

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.

Economy Indicators	30th Oct 09	30th Sep 09	Change
Rs./₹	46.97	48.11	1.14
WPI Inflation	242.20*	243.30	1.51%y-o-y*
Forex Reserves (\$ bn)	285.52	280.77	4.75 bn\$
Oil Price (\$ per Barrel)	75.22	65.88	9.34
Gold (Rs. per 10gm)	16060	15645	415.00

* As of 17th October 2009

Investments	30th Oct 09	30th Sep 09	Absolute Change
FIIIs (Rs Crs)	9077	18344	-9267
MFs (Rs Crs)	-5194	-2335	-2860

Indices	30th Oct 09	30th Sep 09	% Change
BSE Sensex	15896	17127	-7
S&P CNX Nifty	4712	5084	-7
CNX Mid Cap	6580	6713	-2
BSE Small Cap	7059	7590	-7

Global Indices	30th Oct 09	30th Sep 09	% Change
Dow Jones	9713	9712	0
FTSE 100	5045	5134	-2
Hang Seng	21620	20955	3
Nikkei	10035	10133	-1

Sectoral Indices	30th Oct 09	30th Sep 09	% Change
CNX Infrastructure	3326	3861	-14
CNX Energy	8677	9287	-7
BSE Capital Goods	12873	13757	-6
BSE Bankex	9336	9856	-5
BSE Oil & Gas	9434	10476	-10
BSE IT	4426	4571	-3

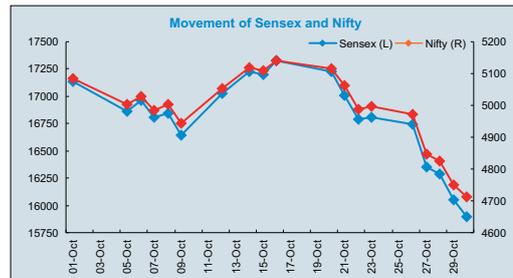
Fixed Income Indicators	30th Oct 09	30th Sep 09	Absolute Change
NSE Mibor	3.30	3.33	-0.03
91 Day T-Bill	3.23	3.15	0.08
182 Day T-Bill	3.97	3.80	0.17
1 year GOI Benchmark	4.22	4.40	-0.18
5 Year GOI Benchmark	7.40	7.10	0.30
5 Year Corp Bond Benchmark	8.48	8.50	-0.02
10 Year GOI Benchmark	7.30	7.19	0.11
10 Year US Benchmark	3.39	3.31	0.08

fund snapshot

asset allocation	funds	gross return (CAGR*) (%) as on October 30, 2009				date of inception
		last 1 year	last 2 years	last 3 years	since inception	
100% equity	ULIP Equity	61.86%	N.A.	N.A.	-10.69%	October, 2007
100% pure equity	ULIP Pure Equity	N.A.	N.A.	N.A.	N.A.	December, 2008
100% equity	ULIP Infrastructure	N.A.	N.A.	N.A.	N.A.	December, 2008
100% equity	ULIP Energy	N.A.	N.A.	N.A.	N.A.	December, 2008
100% equity	ULIP Midcap	N.A.	N.A.	N.A.	N.A.	December, 2008
40% equity, 60% debt	ULIP Growth	31.46%	1.11%	7.19%	12.08%	August, 2004
20% equity, 80% debt	ULIP Balanced	22.41%	5.95%	8.77%	10.94%	February, 2003
100% bond instruments	ULIP Corporate Bond	14.85%	N.A.	N.A.	9.85%	October, 2007
100% debt instrument	ULIP Pure Debt	13.85%	N.A.	N.A.	13.58%	October, 2008
100% govt. securities	ULIP Gilt	4.18%	N.A.	N.A.	5.72%	October, 2007
100% money market instruments	ULIP Money Market	10.30%	N.A.	N.A.	9.99%	November, 2007
100% money market instruments	ULIP Capital Secure	9.56%	9.74%	9.14%	7.08%	February, 2003

*CAGR: Compounded Annual Growth Rate

equity market update - Oct 2009



Equity Market Update

The Indian stock market entered an insecure zone by the end of the October, as solid gains were followed by profit taking. Sensex slumped 7.18% and Nifty lost 7.32% over the month, making it the worst month for the markets since October 2008.

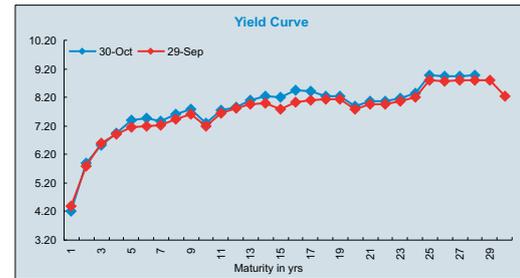
The market fell from 17-month highs tracking the trend of the global market where investors chose to cut risky exposures in view of doubts over the sustainability of growth recovery. FIIs remained net buyers of Indian equities worth nearly \$2 bln but the trend of buying turned inconsistent towards the end of the month. FII investments in India crossed \$14 bln for 2009. The two local events that impacted trade were Q2 earnings releases and the RBI monetary policy review. Both proved to be a mixed bag, turning the balance in favour of profit takers.

Several local corporates came out with encouraging results but these were countered by disappointing releases of many bellwether companies including telecom and realty sector, among others. Deeper analysis of earnings showed that bottomlines were boosted by measures like cost cutting, inventory draw down and other income.

The RBI signalled the end of the accommodative monetary policy, confirming the change of outlook over rates and liquidity for the coming quarters. The tighter provisioning norms proposed for commercial real estate loans hit the realty sector hard (-15.13%). Oil & gas (-9.94%) and capital goods (-6.42%) sectors were the next biggest losers. Among the couple of sectors that weathered the storm were FMCG (+9.05%, the only sectoral index to close in positive) and metals (-1.67%). The technology space showed mixed performance, influenced by Q2 earnings, improving economic scenario in global markets and currency exchange rate. The BSE Tech index fell 12.43% while BSEIT index lost 3.18%.

On the economic front, double digit growth rate in IIP (10.4% y-o-y), assuaged concerns, rebounding from as slow as 2.1% in May. However, it did not certify a return to a self-sustaining growth path especially after September infrastructure output rate (4% y-o-y) has been lower than in August (7.8%). WPI inflation rate rose to 1.51% y-o-y and March-end projection was raised to 6.5% from 5% by the RBI.

debt market update - Oct 2009



Debt Market Update

The government bond market reeled under intense selling pressure as traders lacked any strong direction, with sentiments jittery before the RBI quarterly monetary policy review. Inflationary pressures surmounted with a rise in the WPI inflation rate. Regular bond auctions with absence of any bond buy backs also weighed on sentiment. In the uncertain climate that existed ahead of the monetary policy and volatile 2-way action after the policy, the yield curve behaved in an erratic manner. Benchmark bonds in the benchmark medium-term segment around the 10-year maturity finished the month up to 10 bps higher.

The RBI monetary policy decision provided much-needed relief by providing the market some clarity for the coming few months. Ten-year benchmark yield fell 10 bps in immediate reaction before finally settling at 7.29% while the 5-year yield ended 25 bps higher at 7.40%.

