Option

## fund manager's report

The month of November saw the markets losing momentum due to weak global sentiment and FII outflows. This trend was further influenced by weak Index of Industrial Production (IIP) figures for September 2007. The market saw high volatility during the month and Nifty closed 2.3% negative. Looking at the buying opportunity at lower level and the risk profile of the scheme, the holding in equities was kept at 60.05%.

The allocation to gilts was maintained at 10%. The allocation to short term assets also was reduced to 1.5% from 4% in the previous month. The allocation to corporate bonds was maintained to around 24.5% of the portfolio. We intend to add corporate bonds as and when available.

## benchmark construction

CRISIL ST Bond Index: 40%  
S&P CNX Nifty: 60%

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	data not available as the fund has not completed a period of one year since inception					
date of inception	march, 2007					

## portfolio

security	% to net assets	rating/1-yr beta
----------	-----------------	------------------

### corporate bonds

10.20% HDFC 13-04-10	2.60	AAA
9.80% POWER FINANCE CORP 22-03-12	2.59	AAA
9.50% NABARD NPS BONDS SER IX 115-10-12	2.57	AAA
8.90% CITIFINANCIAL CONSUMER 05-08-09	2.48	AAA
6.31% EXIM BANK 17-01-10	2.41	AAA
9.68% IRFC 03-07-10	2.07	AAA
7.20% RECL 17-09-11	1.43	AAA
9.65% NABARD SER IX G 10-09-09	1.28	AAA
8.25% IDBI OMNI BOND SER III 26-05-11	1.18	AA+
10.75% IL & FS NCD SER XI 29-03-09	1.04	AAA
9.50% INDIAN HOTELS 28-02-12	1.01	AA+
9.80% POWER FINANCE CORP SER XXXVIII 20-09-12	0.78	AAA
7.60% ICICI BANK 30-12-15	0.74	AAA
10.05% NABARD 11-06-14	0.53	AAA
10.10% POWER GRID CORP 12-06-12	0.52	AAA
9.76% IRFC 03-07-12	0.52	AAA
10.10% POWER GRID CORP 12-06-11	0.52	AAA
10% NABARD 18-06-10	0.52	AAA

**total corporate bonds 24.80**

### gilts

		SOVEREIGN
7.37% GOI 16-04-14	2.97	
6.65% GOI 05-04-09	2.95	
9.39% GOI 02-07-11	2.64	
7.38% GOI 03-09-15	0.99	
8.07% GOI 15-01-17	0.09	

**total gilts 9.64**

### equity

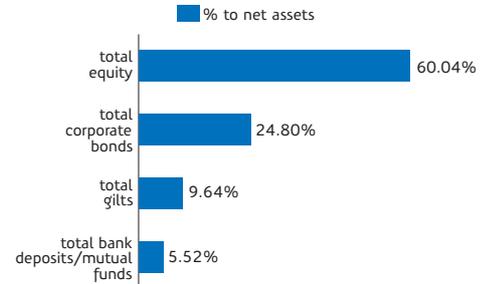
<b>CAP GOODS/ENGINEERING</b>	<b>11.86</b>	
SIEMENS	4.10	1.06
ALSTOM PROJECTS INDIA	2.19	1.13
AREVA T & D INDIA	1.84	0.99
CUMMINS INDIA	1.35	0.93
LARSEN & TOUBRO	1.32	1.16
TRIVENI ENGINEERING AND INDUSTRIES	0.94	0.67
INGERSOLL RAND INDIA	0.12	0.52
<b>BANKING AND FINANCE</b>	<b>8.95</b>	
STATE BANK OF INDIA	3.66	1.21
ICICI BANK	2.25	1.14
PUNJAB NATIONAL BANK	1.82	1.15
INDIABULLS FINANCIAL SERVICES	1.22	1.24
<b>METALS</b>	<b>5.94</b>	
TATA STEEL	1.92	1.18
STEEL AUTHORITY OF INDIA	1.76	1.49
STERLITE	1.27	1.29
HINDALCO	0.99	0.94
<b>AUTOMOBILES</b>	<b>5.82</b>	
MARUTI SUZUKI	2.89	1.00
TATA MOTORS	2.54	0.91
EICHER MOTORS	0.39	0.7
<b>CEMENT &amp; CEMENT PRODUCTS</b>	<b>4.85</b>	
ACC	2.56	1.00
GRASIM INDUSTRIES	2.29	0.83
<b>OIL REFINERIES</b>	<b>4.70</b>	
RELIANCE INDUSTRIES	3.79	1.06
BHARAT PETROLEUM CORPORATION	0.52	0.49
INDIAN OIL CORPORATION	0.39	0.54
<b>IT</b>	<b>4.03</b>	
INFOSYS TECHNOLOGIES	2.58	0.63
TATA CONSULTANCY SERVICES	0.91	0.69
PATNI COMPUTERS	0.54	0.66
<b>PHARMACEUTICALS</b>	<b>3.16</b>	
DIVIS LABORATORIES	2.18	1.12
RANBAXY LABORATORIES	0.98	0.64
<b>OIL AND EXPLORATION</b>	<b>1.65</b>	
ONGC CORPORATION	1.65	1.02
<b>FERTILIZERS</b>	<b>1.53</b>	
GUJARAT NARMADA VALLEY FERTILIZERS	1.53	0.96
<b>CONSTRUCTION</b>	<b>1.51</b>	
GAMMON INDIA	1.51	0.77
<b>AVIATION</b>	<b>1.45</b>	
DECCAN AVIATION	1.45	0.73
<b>TELECOM</b>	<b>1.32</b>	
BHARTI AIRTEL	0.93	1.04
RELIANCE COMMUNICATIONS	0.39	1.22
<b>POWER</b>	<b>1.23</b>	
TATA POWER	1.23	1.03
<b>HOTELS</b>	<b>0.88</b>	
INDIAN HOTELS	0.88	0.68
<b>TEXTILES</b>	<b>0.60</b>	
ADITYA BIRLA NUVO	0.60	0.87
<b>AUTO ANCILLARY</b>	<b>0.56</b>	
AUTOMATIVE AXLES	0.56	0.34

**total equity 60.04**

**total bank deposits/mutual funds 5.52**

**total net assets 100.00**

## asset allocation



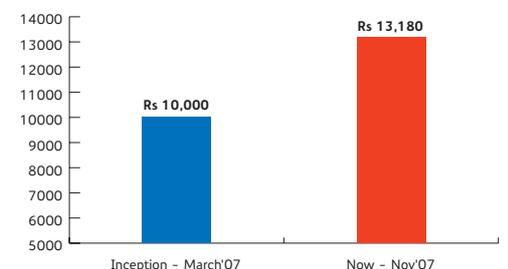
## fund characteristics as on November 30, 2007

M.Duration of debt portfolio: 2.52 years  
YTM of debt portfolio: 8.83%  
Beta of equity portfolio: 0.99

## NAV as on November 30, 2007

Reliance Money Guarantee Plan (MGP) - F Option: Rs 13.1799

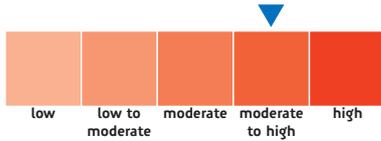
## growth of initial investment of Rs 10,000 in MGP



## fund objective

Provide, in the long-term, returns which are significantly higher than the inflation rate, through high exposure to equity investments, while recognizing that there is some probability of negative returns in the short-term. The risk appetite is 'moderate to high'.