Five-year AAA benchmark yield remained firm above 8.60%, before easing slightly to 8.45%. Annualised credit spread narrowed to 90 bps from 114 bps given the sharper movement in the underlying risk-free yield. In the short-term segment however, the rate on the 3-month indicative P1+ CP rate eased to 4.06% from 4.25% earlier, offering a narrower spread of 83 bps over the 3-month T-bill.

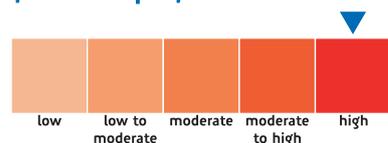
In the monetary policy review, the RBI left all the policy rates unchanged, but kicked off the reversal of stimulus measures taken to mitigate the fallout from the global financial meltdown. The central bank restored commercial bank's SLR requirement to 25% from 24% of NDTL (w.e.f. 7th November). On the economic front, the RBI maintained the annual GDP forecast at 6%, while raising WPI inflation estimate.

Liquidity remained in the comfort zone and enabled banks to comfortably cover their reserve requirements in advance. Call rates stuck to the usual 3.20%-3.30% band with the RBI absorbing over a trillion rupees for most part of the month, indicating the extent of liquidity surplus in the banking system.

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



Download Your Unit Statement Instantly.
Log on to www.reliance.com
with your Client ID and password.

fund manager's report

The month of October saw the markets ending negative. The market was tentative after RBI gave signals of reversing the loose monetary policy going ahead. The FII flows for the month was also negative in spite of good second quarter numbers. Looking at the volatility in specific sectors, the holding in equities was kept at 88.75%.

target asset allocation

Equity: 100%

benchmark construction

S&P CNX Nifty: 100%

ULIP Equity Fund

fund performance as on October 30, 2009

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	61.86%	63.29%	28.58%	35.51%	1.99	1.64
since inception (CAGR)	-10.69%	-10.64%	37.25%	40.03%	-0.42	-0.39
date of inception	october, 2007					

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

security % to net assets 1-yr beta

equity

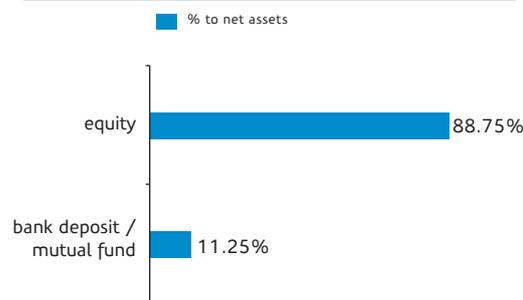
BANKING & FINANCE	22.41	
STATE BANK OF INDIA	5.67	1.12
ICICI BANK	5.08	1.47
HDFC BANK	3.72	0.84
HDFC	2.84	1.16
AXIS BANK	2.15	1.26
SHRIRAM TRANSPORT FINANCE COMPANY LTD	1.20	0.15
PUNJAB NATIONAL BANK	0.83	0.90
BANK OF BARODA	0.57	0.85
INDIAN BANK	0.36	0.88
OIL REFINERIES	11.68	
RELIANCE INDUSTRIES	7.10	1.24
OIL & NATURAL GAS CORPORATION	2.88	0.90
BHARAT PETROLEUM	1.54	0.44
OIL INDIA LTD	0.17	NA
CAP GOODS / ENGINEERING	10.71	
LARSEN & TOUBRO	4.58	1.23
BHARAT HEAVY ELECTRICALS	2.92	0.98
CUMMINS INDIA	1.34	0.61
PUNJ LLOYD	1.08	1.42
ALSTOM PROJECTS INDIA	0.79	0.99
IT	9.18	
INFOSYS TECHNOLOGIES	4.81	0.68
TATA CONSULTANCY SERVICES	4.37	0.82
METALS	6.39	
TATA STEEL	1.94	1.44
STERLITE INDUSTRIES	1.90	1.42
JINDAL STEEL AND POWER LTD	1.80	1.14
STEEL AUTHORITY OF INDIA	0.62	1.52
JINDAL SAW	0.13	1.03
FMCG	5.30	
ITC LTD	4.20	0.54
HINDUSTAN UNILEVER	1.10	0.34
PHARMACEUTICALS	4.22	
RANBAXY LAB	1.09	0.78
DIVIS LABORATORIES	1.09	0.60
CIPLA LTD	1.01	0.46
SUN PHARMACEUTICALS	0.69	0.47
LUPIN	0.35	0.33
POWER	4.16	
TATA POWER	1.82	0.86
NTPC	1.23	0.67
AREVA T & D INDIA LTD	0.72	0.94
POWER GRID CORPORATION OF INDIA LTD	0.27	0.74
Indiabulls Power	0.11	NA
AUTOMOBILES	3.40	
MAHINDRA & MAHINDRA LTD	1.27	1.09
BAJAJ AUTO LTD	1.26	0.59
MARUTI SUZUKI INDIA	0.87	0.63
TELECOM	3.20	
BHARTI AIRTEL	3.20	0.97
CEMENT & CEMENT PRODUCTS	2.03	
ACC	0.95	0.81
ULTRATECH CEMENT LTD	0.94	0.57
GRASIM INDUSTRIES	0.14	0.77
CONSTRUCTION	1.48	
JAI PRAKASH ASSOCIATES	1.48	1.69
GAS	1.07	
GAIL INDIA	1.07	0.69
OIL EXPLORATION	0.88	
CAIRN INDIA	0.88	0.97
MEDIA	0.84	
HT MEDIA LTD	0.84	0.59
FERTILIZERS	0.67	
UNITED PHOSPHORUS LTD	0.50	0.70
GUJARAT STATE FERTILIZERS & CHEMICALS	0.17	0.67
SUGAR	0.60	
BAJAJ HINDUSTAN	0.60	1.13
PLASTIC AND PLASTIC PRODUCT	0.37	
SINTEX INDUSTRIES LTD	0.37	0.94
SOFTWARE	0.15	
FINANCIAL TECHNOLOGIES INDIA INR	0.15	0.74

total equity 88.75

total bank deposits/mutual funds 11.25

total net assets 100.00

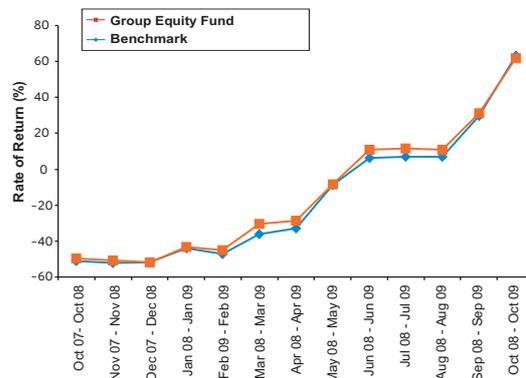
asset allocation as on Oct 30, 2009



fund characteristics as on Oct 30, 2009

Fund Beta 0.96

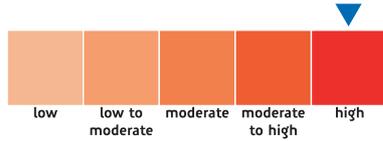
rolling yearly performance



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



ULIP Pure Equity Fund

fund performance as on October 30, 2009

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 the not completed a period of one year since inception					
date of inception	december, 2008					

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

security % to net assets 1-yr beta

equity

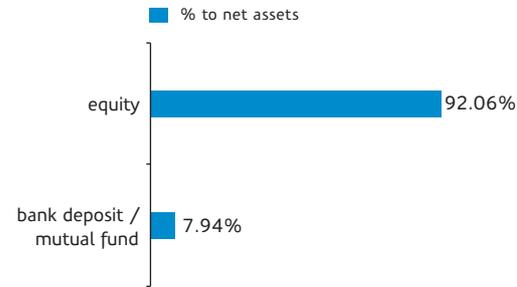
CAP GOODS / ENGINEERING	15.86	
LARSEN & TOUBRO	6.49	1.23
BHARAT HEAVY ELECTRICALS	4.39	0.98
PUNJ LLOYD	2.54	1.42
VOLTAS LTD	1.29	1.07
CUMMINS INDIA	1.15	0.61
OIL REFINERIES	12.07	
RELIANCE INDUSTRIES	8.57	1.24
OIL & NATURAL GAS CORPORATION	3.50	0.90
METALS	9.44	
JINDAL STEEL AND POWER LTD	6.86	1.14
STEEL AUTHORITY OF INDIA	2.58	1.52
IT	9.41	
INFOSYS TECHNOLOGIES	4.54	0.68
TATA CONSULTANCY SERVICES	3.90	0.82
MPHASIS	0.97	0.54
PHARMACEUTICALS	9.24	
RANBAXY LAB	4.07	0.78
CIPLA LTD	2.34	0.46
LUPIN	1.69	0.33
SUN PHARMACEUTICALS	1.14	0.47
AUTOMOBILES	8.65	
MAHINDRA & MAHINDRA LTD	4.62	1.09
BAJAJ AUTO LTD	4.03	0.59
POWER	8.01	
TATA POWER	5.74	0.86
NTPC	2.27	0.67
TELECOM	6.72	
BHARTI AIRTEL	6.72	0.97
FMCG	5.26	
MARICO LTD	3.29	0.28
HINDUSTAN UNILEVER	1.97	0.34
GAS	3.73	
GAIL INDIA	3.73	0.69
OIL EXPLORATION	1.98	
CAIRN INDIA	1.98	0.97
CEMENT & CEMENT PRODUCTS	1.70	
GRASIM INDUSTRIES	1.70	0.77

total equity 92.06

total bank deposits/mutual funds 7.94

total net assets 100.00

asset allocation as on Oct 30, 2009



fund characteristics as on Oct 30, 2009

Beta of equity portfolio: 0.91

Download Your Unit Statement Instantly.
Log on to www.reliancelife.com
with your Client ID and password.

fund manager's report

The month of October saw the markets ending negative. The market was tentative after RBI gave signals of reversing the loose monetary policy going ahead. The FII flows for the month was also negative in spite of good second quarter numbers. Looking at the volatility in specific sectors, the holding in equities was kept at 92.06%.

target asset allocation

Equity*: 100%

(*Investments only in sectors other than banks and non-banking financial companies, breweries, distilleries, alcohol based chemicals, cigarettes, tobacco, entertainment, leather, sugar and hatcheries.)

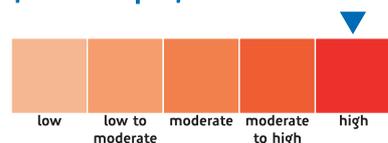
benchmark construction

S&P CNX Nifty 100%

fund objective

Provide high rate of return in the long term through high exposure to equity investments in Infrastructure and allied sectors, while recognizing that there is a significant probability of negative returns in the short term. The risk appetite is 'high'

fund risk profile



ULIP Infrastructure Fund

fund performance as on October 30, 2009

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	december, 2008					

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

security % to net assets 1-yr beta

equity

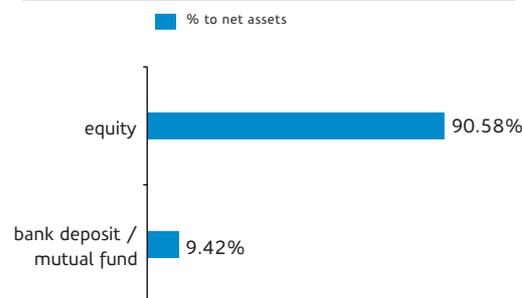
CAP GOODS / ENGINEERING	28.34	
BHARAT HEAVY ELECTRICALS	11.39	0.98
LARSEN & TOUBRO	9.75	1.23
PUNJ LLOYD	4.63	1.42
IRB INFRASTRUCTURE DEVELOPERS LTD	1.35	0.73
VOLTAS LTD	1.21	1.07
POWER	22.85	
NTPC	17.18	0.67
TATA POWER	3.03	0.86
NEYVELI LIGNITE CORPORATION	2.30	1.03
NHPC LTD	0.23	NA
INDIABULLS POWER	0.11	NA
TELECOM	10.79	
BHARTI AIRTEL	10.79	0.97
METALS	8.65	
STERLITE INDUSTRIES	5.01	1.42
JINDAL STEEL AND POWER LTD	2.45	1.14
TATA STEEL	1.20	1.44
OIL REFINERIES	7.11	
OIL INDIA LTD	4.20	N A
OIL & NATURAL GAS CORPORATION	2.77	0.90
RELIANCE INDUSTRIES	0.13	1.24
CONSTRUCTION	6.25	
JAIPRAKASH ASSOCIATES	6.25	1.69
PLASTIC AND PLASTIC PRODUCT	1.67	
SINTEX INDUSTRIES LTD	1.67	0.94
CEMENT & CEMENT PRODUCTS	1.67	
GRASIM INDUSTRIES	1.67	0.77
BANKING & FINANCE	1.46	
HDFC	1.46	1.16
HOTELS	1.07	
INDIAN HOTELS	1.07	0.70
SOFTWARE	0.72	
FINANCIAL TECHNOLOGIES INDIA INR FV 2	0.72	0.74

total equity 90.58

total bank deposits/mutual funds 9.42

total net assets 100.00

asset allocation as on Oct 30, 2009



fund characteristics as on Oct 30, 2009

Fund Beta 0.99

Download Your Unit Statement Instantly.
Log on to www.reliancecelf.com
with your Client ID and password.

fund manager's report

The month of October saw the markets ending negative. The market was tentative after RBI gave signals of reversing the loose monetary policy going ahead. The FII flows for the month was also negative in spite of good second quarter numbers. Looking at the volatility in specific sectors, the holding in equities was kept at 90.58%.