## fund risk profile



## products

Reliance Money Guarantee Plan - E Option

Reliance Automatic Investment Plan - B Option

## fund manager's report

The month of November saw the markets losing momentum due to weak global sentiment and FII outflows. This trend was further influenced by weak Index of Industrial Production (IIP) figures for September 2007. The market saw high volatility during the month and Nifty closed 2.3% negative. Looking at the buying opportunity at lower level and the risk profile of the scheme, the holding in equities was kept at 49.78%.

The allocation to gilts was increased to around 9.50% from 8% in October to increase portfolio duration. Allocation to short term assets declined marginally to 3.7% from 4% in October 07. Therefore allocation to corporate bonds was increased further to 41% in November from 38% in October. This was in line with our strategy to reduce cash and increase allocation to corporate bonds which were giving an attractive yield over G-secs.

## benchmark construction

CRISIL ST Bond Index: 50%  
S&P CNX Nifty: 50%

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	data not available as the fund has not completed a period of one year since inception					
date of inception	march, 2007					

## portfolio

security	% to net assets	rating/1-yr beta
----------	-----------------	------------------

### corporate bonds

5.85% POWER FINANCE CORP 01-08-08	5.66	AAA
10.05% NABARD 11-06-14	4.82	AAA
9.65% NABARD NCD SER IX G 10-09-09	3.35	AAA
9.20% IL & FS SER VI 23-04-08	3.33	AAA
8.65% HDFC 12-09-11	3.26	AAA
9.50% NABARD NPS BONDS SER IX I 15-10-12	2.68	AAA
7% POWER FINANCE CORP 24-12-09	2.55	AAA
7.60% ICICI BANK 30-12-15	2.43	AAA
6.10% IRFC 13-05-10	1.87	AAA
6.10% POWER GRID CORP 17-07-10	1.54	AAA
9.35% IL & FS 22-10-10	1.33	AAA
8.50% EXIM BANK 26-09-11	1.30	AAA
10.10% POWER GRID CORP 12-06-11	0.85	AAA
10% NABARD SER IX 14-05-12	0.68	AAA
8.90% CITIFINANCIAL CONSUMER 05-08-09	0.66	AAA

**total corporate bonds 36.31**

### gilts

7.99% GOI 09-07-17	2.67
7.38% GOI 03-09-15	2.26
7.37% GOI 16-04-14	1.62
6.65% GOI 05-04-09	1.31
12% GOI 02-05-08	0.88
7.44% GOI SPL. OIL BOND 23-03-12	0.64
11.99% GOI 07-04-09	0.19

**total gilts 9.56**

### equity

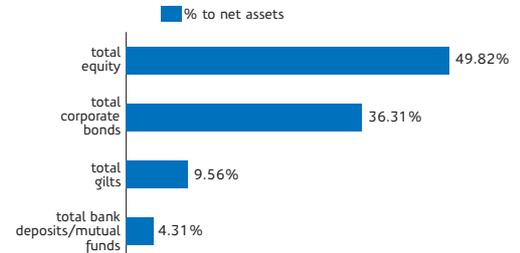
<b>CAP GOODS/ENGINEERING</b>	<b>9.63</b>	
SIEMENS	3.34	1.06
ALSTOM PROJECTS INDIA	1.86	1.13
AREVA T & D INDIA	1.55	0.99
CUMMINS INDIA LIMITED	1.08	0.93
LARSEN & TOUBRO	0.93	1.16
TRIVENI ENGINEERING AND INDUSTRIES	0.78	0.67
INGERSOLL RAND INDIA	0.09	0.52
<b>BANKING AND FINANCE</b>	<b>7.78</b>	
STATE BANK OF INDIA	2.90	1.21
ICICI BANK	2.38	1.14
PUNJAB NATIONAL BANK	1.52	1.15
INDIABULLS FINANCIAL SERVICES	0.98	1.24
<b>METALS</b>	<b>4.95</b>	
TATA STEEL	1.60	1.18
STEEL AUTHORITY OF INDIA	1.49	1.49
STERLITE INDUSTRIES	1.04	1.29
HINDALCO	0.82	0.94
<b>AUTOMOBILES</b>	<b>4.81</b>	
MARUTI SUZUKI	2.45	1.00
TATA MOTORS	2.07	0.91
EICHER MOTORS	0.29	0.70
<b>OIL REFINERIES</b>	<b>4.02</b>	
RELIANCE INDUSTRIES	3.26	1.06
BHARAT PETROLEUM CORPORATION	0.41	0.49
INDIAN OIL CORPORATION	0.35	0.54
<b>CEMENT &amp; CEMENT PRODUCTS</b>	<b>3.99</b>	
ACC	2.08	1.00
GRASIM INDUSTRIES	1.91	0.83
<b>IT</b>	<b>3.43</b>	
INFOSYS TECHNOLOGIES	2.18	0.63
TATA CONSULTANCY SERVICES	0.82	0.69
PATNI COMPUTERS	0.43	0.66
<b>PHARMACEUTICALS</b>	<b>2.62</b>	
DIVIS LABORATORIES	1.85	1.12
RANBAXY LABORATORIES	0.77	0.64
<b>OIL AND EXPLORATION</b>	<b>1.37</b>	
ONGC CORPORATION	1.37	1.02
<b>FERTILIZERS</b>	<b>1.28</b>	
GUJARAT NARMADA VALLEY FERTILIZERS	1.28	0.96
<b>CONSTRUCTION</b>	<b>1.26</b>	
GAMMON INDIA	1.26	0.77
<b>AVIATION</b>	<b>1.20</b>	
DECCAN AVIATION	1.20	0.73
<b>POWER</b>	<b>0.99</b>	
TATA POWER	0.99	1.03
<b>TELECOM</b>	<b>0.86</b>	
BHARTI AIRTEL	0.82	1.04
RELIANCE COMMUNICATIONS	0.04	1.22
<b>HOTELS</b>	<b>0.71</b>	
INDIAN HOTELS	0.71	0.68
<b>TEXTILES</b>	<b>0.51</b>	
ADITYA BIRLA NUVO	0.51	0.87
<b>AUTO ANCILLARY</b>	<b>0.41</b>	
AUTOMATIVE AXLES	0.41	0.34

**total equity 49.82**

**total bank deposits/mutual funds 4.31**

**total net assets 100.00**

## asset allocation



## fund characteristics as on November 30, 2007

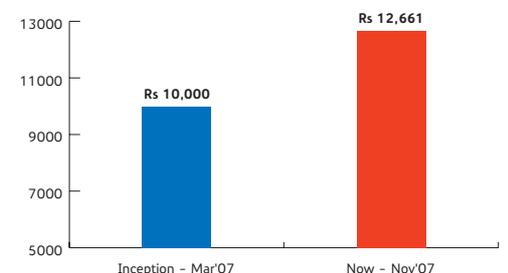
M.Duration of debt portfolio:	2.70 years
YTM of debt portfolio:	8.60%
Beta of equity portfolio:	0.99

## NAV as on November 30, 2007

Reliance Money Guarantee Plan (MGP) - E Option: Rs 12.6605

Reliance Automatic Investment Plan (AIP) - B Option: Rs 11.9077

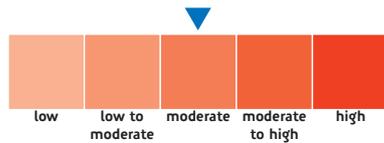
## growth of initial investment of Rs 10,000 in MGP



## fund objective

The investment objective of the fund is to provide investment returns that exceed the rate of inflation in the long-term while maintaining moderate probability of negative returns in the short-term. The risk appetite is defined as 'moderate'.

## fund risk profile



## products

Reliance Market Return Plan - Growth Fund Option

Reliance Golden Year Plan - Growth Fund Option

Reliance Money Guarantee Plan - D Option

## fund manager's report

The month of November saw the markets losing momentum due to weak global sentiment and FII outflows. This trend was further influenced by weak Index of Industrial Production (IIP) figures for September 2007. The market saw high volatility during the month and Nifty closed 2.3% negative. Looking at the buying opportunity at lower level and the risk profile of the scheme, the holding in equities was kept at 39.67%.

The allocation to corporate bonds was increased marginally to 41% in November. The G-sec allocation was maintained at 13% in November. The allocation to short term bank deposits and mutual funds was reduced to 3.7% from 6% in October. The portfolio is at its desired asset allocation. We believe these changes will help improve the portfolio yield even further.

## benchmark construction

CRISIL ST Bond Index: 60%  
S&P CNX Nifty: 40%

# ULIP Growth Fund

details as on November 30, 2007

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	22.40%	22.12%	9.40%	10.13%	1.85	1.69
last 2 years (CAGR)	21.70%	21.84%	8.74%	8.89%	1.91	1.90
last 3 years (CAGR)	19.97%	20.04%	8.67%	8.83%	1.73	1.70
since inception (CAGR)	19.93%	20.07%	8.38%	8.48%	1.78	1.78
date of inception			august, 2004			

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets	rating/ 1-yr beta
----------	-----------------	----------------------

### corporate bonds

9.20% IL & FS SER VI 23-04-08	4.10	AAA
8.25% IDBI OMNI BOND SER III 26-05-11	3.65	AA+
7.15% IND OIL BOND 10-06-10	3.65	AAA
9.58% EXIM BANK 04-09-09	3.60	AAA
9.50% INDIAN HOTELS 28-02-12	3.06	AA+
10% NABARD NCD SER IX 14-05-12	2.62	AAA
9.68% IRFC 03-07-10	2.18	AAA
10.05% NABARD 11-06-14	2.12	AAA
10.20% HDFC 13-04-10	2.09	AAA
9.50% NABARD NPS BONDS SER IX I 15-10-12	2.07	AAA
9.50% NABARD 29-06-08	2.05	AAA
7.20% HDFC 03-06-10	1.76	AAA
9.80% POWER FINANCE CORP SER XXXVIII 20-09-12	1.57	AAA
8.65% HDFC 12-09-11	1.51	AAA
11.03% TML FINANCIAL SERVICES 22-06-09	1.36	AA+
10.10% POWER GRID CORP 12-06-12	1.05	AAA
9% TATA SONS 27-07-10	1.02	AAA
8.40% EXIM BANK 28-09-10	1.00	AAA
7.39% POWER GRID CORP 22-09-11	0.96	AAA

**total corporate bonds 41.43**

### gilts

### SOVEREIGN

7.44% GOI SPL. OIL BOND 23-03-12	4.25	
7.49% GOI 16-04-17	2.48	
7.37% GOI 16-04-14	2.28	
7.33% GOI OIL COMP BOND 07-03-09	2.06	
11.40% GOI 31-08-08	1.05	
7.38% GOI 03-09-15	0.46	

**total gilts 12.57**

### equity

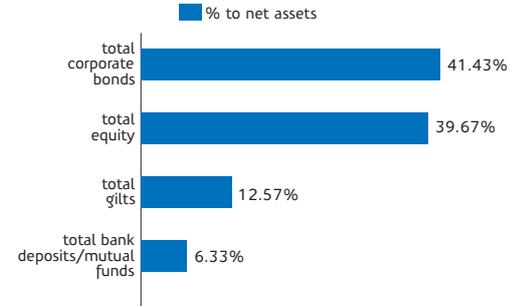
<b>CAP GOODS/ENGINEERING</b>		
SIEMENS	2.50	1.06
ALSTOM PROJECTS INDIA	1.54	1.13
AREVA T & D INDIA	1.41	0.99
CUMMINS INDIA	0.91	0.93
LARSEN & TOUBRO	0.81	1.16
TRIVENI ENGINEERING AND INDUSTRIES	0.62	0.67
INGERSOLL RAND INDIA	0.08	0.52
<b>BANKING AND FINANCE</b>		
STATE BANK OF INDIA	2.18	1.21
ICICI BANK	1.44	1.14
PUNJAB NATIONAL BANK	1.22	1.15
INDIABULLS FINANCIAL SERVICES	0.80	1.24
<b>METALS</b>		
TATA STEEL	1.27	1.18
STEEL AUTHORITY OF INDIA	1.14	1.49
STERLITE	0.83	1.29
HINDALCO	0.66	0.94
<b>AUTOMOBILES</b>		
MARUTI SUZUKI	1.87	1.00
TATA MOTORS	1.63	0.91
EICHER MOTORS	0.25	0.70
<b>CEMENT &amp; CEMENT PRODUCTS</b>		
ACC	1.71	1.00
GRASIM INDUSTRIES	1.53	0.83
<b>OIL REFINERIES</b>		
RELIANCE INDUSTRIES	2.51	1.06
BHARAT PETROLEUM CORPORATION	0.33	0.49
INDIAN OIL CORPORATION	0.24	0.54
<b>IT</b>		
INFOSYS TECHNOLOGIES	1.72	0.63
TATA CONSULTANCY SERVICES	0.59	0.69
PATNI COMPUTERS	0.35	0.66
<b>PHARMACEUTICALS</b>		
DIVIS LABORATORIES	1.41	1.12
RANBAXY LABORATORIES	0.65	0.64
<b>TELECOM</b>		
BHARTI AIRTEL	0.66	1.04
RELIANCE COMMUNICATIONS	0.64	1.22
<b>OIL AND EXPLORATION</b>		
ONGC CORPORATION	1.02	1.02
<b>FERTILIZERS</b>		
GUJARAT NARMADA VALLEY FERTILIZERS	1.01	0.96
<b>CONSTRUCTION</b>		
GAMMON INDIA	1.00	0.77
<b>AVIATION</b>		
DECCAN AVIATION	0.96	0.73
<b>POWER</b>		
TATA POWER	0.80	1.03
<b>HOTELS</b>		
INDIAN HOTELS	0.58	0.68
<b>TEXTILES</b>		
ADITYA BIRLA NUVO	0.40	0.87
AUTO ANCILLARY	0.40	
AUTOMATIVE AXLES	0.40	0.34