target asset allocation

Equity: 100%

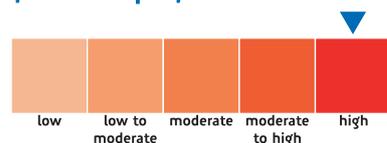
benchmark construction

CNX Infrastructure Index: 100%

fund objective

Provide high rate of return in the long term through high exposure to equity investments in Energy and allied sectors, while recognizing that there is a significant probability of negative returns in the short term. The risk appetite is 'high'

fund risk profile



ULIP Energy Fund

fund performance as on October 30, 2009

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	december, 2008					

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

security % to net assets 1-yr beta

equity

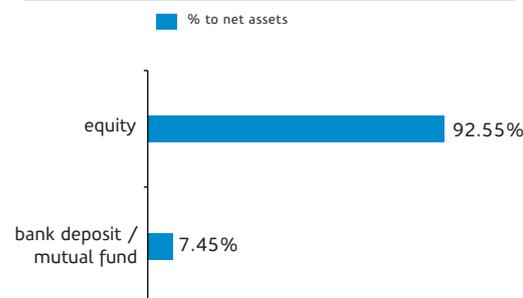
OIL REFINERIES	52.51	
RELIANCE INDUSTRIES	27.02	1.24
OIL & NATURAL GAS CORPORATION	22.11	0.90
BHARAT PETROLEUM	2.04	0.44
OIL INDIA LTD	1.35	NA
POWER	24.22	
NTPC	16.11	0.67
POWER GRID CORPORATION OF INDIA LTD	4.12	0.74
TATA POWER	2.75	0.86
NHPC LTD	1.13	NA
INDIABULLS POWER	0.11	NA
OIL EXPLORATION	4.35	
CAIRN INDIA	4.35	0.97
METALS	4.02	
JINDAL STEEL AND POWER LTD	2.07	1.14
STERLITE INDUSTRIES	1.96	1.42
GAS	3.26	
GAIL INDIA	3.26	0.69
CAP GOODS / ENGINEERING	2.86	
BHARAT HEAVY ELECTRICALS	2.86	0.98
CONSTRUCTION	1.33	
JAIPRAKASH ASSOCIATES	1.33	1.69

total equity 92.55

total bank deposits/mutual funds 7.45

total net assets 100.00

asset allocation as on Oct 30, 2009



fund characteristics as on Oct 30, 2009

Fund Beta 0.94

Download Your Unit Statement Instantly.
Log on to www.reliancelife.com
with your Client ID and password.

fund manager's report

The month of October saw the markets ending negative. The market was tentative after RBI gave signals of reversing the loose monetary policy going ahead. The FII flows for the month was also negative in spite of good second quarter numbers. Looking at the volatility in specific sectors, the holding in equities was kept at 92.55%.

target asset allocation

Equity: 100%

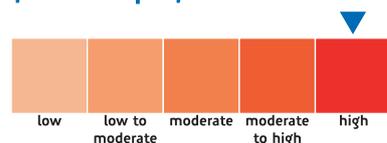
benchmark construction

CNX Energy Index: 100%

fund objective

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

fund risk profile



ULIP Midcap Fund

fund performance as on October 30, 2009

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	december, 2008					

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

security % to net assets 1-yr beta

equity

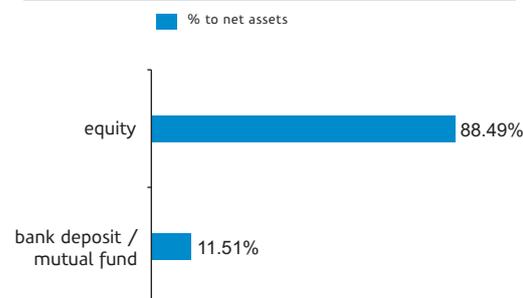
CAP GOODS / ENGINEERING	15.47	
VOLTAS LTD	6.23	1.07
PUNJ LLOYD	4.81	1.42
IRB INFRASTRUCTURE DEVELOPERS LTD	3.50	0.73
CUMMINS INDIA	0.93	0.61
BANKING & FINANCE	11.83	
SHRIRAM TRANSPORT FINANCE COMPANY LTD	4.93	0.15
ANDHRA BANK	4.25	0.65
INDIAN BANK	2.65	0.88
PHARMACEUTICALS	10.92	
DIVIS LABORATORIES	5.75	0.60
LUPIN	5.17	0.33
IT	7.68	
MPHASIS	7.68	0.54
SUGAR	6.19	
BAJAJ HINDUSTAN	6.19	1.13
PLASTIC AND PLASTIC PRODUCT	4.23	
SINTEX INDUSTRIES LTD	4.23	0.94
AUTO ANCILLARY	4.19	
EXIDE INDUSTRIES	4.19	0.58
SHIPPING	3.55	
GREAT EASTERN SHIPPING	3.55	0.80
HOTELS	3.50	
INDIAN HOTELS	3.50	0.70
FERTILIZERS	3.35	
UNITED PHOSPHORUS LTD	2.28	0.70
GUJARAT STATE FERTILIZERS & CHEMICALS	1.07	0.67
SOFTWARE	3.33	
FINANCIAL TECHNOLOGIES INDIA INR	3.33	0.74
FMCG	3.32	
TATA TEA	3.32	0.33
CONSTRUCTION	2.38	
JAIPRAKASH ASSOCIATES	2.38	1.69
AUTOMOBILES	2.29	
MAHINDRA & MAHINDRA LTD	2.29	1.09
METALS	1.98	
JINDAL STEEL AND POWER LTD	1.98	1.14
CEMENT & CEMENT PRODUCTS	1.90	
ULTRATECH CEMENT LTD	1.90	0.57
OIL REFINERIES	1.20	
OIL & NATURAL GAS CORPORATION	1.20	0.90
TELECOM	1.16	
BHARTI AIRTEL	1.16	0.97

total equity 88.49

total bank deposits/mutual funds 11.51

total net assets 100.00

asset allocation as on Oct 30, 2009



fund characteristics as on Oct 30, 2009

Fund Beta 0.77

Download Your Unit Statement Instantly.
Log on to www.reliancecelf.com
with your Client ID and password.

fund manager's report

The month of October saw the markets ending negative. The market was tentative after RBI gave signals of reversing the loose monetary policy going ahead. The FII flows for the month was also negative in spite of good second quarter numbers. Looking at the volatility in specific sectors, the holding in equities was kept at 88.49%

target asset allocation

Equity: 100%

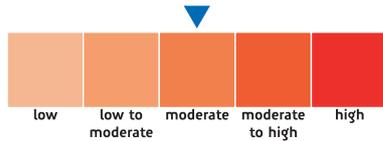
benchmark construction

Nifty Midcap 50: 100%

fund objective

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



ULIP Growth Fund

fund performance as on October 30, 2009

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	31.46%	30.75%	11.59%	14.39%	2.28	1.79
last 2 years (CAGR)	1.11%	2.13%	15.65%	16.30%	-0.25	-0.18
last 3 years (CAGR)	7.19%	9.55%	13.91%	14.59%	0.16	0.31
since inception (CAGR)	12.08%	13.37%	11.79%	12.17%	0.60	0.69
date of inception	august, 2004					