**total equity 39.67**

**total bank deposits/mutual funds 6.33**

**total net assets 100.00**

## asset allocation



## fund characteristics as on November 30, 2007

M.Duration of debt portfolio:	2.53 years
YTM of debt portfolio:	8.68%
Beta of equity portfolio:	0.99

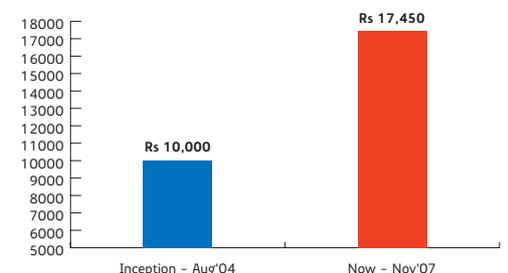
## NAV as on November 30, 2007

Reliance Market Return Plan (MRP) - Growth Fund Option: Rs 17.4504

Reliance Golden Year Plan (GYP) - Growth Fund Option: Rs 13.8861

Reliance Money Guarantee Plan (MGP) - D Option: Rs 12.3095

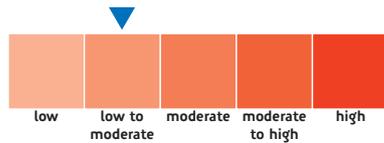
## growth of initial investment of Rs 10,000 in MRP



## fund objective

The investment objective of the fund is to provide investment returns that exceed the rate of inflation in the long-term while maintaining a low probability of negative returns in the short-term. The risk appetite is defined as 'low to moderate'.

## fund risk profile



## products

Reliance Market Return Plan - Balanced Fund Option

Reliance Golden Year Plan - Balanced Fund Option

Reliance Automatic Investment Plan - C Option

## fund manager's report

The month of November saw the markets losing momentum due to weak global sentiment and FII outflows. This trend was further influenced by weak Index of Industrial Production (IIP) figures for September 2007. The market saw high volatility during the month and Nifty closed 2.3% negative. Looking at the buying opportunity at lower level and the risk profile of the scheme, the holding in equities was kept at 19.93%.

The allocation to gilts was at 17% similar to previous month. The allocation to corporate bonds was increased substantially to 56% from 48% in October. New bonds of NABARD, IRFC and Tata Tea were added to the portfolio. The allocation to short-term bank deposits and mutual funds came down to 3.5% from 9% in October as we invested in bonds. The portfolio is at the desired asset allocation with these changes and we propose to maintain it.

## benchmark construction

CRISIL ST Bond Index: 80%  
S&P CNX Nifty: 20%

# ULIP Balanced Fund

details as on November 30, 2007

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	15.29%	14.68%	5.61%	5.68%	1.83	1.70
last 2 years (CAGR)	14.31%	13.90%	4.97%	4.77%	1.87	1.87
last 3 years (CAGR)	13.32%	12.88%	4.80%	4.66%	1.73	1.69
since inception (CAGR)	13.20%	11.61%	4.33%	4.54%	1.89	1.45
date of inception			february, 2003			

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets	rating/1-yr beta
----------	-----------------	------------------

### corporate bonds

9.68% IRFC 03-07-10	4.11	AAA
9.80% ICICI BANK 10-02-13	4.05	AAA
9.40% TATA TEA 08-11-10	3.96	AA+
8% EXIM BANK 27-09-08	3.94	AAA
9.00% SUNDARAM FINANCE 17-08-09	3.07	AA+
9.35% IL&FS 22-10-10	3.03	AAA
8.40% EXIM BANK 28-09-10	2.72	AAA
9.50% INDIAN HOTELS 28-02-12	2.69	AA+
6.25% ULTRATECH CEMENT 25-06-09	2.65	AA+
10.10% POWER GRID CORP 12-06-12	2.45	AAA
10.20% HDFC 13-04-10	2.43	AAA
10.75% IL&FS SER XI 29-03-09	2.42	AAA
9.50% NABARD NPS BONDS SER IX I 15-10-12	2.40	AAA
11.03% TML FINANCIAL SERVICES 22-06-09	2.03	AA+
8.25% IDBI OMNI BOND SER III 26-05-11	1.76	AA+
7.39% POWER GRID CORP 22-09-11	1.64	AAA
9.80% POWER FINANCE CORP SER XXXVIII 20-09-12	1.62	AAA
10% NABARD 18-06-10	1.61	AAA
8.90% CITIFINANCIAL CONSUMER 05-08-09	1.59	AAA
9.50% NABARD 29-06-08	1.59	AAA
9% TATA SONS 27-07-10	1.58	AAA
0% IDFC 27-06-08	1.51	AAA
9.58% EXIM BANK 04-09-09	1.20	AAA

**total corporate bonds 56.05**

### gilts

		SOVEREIGN
7.37% GOI 16-04-14	4.71	
7.38% GOI 03-09-15	2.69	
7.44% GOI SPL. OIL BOND 23-03-12	2.32	
6.96% GOI OIL COMP SPL. BOND 30-03-09	2.01	
7.49% GOI 16-04-17	1.92	
8.07% GOI 15-01-17	1.52	
6.65% GOI 05-04-09	1.17	
11.40% GOI 31-08-08	0.62	
9.39% GOI 02-07-11	0.17	