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

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

corporate bonds

11.45% RELIANCE INDUSTRIES LTD 25-11-2013	4.49	AAA
8.25% IDBI OMNI BOND SER III 26-05-2011	2.24	AA+
11.95% HDFC LTD 26-11-2018	2.18	AAA
11.10% POWER FINANCE CORP 15-09-2013	1.98	AAA
9.25% HDFC LTD 24-11-2016	1.88	AAA
9.50% NABARD SER IX I 15-10-2012	1.87	AAA
2% TATA MOTORS LTD 31-03-2014	1.86	AAA(SO)
10.35% HDFC LTD 16-05-2017	1.86	AAA
8.20% IRFC 27-04-2016	1.80	AAA
8.95% HDFC LTD 29-10-2010	1.70	AAA
7.15% IND OIL BOND 10-06-2012	1.46	AA+
11.40% POWER FINANCE CORP 28-11-2013	1.22	AAA
7.39% POWER GRID CORP 22-09-2011	1.19	AAA
9.50% INDIAN HOTEL 28-02-2012	1.15	AA+
9.80% TATA STEEL 07-05-2011	1.13	AA
9.35% HDFC LTD 09-11-2009	1.10	AAA
7% RECL LTD 02-06-2012	1.08	AAA
11.25% POWER FINANCE CORP LTD 28-11-2018	1.05	AAA
9.90% TATA SONS 20-05-2011	0.77	AAA
9.05% EXIM BANK 06-11-2010	0.76	AAA
9.68% IRFC 03-07-2010	0.60	AAA
8.95% HDFC LTD 16-01-2011	0.38	AAA
10.60% IRFC 11-09-2018	0.21	AAA

total corporate bonds 33.94

gilts

SOVEREIGN

7.56% GOI 03-11-2014	1.85
7.44% GOI SPL OIL BOND 23-03-2012	1.59
8.40% GUJARAT GOI 18-03-2019	1.14
8.47% ARUNACHAL PRADESH GOI 25-03-2019	0.77
7.46% GOI 28-08-2017	0.72
8.35% GOI 14-05-2022	0.01

total gilts 6.08

equity

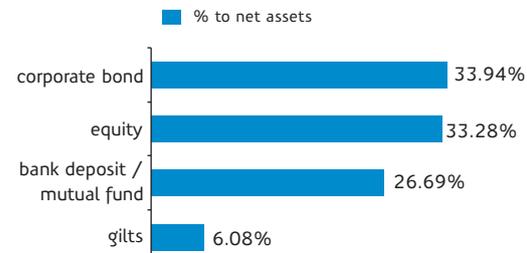
BANKING & FINANCE	8.26	
STATE BANK OF INDIA	2.09	1.12
ICICI BANK	1.73	1.47
HDFC BANK	1.37	0.84
HOUSING DEVELOPMENT FINANCE CORPORATION	0.85	1.16
AXIS BANK	0.67	1.26
SHRIRAM TRANSPORT FINANCE COMPANY LTD	0.56	0.15
BANK OF BARODA	0.52	0.85
PUNJAB NATIONAL BANK	0.33	0.90
INDIAN BANK	0.14	0.88
CAP GOODS / ENGINEERING	4.28	
LARSEN & TOUBRO	1.81	1.23
BHARAT HEAVY ELECTRICALS	1.31	0.98
PUNJ LLOYD	0.46	1.42
VOLTAS LTD	0.43	1.07
CUMMINS INDIA	0.27	0.61
OIL REFINERIES	4.08	
RELIANCE INDUSTRIES	2.92	1.24
OIL & NATURAL GAS CORPORATION	0.82	0.90
BHARAT PETROLEUM	0.31	0.44
OIL INDIA LTD	0.03	NA
IT	3.08	
INFOSYS TECHNOLOGIES	2.28	0.68
TATA CONSULTANCY SERVICES	0.80	0.82
METALS	2.52	
STERLITE INDUSTRIES	0.87	1.42
JINDAL STEEL AND POWER LTD	0.84	1.14
TATA STEEL	0.56	1.44
STEEL AUTHORITY OF INDIA	0.26	1.52
FMCG	2.33	
ITC LTD	1.52	0.54
HINDUSTAN UNILEVER	0.80	0.34
POWER	1.79	
TATA POWER	0.67	0.86
NTPC	0.59	0.67
AREVA T & D INDIA LTD	0.31	0.94
POWER GRID CORPORATION OF INDIA LTD	0.18	0.74
INDIABULLS POWER	0.04	NA
AUTOMOBILES	1.49	
MAHINDRA & MAHINDRA LTD	0.56	1.09
MARUTI SUZUKI INDIA	0.49	0.63
BAJAJ AUTO LTD	0.44	0.59
TELECOM	1.15	
BHARTI AIRTEL	1.15	0.97
PHARMACEUTICALS	1.13	
CIPLA LTD	0.37	0.46
SUN PHARMACEUTICALS	0.35	0.47
RANBAXY LAB	0.23	0.78
DIVIS LABORATORIES	0.18	0.60
CEMENT & CEMENT PRODUCTS	0.80	
GRASIM INDUSTRIES	0.37	0.77
ULTRATECH CEMENT LTD	0.30	0.57
ACC	0.13	0.81
CONSTRUCTION	0.80	
JAIPRAKASH ASSOCIATES	0.80	1.69
OIL EXPLORATION	0.46	
CAIRN INDIA	0.46	0.97
SUGAR	0.41	
BAJAJ HINDUSTAN	0.41	1.13
GAS	0.37	
GAIL INDIA	0.37	0.69
PLASTIC AND PLASTIC PRODUCT	0.33	
SINTEX INDUSTRIES LTD	0.33	0.94

total equity 33.94

total bank deposits/mutual funds 26.69

total net assets 100.00

asset allocation as on Oct 30, 2009



fund characteristics as on Oct 30, 2009

M.Duration of debt portfolio:	1.93 years
YTM of debt portfolio:	8.02%
Beta of equity portfolio:	0.98

Download Your Unit Statement Instantly.
Log on to www.reliancelife.com
with your Client ID and password.

fund manager's report

The month of October saw the markets ending negative. The market was tentative after RBI gave signals of reversing the loose monetary policy going ahead. The FII flows for the month was also negative in spite of good second quarter numbers. Looking at the volatility in specific sectors, the holding in equities was kept at 33.94%.

The allocation to the G-sec was decreased to 6.08% from 6.34%. The allocation to corporate bonds was increased to 33.94% from 31.88%. Accordingly the allocation to short term bank deposits and CDs/CPs was increased to 26.69% from 25.14%.

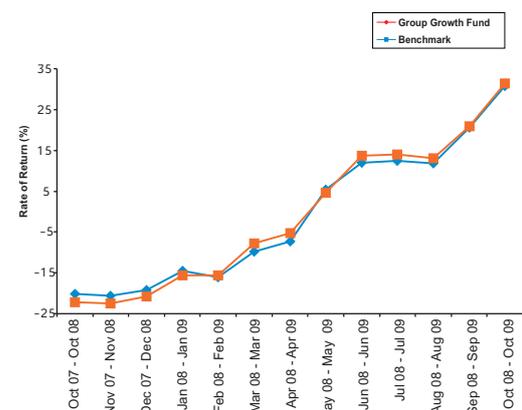
target asset allocation

Debt.:	60%
Equity:	40%

benchmark construction

CRISIL ST Bond Index:	60%
CNX Nifty:	40%

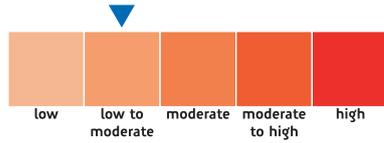
rolling yearly performance



fund objective

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



ULIP Balanced Fund

fund performance as on October 30, 2009

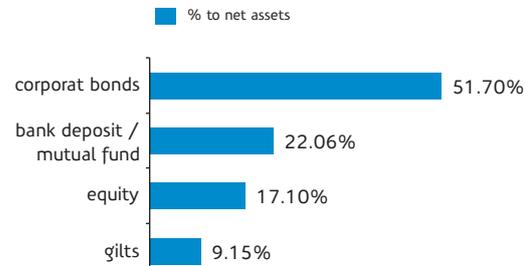
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	22.41%	20.35%	7.09%	7.63%	2.45	2.01
last 2 years (CAGR)	5.95%	5.42%	8.66%	8.53%	0.11	0.05
last 3 years (CAGR)	8.77%	9.00%	7.80%	7.69%	0.48	0.52
since inception (CAGR)	10.94%	9.91%	5.98%	6.00%	0.99	0.82
date of inception			february, 2003			

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

security	% to net assets	rating/ 1-yr beta
corporate bonds		
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	7.46	AAA
11.40% POWER FINANCE CORP 28-11-2013	2.31	AAA
10.95% RECL LTD 14-04-2011	2.02	AAA
9.90% TATA SONS 20-05-2011	1.97	AAA
8.50% EXPORT & IMPORT BANK LTD 12-09-2011	1.94	AAA
8.94% LIC HOUSING FIN LTD 16-01-2011	1.94	AAA
8.95% HDFC LTD 16-01-2011	1.74	AAA
11.25% POWER FINANCE CORP LTD 28-11-2018	1.62	AAA
9.50% NABARD SER IX 115-10-2012	1.56	AAA
9.80% ICICI BANK LTD 10-02-2013	1.51	AAA
9.50% INDIAN HOTEL 28-02-2012	1.48	AA+
9.35% LIC HOUSING FIN LTD 23-11-2012	1.18	AAA
10% NABARD SER IX 14-05-2012	1.17	AAA
9.80% TATA STEEL 07-05-2011	1.17	AA
10.75% RECL LTD 14-04-2011	1.03	AAA
9.80% POWER FINANCE CORP 22-03-2012	1.00	AAA
11.65% HDFC LTD 09-09-2010	0.99	AAA
8.83% IRFC 29-10-2012	0.97	AAA
9.40% TATA TEA LTD 08-11-2010	0.97	AA
9.24% L&T FINANCE LTD 30-07-2010	0.97	AA+
2% TATA MOTORS LTD 31-03-2014	0.96	AAA(SO)
7.20% HDFC 03-06-2010	0.95	AAA
8.90% STEEL AUTHORITY OF INDIA 01-05-2019	0.95	AAA
8.68% NAT CAP REGIONAL PLANNING 18-08-2019	0.94	AAA
9.35% IL & FS LTD 22-10-2010	0.93	AAA
7% RECL LTD 02-06-2012	0.93	AAA
8% RECL LTD 05-08-2014	0.92	AAA
9.30% POWER FINANCE CORP LTD 12-03-2013	0.89	AAA
10.60% IRFC 11-09-2018	0.74	AAA
10.10% POWER GRID CORP 12-06-2011	0.72	AAA
9.76% IRFC 03-07-1012	0.69	AAA
8.65% HDFC LTD 12-09-2011	0.68	AAA
9% TATA SONS 27-07-2010	0.67	AAA
11.15% HDFC LTD 06-08-2018	0.64	AAA
11.15% POWER FINANCE CORP 15-09-2011	0.61	AAA
9.20% HDFC LTD 09-02-2012	0.59	AAA
9.45% RECL LTD 04-04-2013	0.59	AAA
9.68% IRFC 03-07-2010	0.56	AAA
8.20% IRFC 27-04-2020	0.55	AAA
6.00% INDIAN HOTEL 13-05-2011	0.53	AA+
9.25% EXIM BANK 13-12-2012	0.49	AAA
12% TATA CAPITAL LTD 05-03-2014	0.42	AAA
10% NABARD 18-06-2010	0.39	AAA
7% POWER FINANCE CORP LTD 24-12-2011	0.28	AAA
11.35% RECL LTD 24-10-2013	0.08	AAA
total corporate bonds 51.70		
gilts		
SOVEREIGN		
7.44% GOI SPL OIL BOND 23-03-2012	1.54	
7.46% GOI 28-08-2017	0.93	
7.50% GOI 10-08-2034	0.52	
6.72% GOI 24-02-2014	0.37	
8.24% GOI 22-04-2018	0.33	
7.37% GOI 16-04-2014	0.00	
8.30% MAHARASHTRA GOI 25-03-2019	3.31	
8.28% RAJASTHAN GOI 25-03-2019	0.97	
8.24% TAMIL NADU GOI 25-03-2019	0.97	
8.59% ANDHRA PRADESH GOI 18-03-2019	0.20	
total gilts 9.15		
equity		
BANKING & FINANCE 4.32		
STATE BANK OF INDIA	1.11	1.12
ICICI BANK	0.91	1.47
HDFC BANK	0.70	0.84
HOUSING DEVELOPMENT FINANCE CORPORATION	0.45	1.16
AXIS BANK	0.34	1.26
SHRIRAM TRANSPORT FINANCE COMPANY LTD	0.29	0.15
BANK OF BARODA	0.27	0.85
PUNJAB NATIONAL BANK	0.17	0.90
INDIAN BANK	0.07	0.88
CAP GOODS / ENGINEERING 2.26		
LARSEN & TOUBRO	0.94	1.23
BHARAT HEAVY ELECTRICALS	0.70	0.98
PLNJI LLOYD	0.24	1.24
VOLTAS LTD	0.22	1.07
CUMMINS INDIA	0.16	0.61
OIL REFINERIES 1.80		
RELIANCE INDUSTRIES	1.17	1.24
OIL & NATURAL GAS CORPORATION	0.44	0.90
BHARAT PETROLEUM	0.17	0.44
OIL INDIA LTD	0.02	NA
IT 1.64		
INFOSYS TECHNOLOGIES	1.22	0.68
TATA CONSULTANCY SERVICES	0.42	0.82
METALS 1.26		
JINDAL STEEL AND POWER LTD	0.44	1.14
STERILITE INDUSTRIES	0.43	1.42
TATA STEEL	0.26	1.44
STEEL AUTHORITY OF INDIA	0.14	1.52
FMCG 1.21		
ITC LTD	0.79	0.54
HINDUSTAN UNILEVER	0.42	0.34
POWER 0.97		
TATA POWER	0.35	0.86
NTPC	0.32	0.67
AREVA T & D INDIA LTD	0.18	0.94
POWER GRID CORPORATION OF INDIA LTD	0.10	0.74
Indiabulls Power	0.02	NA
AUTOMOBILES 0.77		
MAHINDRA & MAHINDRA LTD	0.29	1.09
MARUTI SUZUKI INDIA	0.26	0.63
BAJAJ AUTO LTD	0.21	0.59
PHARMACEUTICALS 0.60		
CIPLA LTD	0.19	0.46
SUN PHARMACEUTICALS	0.19	0.47
RANBAXY LAB	0.07	0.12
DIVIS LABORATORIES	0.10	0.60
TELECOM 0.59		
BHARTI AIRTEL	0.59	0.97
CONSTRUCTION 0.44		
JAI PRAKASH ASSOCIATES	0.44	1.69
CEMENT & CEMENT PRODUCTS 0.42		
GRASIM INDUSTRIES	0.19	0.77
ULTRATECH CEMENT LTD	0.16	0.57
ACC	0.07	0.81
OIL EXPLORATION 0.25		
CAIRN INDIA	0.25	0.97
SUGAR 0.21		
BAJAJ HINDUSTAN	0.21	1.13
GAS 0.19		
GAIL INDIA	0.19	0.69
PLASTIC AND PLASTIC PRODUCT	0.17	
SINTEX INDUSTRIES LTD	0.17	0.94
total equity 17.10		
total bank deposits/mutual funds 22.06		
total net assets 100.00		