**total gilts 17.13**

### equity

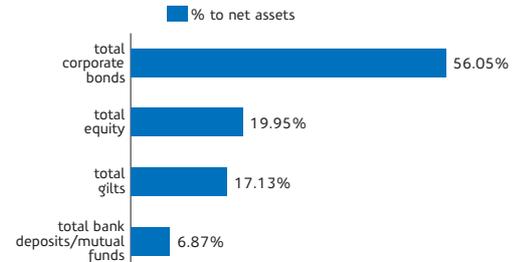
CAP GOODS/ENGINEERING	3.98	
SIEMENS	1.26	1.06
ALSTOM PROJECTS INDIA	0.79	1.13
AREVA T&D INDIA	0.73	0.99
CUMMINS INDIA	0.43	0.93
LARSEN & TOUBRO	0.42	1.16
TRIVENI ENGINEERING AND INDUSTRIES	0.31	0.67
INGERSOLL RAND INDIA	0.04	0.52
BANKING AND FINANCE	2.87	
STATE BANK OF INDIA	1.12	1.21
ICICI BANK	0.74	1.14
PUNJAB NATIONAL BANK	0.61	1.15
INDIABULLS FINANCIAL SERVICES	0.40	1.24
METALS	1.99	
TATA STEEL	0.64	1.18
STEEL AUTHORITY OF INDIA	0.60	1.49
STERLITE	0.42	1.29
HINDALCO	0.33	0.94
AUTOMOBILES	1.32	
MARUTI SUZUKI	0.96	1.00
TATA MOTORS	0.83	0.91
EICHER MOTORS	0.13	0.70
CEMENT & CEMENT PRODUCTS	1.64	
ACC	0.86	1.00
GRASIM INDUSTRIES	0.78	0.83
OIL REFINERIES	1.58	
RELIANCE INDUSTRIES	1.27	1.06
BHARAT PETROLEUM CORP	0.18	0.49
INDIAN OIL CORPORATION	0.13	0.54
IT	1.36	
INFOSYS TECHNOLOGIES	0.88	0.63
TATA CONSULTANCY SERVICES	0.30	0.69
PATNI COMPUTERS	0.18	0.66
PHARMACEUTICALS	1.04	
DIVIS LABORATORIES	0.71	1.12
RANBAXY LABORATORIES	0.33	0.64
OIL AND EXPLORATION	0.52	
ONGC CORPORATION	0.52	1.02
FERTILIZERS	0.51	
GUJARAT NARMADA VALLEY FERTILIZERS	0.51	0.96
CONSTRUCTION	0.50	
GAMMON INDIA	0.50	0.77
AVIATION	0.48	
DECCAN AVIATION	0.48	0.73
TELECOM	0.47	
BHARTI AIRTEL	0.34	1.04
RELIANCE COMMUNICATIONS	0.13	1.22
POWER	0.40	
TATA POWER	0.40	1.03
HOTELS	0.28	
INDIAN HOTELS	0.28	0.68
AUTO ANCILLARY	0.21	
AUTOMATIVE AXLES	0.21	0.34
TEXTILES	0.20	
ADITYA BIRLA NUVO	0.20	0.87

**total equity 19.95**

**total bank deposits/mutual funds 6.87**

**total net assets 100.00**

## asset allocation



## fund characteristics as on November 30, 2007

M.Duration of debt portfolio: 2.57 years  
YTM of debt portfolio: 8.96%  
Beta of equity portfolio: 0.99

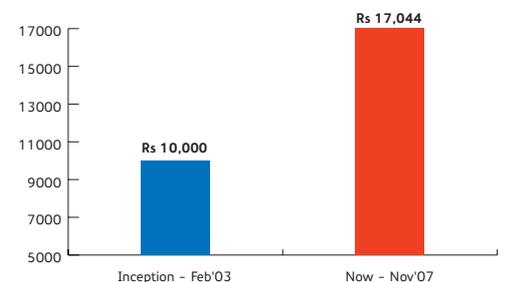
## NAV as on November 30, 2007

Reliance Market Return Plan (MRP) - Balanced Fund Option: Rs 14.4844

Reliance Golden Year Plan (GYP) - Balanced Fund Option: Rs 14.4856

Reliance Automatic Investment Plan (AIP) - C Option: Rs 11.0871

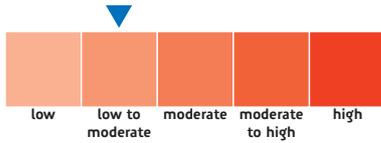
## growth of initial investment of Rs 10,000 in MRP



## fund objective

Provide returns that exceed the inflation rate, while taking some credit risk (through investments in corporate debt instruments) and maintaining a moderate probability of negative return in the short-term. The risk appetite is 'low to moderate'.

## fund risk profile



## products

Reliance Automatic Investment Plan - Corporate Bond Fund Option

## fund manager's report

The exposure to corporate bonds was increased to 81.5% from 72% in October as the fund received fresh inflows and invested in two bonds of Tata Tea and Exim Bank. Balance 18% is invested in short term bank FDs, CDs and mutual funds. We intend to keep exposure to corporate bonds at around 60-90% to meet the investment objectives of the fund.

## benchmark construction

CRISIL Composite Bond Index:100%

# ULIP Corporate Bond Fund

details as on November 30, 2007

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	data not available as the fund has not completed a period of one year since inception					
date of inception			may, 2007			

## portfolio

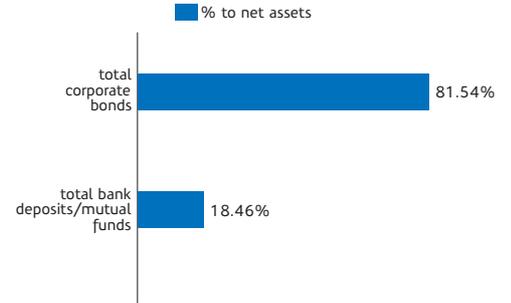
security	% to net assets	rating
<b>corporate bonds</b>		
9.40% TATA TEA 08-11-10	27.37	AA+
9.05% EXIM 06-11-10	27.34	AAA
6.25% ULTRATECH CEMENT 25-06-09	4.72	AA+
7.10% POWER GRID CORP 18-02-09	3.75	AAA
5.85% POWER FINANCE CORP 01-08-08	3.33	AAA
9.76% IRFC 03-07-12	2.81	AAA
9.50% NABARD 29-06-08	2.74	AAA
8.65% HDFC 12-09-11	2.69	AAA
7.60% ICICI BANK 30-12-15	2.51	AAA
9.50% NABARD NPS BONDS SER IX I 15-10-12	1.11	AAA
7.15% IND OIL BOND 10-06-10	1.04	AAA
6.10% IRFC 13-05-10	1.03	AAA
10% NABARD SER IX 14-05-12	0.56	AAA
7% POWER FINANCE CORP 24-12-09	0.53	AAA

**total corporate bonds 81.54**

**total bank deposits/mutual funds 18.46**

**total net assets 100.00**

## asset allocation



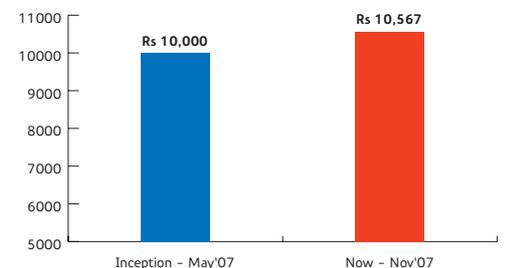
## fund characteristics as on November 30, 2007

M.Duration of debt portfolio: 1.95 years  
YTM of debt portfolio: 8.91%

## NAV as on November 30, 2007

Reliance Automatic Investment Plan (AIP) - Corporate Bond Fund Option: Rs 10.5670

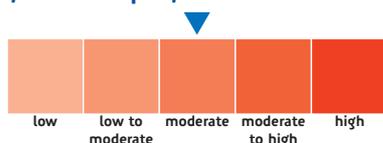
## growth of initial investment of Rs 10,000 in AIP



## fund objective

Provide steady investment returns achieved through 100% investment in debt securities, while maintaining moderate probability of negative returns in the short-term. The risk appetite is defined as 'moderate'.

## fund risk profile



## products

Reliance Money Guarantee Plan – Return Shield Option

## fund manager's report

The exposure to gilts was at 28% marginally lower as the fund received fresh inflows during the month. Exposure to corporate bonds was slightly increased to 47% in November. The exposure to short term assets was maintained at 18%. We intend to purchase bonds as and when attractive investments are available.

## benchmark construction

CRISIL Composite Bond Index: 100%

# ULIP Pure Debt Fund

details as on November 30, 2007

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	data not available as the fund has not completed a period of one year since inception					
date of inception			april, 2007			

## portfolio

security	% to net assets	rating
----------	-----------------	--------

### corporate bonds

5.85% POWER FINANCE CORP 01-08-08	7.41	AAA
8.65% HDFC 12-09-11	6.44	AAA
6% RECL 31-01-08	5.22	AAA
9.65% NABARD SER IX G 10-09-09	4.41	AAA
10% NABARD SER IX 14-05-12	3.14	AAA
9.35% IL & FS 22-10-10	2.20	AAA
9.20% IL & FS SER VI 23-04-08	2.19	AAA
9.50% NABARD 29-06-08	2.19	AAA
9% TATA SONS 27-07-10	2.18	AAA
8.40% EXIM BANK 28-09-10	2.15	AAA
8.50% EXIM BANK 26-09-11	2.14	AAA
7.60% ICICI BANK 30-12-15	2.00	AAA
9.76% IRFC 03-07-12	1.80	AAA
9.50% NABARD NPS BONDS SER IX I 15-10-12	1.32	AAA
10.10% POWER GRID CORP 12-06-11	1.12	AAA
11.03% TML FINANCIAL SERVICES 22-06-09	0.90	AA+
7.20% HDFC 03-06-10	0.84	AAA

**total corporate bonds 47.65**

### gilts

### SOVEREIGN

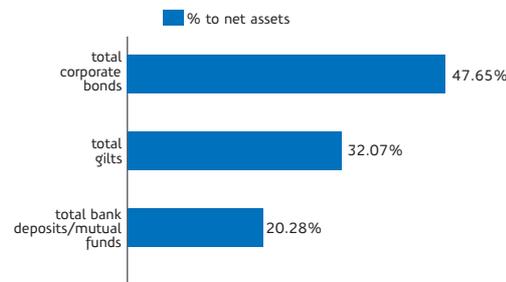
6.65% GOI 05-04-09	11.93
12% GOI 02-05-08	6.68
9.39% GOI 02-07-11	4.58
7.38% GOI 03-09-15	4.25
364 Days T.BILLS 29-08-08	4.14
11.40% GOI 31-08-08	0.49

**total gilts 32.07**

**total bank deposits/mutual funds 20.28**

**total net assets 100.00**

## asset allocation



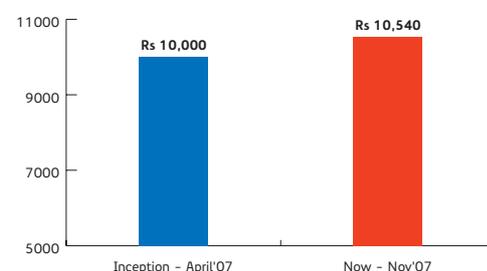
## fund characteristics as on November 30, 2007

M.Duration of debt portfolio: 1.56 years  
YTM of debt portfolio: 8.18%

## NAV as on November 30, 2007

Reliance Money Guarantee Plan (MGP) – Return Shield Option: Rs 10.5399

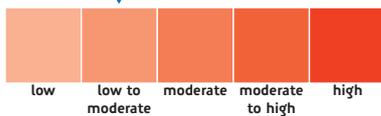
## growth of initial investment of Rs 10,000 in MGP



## fund objective

Provide returns that exceed the inflation rate, without taking any credit risk (sovereign risk only) and maintaining a low probability of negative return in the short-term. The risk appetite is 'low to moderate'.

## fund risk profile



## products

Reliance Automatic Investment Plan – Gilt Fund Option

## fund manager's report

The allocation to gilts was around 87% similar to that in October. The allocation to short term assets like Bank FDs, CDs and MFs was around 13% of the portfolio. We have marginally increased the duration of the fund during the month.

## benchmark construction

I-Sec Composite Sovereign Bond Index: 100%

# ULIP Gilt Fund

details as on November 30, 2007

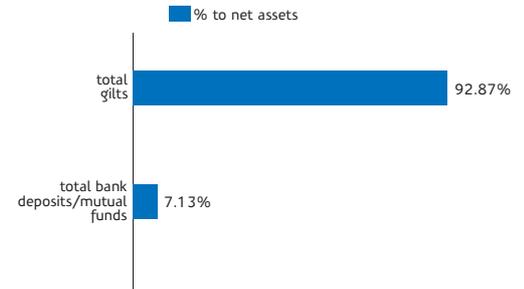
## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	data not available as the fund has not completed a period of one year since inception					
date of inception			may, 2007			