asset allocation as on Oct 30, 2009



fund characteristics as on Oct 30, 2009

M.Duration of debt portfolio:	2.19 years
YTM of debt portfolio:	7.71%
Beta of equity portfolio:	0.97

Download Your Unit Statement Instantly.
Log on to www.reliancelife.com
with your Client ID and password.

fund manager's report

The month of October saw the markets ending negative. The market was tentative after RBI gave signals of reversing the loose monetary policy going ahead. The FII flows for the month was also negative in spite of good second quarter numbers. Looking at the volatility in specific sectors, the holding in equities was kept at 17.10%.

The allocation to gilts was decreased to 9.15% from 10.25%. The exposure in corporate bonds was increased to 51.70% from 51.67%. Accordingly, exposure in short-term bank deposits and CDs/CPs has been increased to 22.06% from 19.71%.

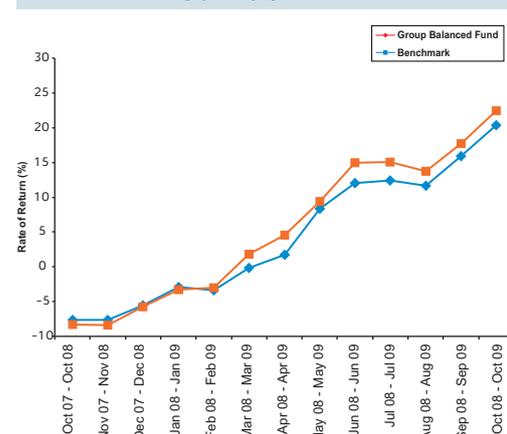
target asset allocation

Debt.:	80%
Equity:	20%

benchmark construction

CRISIL ST Bond Index:	80%
CNX Nifty:	20%

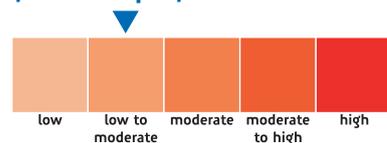
rolling yearly performance



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



ULIP Corporate Bond Fund

fund performance as on October 30, 2009

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	14.85%	9.87%	5.37%	6.77%	1.83	0.72
since inception (CAGR)	9.85%	6.38%	4.11%	5.10%	1.18	0.27
date of inception			october, 2007			

portfolio as on October 30, 2009

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

corporate bonds

8.80% STEEL AUTHORITY OF INDIA LTD 22-06-2019	7.08	AAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	6.65	AAA
12% TATA CAPITAL LTD 05-03-2014	4.70	AAA
8.75% IRFC 07-01-2013	3.22	AAA
11.50% RECL LTD 26-11-2013	3.17	AAA
2% TATA MOTORS LTD 31-03-2014	2.89	AAA(SO)
7.24% LIC HOUSING FIN LTD 23-06-2011	2.86	AAA
8.46% IRFC 15-01-2014	2.85	AAA
10.90% RECL LTD 14-04-2013	2.65	AAA
10.60% IRFC 11-09-2018	1.91	AAA
7% RECL LTD 02-06-2012	1.67	AAA
11.25% POWER FINANCE CORP LTD 28-11-2018	1.63	AAA
10.05% NABARD 11-06-2014	1.50	AAA
9.50% HDFC LTD 27-02-2013	1.49	AAA
9.40% TATA TEA LTD 08-11-2010	1.46	AA
9.33% POWER GRID CORP LTD 15-12-2013	1.46	AAA
8.88% IDFC 07-01-2011	1.46	AAA
8.90% STEEL AUTHORITY OF INDIA 01-05-2019	1.43	AAA
8.60% POWER FINANCE CORP LTD 07-08-2014	1.43	AAA
8.68% NAT CAP REGIONAL PLANNING 18-08-2019	1.42	AAA
8% RECL LTD 05-08-2014	1.39	AAA
6.00% INDIAN HOTEL 13-05-2011	0.60	AA+
9.35% LIC HOUSING FIN LTD 23-11-2012	0.59	AAA
9.32% HDFC LTD 17-12-2012	0.59	AAA
11.10% POWER FINANCE CORP 15-09-2013	0.55	AAA
7.39% POWER GRID CORP 22-09-2011	0.52	AAA
11.40% POWER FINANCE CORP 28-11-2013	0.32	AAA
9.20% HDFC LTD 09-02-2012	0.30	AAA
9.47% POWER GRID CORP 31-03-2013	0.30	AAA
9.80% TATA STEEL 07-05-2011	0.29	AA
10.35% HDFC LTD Sr E006 06-06-2017	0.28	AAA
11.30% ACC LTD 10-12-2013	0.16	AAA
9.30% POWER FINANCE CORP LTD 12-03-2013	0.15	AAA
10.48% GRASIM INDUSTRIES LTD 16-12-2013	0.10	AAA
9.76% IRFC 03-07-1012	0.09	AAA
9.25% EXIM BANK 13-12-2012	0.09	AAA
11.35% RECL LTD 24-10-2013	0.05	AAA

total corporate bonds 59.28

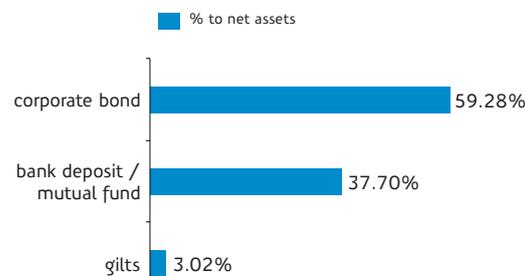
gilt	SOVEREIGN
7.46% GOI 28-08-2017	1.41
7.35% GOI 22-06-2024	1.32
7.56% GOI 03-11-2014	0.29

total gilts 3.02

total bank deposits/mutual funds 37.70

total net assets 100.00

asset allocation as on Oct 30, 2009



fund characteristics as on Oct 30, 2009

M.Duration of debt portfolio: 2.34 years
YTM of debt portfolio: 8.28%

Download Your Unit Statement Instantly.