## portfolio

security	% to net assets
<b>gilts</b>	
<b>SOVEREIGN</b>	
5.87% GOI 02-01-10	31.17
9.39% GOI 02-07-11	22.37
6.65% GOI 05-04-09	12.76
12% GOI 02-05-08	7.52
364 Days T.BILLS 29-08-08	6.14
11.99% GOI 07-04-09	5.69
11.40% GOI 31-08-08	3.73
8.07% GOI 15-01-17	3.26
9.85% GOI 16-10-15	0.22
<b>total gilts</b>	<b>92.87</b>
<b>total bank deposits/mutual funds</b>	<b>7.13</b>
<b>total net assets</b>	<b>100.00</b>

## asset allocation



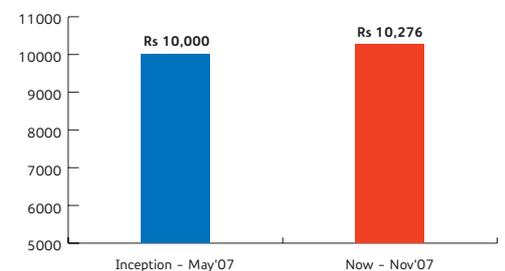
## fund characteristics as on November 30, 2007

M.Duration of debt portfolio:	0.28 years
YTM of debt portfolio:	8.41%

## NAV as on november 30, 2007

Reliance Automatic Investment Plan (AIP) – Gilt Fund Option: Rs 10.2761

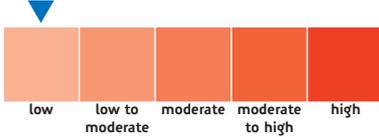
## growth of initial investment of Rs 10,000 in AIP



## fund objective

Maintain the capital value of all contributions (net of charges) and all interest additions, at all times. The risk appetite is 'low'.

## fund risk profile



## products

Reliance Automatic Investment Plan – Money Market Fund Option

## fund manager's report

Presently the investments of this fund are mostly in Certificate of deposits at around 93% of the portfolio which is giving the highest yield among money market instruments. The balance is in short-term assets like CBLO and MFs.

## benchmark construction

CRISIL Liquid Bond Index: 100%

# ULIP Money Market Fund

details as on November 30, 2007

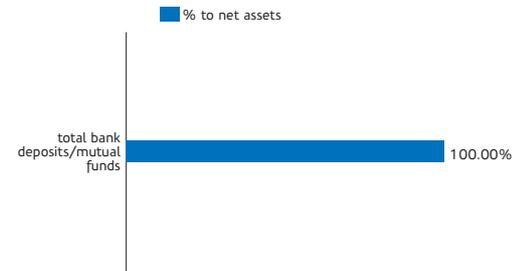
## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	data not available as the fund has not completed a period of one year since inception					
date of inception			may, 2007			

## portfolio

security	% to net assets
total bank deposits/mutual funds	100.00
total net assets	100.00

## asset allocation



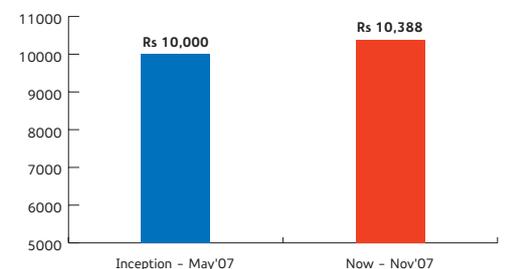
## fund characteristics as on November 30, 2007

M.Duration of debt portfolio: 0.31 years  
YTM of debt portfolio: 8.35%

## NAV as on November 30, 2007

Reliance Automatic Investment Plan (AIP) – Money Market Fund Option: Rs 10.3878

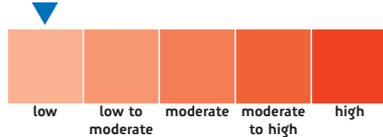
## growth of initial investment of Rs 10,000 in AIP



## fund objective

Maintain the capital value of all contributions (net of charges) and all interest additions, at all times. The risk appetite is 'extremely low'.

## fund risk profile



## products

Reliance Market Return Plan - Capital Secure Fund Option

Reliance Golden Year Plan - Capital Secure Fund Option

## fund manager's report

The allocation to CDs (Certificate of Deposits) and bank fixed deposits was at 100% to take advantage of high yields in these instruments. The fund continues to outperform its benchmark.

## benchmark construction

Yield on 182-day T.Bills

# ULIP Capital Secure Fund

details as on November 30, 2007

## fund performance

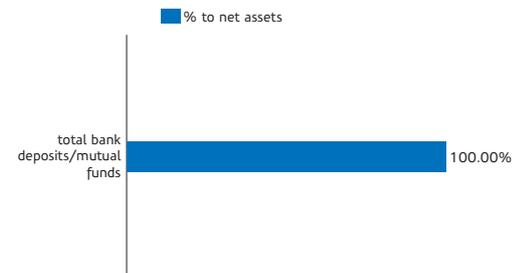
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	9.10%	7.61%	0.28%	0.17%	14.64	14.95
last 2 years (CAGR)	7.76%	7.19%	0.43%	0.18%	6.45	12.33
last 3 years (CAGR)	6.97%	6.60%	0.47%	0.27%	4.18	5.85
since inception (CAGR)	6.23%	5.63%	0.47%	0.43%	2.60	1.45
date of inception			february, 2003			

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets
total bank deposits/mutual funds	100.00
total net assets	100.00

## asset allocation



## fund characteristics as on November 30, 2007

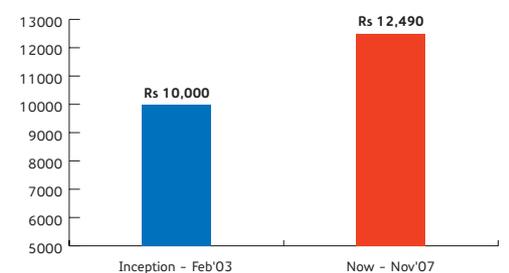
M.Duration of debt portfolio:	0.14 years
YTM of debt portfolio:	8.17%

## NAV as on November 30, 2007

Reliance Market Return Plan (MRP) - Capital Secure Fund Option: Rs 11.8435

Reliance Golden Year Plan (GYP) - Capital Secure Fund Option: Rs 11.8152

## growth of initial investment of Rs 10,000 in MRP



- ✓ Gross Fund Return
- ✓ Benchmark Return
- ✓ Fund Standard Deviation
- ✓ Fund Sharpe Ratio
- ✓ Benchmark Sharpe Ratio
- ✓ Modified Duration of Debt Portfolio
- ✓ Fund Beta

### **Gross Fund Return**

This is the return calculated on an NAV basis plus the fund management fees which are debited periodically to the fund. We calculate gross fund returns in order to give uniformity while evaluating fund management performance as the fund management fees vary from company to company.

### **Benchmark Return**

A benchmark is a standard against which the investment performance of a fund can be measured. Benchmarks are pre-determined primarily on the basis of the asset allocation structure of the fund. Benchmarks can be readily available in the market or have to be constructed. The CNX Nifty is a readily available benchmark for our equity portfolio manager as the equity fund primarily invests in equities.

### **Fund Standard Deviation**

Risk of investing in a fund is identified by the volatility of the fund's periodic returns. Standard deviation measures the volatility of the fund's returns. Standard Deviation for a particular time period gives us the deviation from the mean returns for that fund during that period. Higher the standard deviation greater is the volatility and therefore, greater is the risk of investing in that fund.

### **Fund Sharpe Ratio**

Sharpe Ratio of a fund tells us how much return the fund has been able to generate per unit of risk. The higher the Sharpe Ratio, the better the performance of a fund from the risk point of view.

The excess return generated by a fund for a particular time is first calculated by subtracting the risk free rate from the rate of return generated by that fund. Dividing this result by the standard deviation of the fund return, one can obtain the Sharpe Ratio.

### **Benchmark Sharpe Ratio**

Just as fund returns are compared to a benchmark return, the Sharpe Ratio of the fund is also compared to the benchmark's Sharpe Ratio in order to evaluate the risk-adjusted performance.

### **Modified Duration of Debt Portfolio**

Modified duration indicates the sensitivity of the value of the debt portfolio to any given change in interest rates. Modified duration represents a weighted average of the time periods to maturity. The weights for each time period are equal to the present values of the cash flows in each time periods. Modified duration gives one a 'rule of thumb' - the percentage change in the price of a bond is the duration multiplied by the change in interest rates.

### **Fund Beta**

Beta measures the risk of a security (say a particular stock) in relation to its broad market. The broad market is generally defined as the specified benchmark index. The beta assigned to the benchmark index is 1. Beta of the stock describes the sensitivity of the price of the stock to the benchmark index. The fund beta is the sum of the weighted individual stock betas in the portfolio.

- ✓ Macro Analysis
- ✓ Appreciation of Market Dynamics
- ✓ Meeting Investment Objectives vis-à-vis Risk Appetite
- ✓ Asset Allocation Strategy
- ✓ Security Selection – Portfolio Construction
- ✓ Benchmarks
- ✓ Risk Management / Portfolio Evaluation/ Diagnostics
- ✓ Governance and Processes

## investment strategy and risk control

**Macro Analysis** of the economy is carried out by tracking the trends in key economic indicators.

**Market Dynamics** are also studied apart from the above to determine our view of the changes likely in the interest rate scenario and equity market movements. Price movements in the market are monitored at all times along with factors that affect them such as the prevailing market sentiments, cash flows in the market and views/actions of key market participants including institutional investors like FIIs and mutual funds. For analyzing the debt markets, yield curve movements and changes in its shape are also studied.

The **risk appetite and investment objective** is clearly defined for each fund keeping in mind the investment horizon, liquidity requirements etc.

A range of acceptable holdings under each asset class is determined at the investment policy level. The **asset allocation** primarily takes into account, the investment objectives, regulatory issues and the likely risk return matrix to obtain a potential return which is the highest achievable for the risk that is assumed. Within the strategic asset allocation, the fund managers determine the weights of the various asset classes; primarily factoring in the developing market scenarios.

Based on the investment objectives of each fund option, a rigorous **security selection** process is followed. The fixed income fund manager identifies cheaper securities across the yield curve and builds a basket of securities to arrive at the optimum level of yield within the range of pre-determined 'duration' for the entire portfolio after paying particular attention to the liquidity position and the liquidity premium on the securities. An active fund management style is followed on the equity portfolios. A core portfolio of stocks is first created driven by a top-down approach and a research based bottom-up stock selection method is followed.

**Benchmarks** are pre-determined for each fund based on the most appropriate indices available in the market or by constructing proxy benchmarks out of multiple indices. Performance of each fund is continuously tracked based on the benchmarks and recalibrated.

A statistical analysis is carried out to determine that the **risk levels** are in tune with the risk appetite of the particular fund. Statistical tools such as the standard deviation and risk-adjusted return measures such as the Sharpe Ratio are calculated in order to compare the returns generated per unit of risk vis-à-vis benchmarks.

The investment policy has been designed by the **Board** to cover regulatory guidelines, the various product investment objectives, risk appetite strategic asset allocation and the investment style. It is ensured that the portfolio is always kept compliant with the relevant regulations. Our rigorous processes and risk/compliance controls are well documented.

# the analyst

## Disclaimer

"While every care has been taken in the preparation of this document, Reliance Life Insurance Company Ltd makes no representation or warranty about the accuracy or completeness of any statement in it including, without limitation, any forecasts. Past performance is not a reliable indicator of future performance. This document has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. An investor should, before making any investment decisions, consider the appropriateness of the information in this document, and seek professional advice, having regard to the investor's objectives, financial situation and needs. This document is solely for the use of the party to whom it is provided."

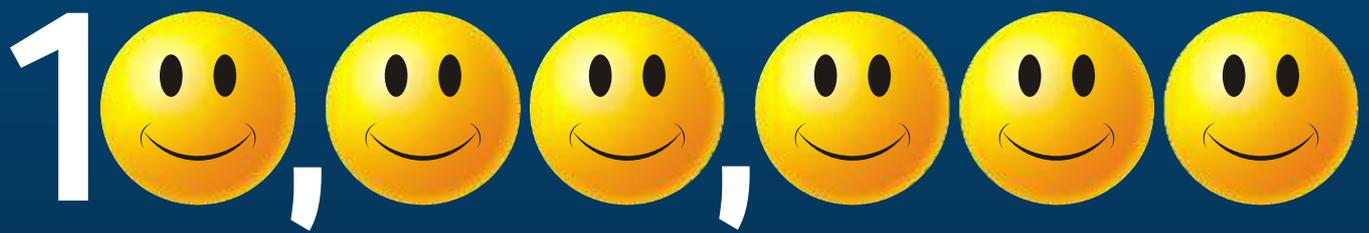
"The premium paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/her decisions."

"Reliance Life Insurance Company Limited is only the name of the Insurance Company and the specified Unit Linked funds do not in any way indicate the quality of the contract, its future prospects or returns."

"For more details on RLIC products and respective risk factors, terms and conditions please read respective sales brochure documents carefully before concluding a sale. The respective sales brochure documents for various products are published in the website "[www.reliancelife.co.in](http://www.reliancelife.co.in)"

"Insurance is the subject matter of solicitation. Reliance Life Insurance Company Limited is a licensed life insurance company registered with the Insurance Regulatory and Development Authority (Registration No: 121) in accordance with the provisions of the Insurance Act 1938."

congratulations!  
we have touched a million lives.



happy customers!

the journey has just begun...