Log on to www.reliancecelf.com with your Client ID and password.

fund manager's report

The exposure to corporate bonds was decreased to 59.28% from 65.46%. Exposure in gilts was increased to 3.02% from 2.48%. Balance was invested in short term bank FDs, CDs and CPs. We intend to increase the exposure to corporate bonds to 80-90% as and when attractive investments are available.

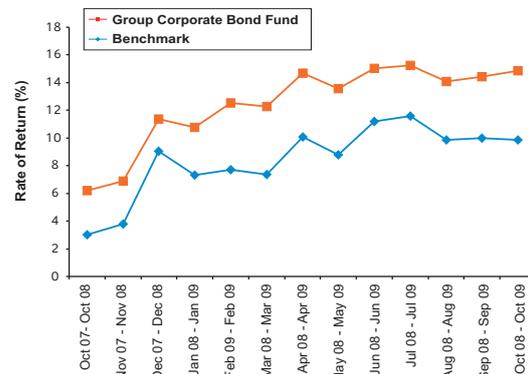
target asset allocation

Bond Instruments: 100%

benchmark construction

CRISIL Composite Bond Index: 100%

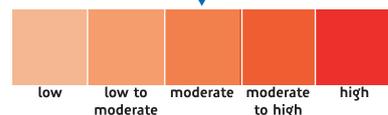
rolling yearly performance



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



ULIP Pure Debt Fund

fund performance as on October 30, 2009

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	13.85%	9.87%	4.95%	6.78%	1.79	0.72
since inception (CAGR)	13.58%	9.50%	4.75%	6.50%	1.81	0.69
date of inception			october, 2008			

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

security % to net assets rating

corporate bonds

11.45% RELIANCE INDUSTRIES LTD 25-11-2013	7.91	AAA
2% TATA MOTORS LTD 31-03-2014	6.60	AAA(SO)
10.90% RECL LTD 14-04-2013	5.34	AAA
12% TATA CAPITAL LTD 05-03-2014	3.82	AAA
11.95% HDFC LTD 26-11-2018	2.57	AAA
11.25% POWER FINANCE CORP LTD 28-11-2018	2.48	AAA
11.30% ACC LTD 10-12-2013	2.39	AAA
9.40% Power Finance Corporation Ltd 25-03-2013	2.26	AAA
9.50% TATA COMMUNICATION LTD 08-06-2014	2.24	AAA
8.98% NAT CAP REGIONAL PLANNING 14-02-2018	2.20	AAA
8.90% STEEL AUTHORITY OF INDIA 01-05-2019	2.17	AAA
11.10% POWER FINANCE CORP 15-09-2013	2.15	AAA
11.40% POWER FINANCE CORP 28-11-2013	1.44	AAA
11.35% RECL LTD 24-10-2013	1.41	AAA
10.90% RECL LTD 30-09-2013	1.40	AAA
9% TATA SONS 27-07-2010	0.66	AAA
10.10% POWER GRID CORP 12-06-2011	0.57	AAA
10% NABARD SER IX 14-05-2012	0.45	AAA
8.75% IRFC 07-01-2013	0.45	AAA
7% RECL LTD 02-06-2012	0.42	AAA

total corporate bonds 48.95

gilts

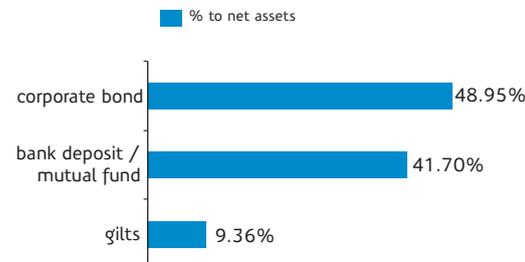
		SOVEREIGN
7.46% GOI 28-08-2017	4.28	
7.50% GOI 10-08-2034	1.98	
7.56% GOI 03-11-2014	1.74	
8.40% GUJARAT GOI 18-03-2019	1.35	

total gilts 9.36

total bank deposits/mutual funds 41.70

total net assets 100.00

asset allocation as on Oct 30, 2009



fund characteristics as on Oct 30, 2009

M.Duration of debt portfolio: 2.31 years
YTM of debt portfolio: 8.47%

Download Your Unit Statement Instantly.

Log on to www.reliancelife.com
with your Client ID and password.

fund manager's report

The exposure to gilts was decreased to 9.36% from 10.69%. Exposure to corporate bonds was increased to 48.95% from 41.82%. Accordingly the exposure to short term assets was decreased to 41.70% from 41.82%. We will increase exposure to gilts and corporate bonds as and when attractive investments are available.

target asset allocation

Debt Instruments: 100%

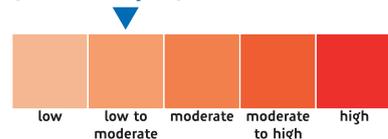
benchmark construction

CRISIL Composite Bond Index: 100%

fund objective

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

fund risk profile



fund manager's report

The allocation to gilts was decreased to 36.05% from 42.37%. Accordingly we increased the exposure in short term bank FDs, CDs and CPs to 63.95% from 57.63%.

target asset allocation

Government Securities: 100%

benchmark construction

I-Sec Composite Sovereign Bond Index: 100%

ULIP Gilt Fund

fund performance as on October 30, 2009

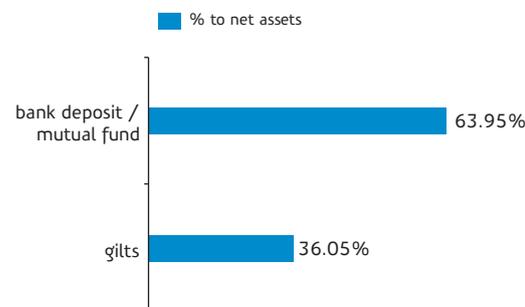
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	4.18%	7.80%	4.81%	15.72%	-0.17	0.18
since inception (CAGR)	5.72%	9.71%	3.95%	12.91%	0.18	0.36
date of inception			october, 2007			

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

security	% to net assets	rating
gilts		
SOVEREIGN		
7.56% GOI 03-11-2014	12.16	
9.39% GOI 02-07-2011	6.36	
7.49% GOI 16-04-2017	6.00	
6.49% GOI 08-06-2015	5.77	
6.07% GOI 15-05-2014	5.72	
9.85% GOI 16-10-2015	0.04	
total gilts	36.05	
total bank deposits/mutual funds	63.95	
total net assets	100.00	

asset allocation as on Oct 30, 2009

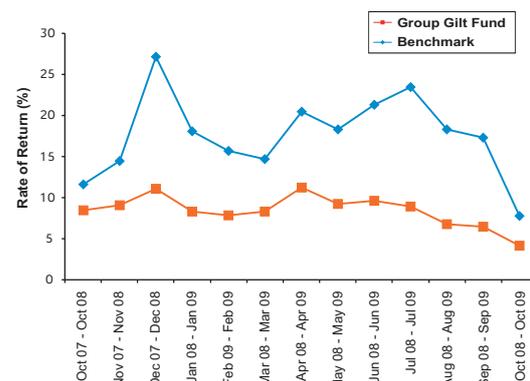


fund characteristics as on Oct 30, 2009

M.Duration of debt portfolio: 1.44 years
YTM of debt portfolio: 8.52%

Download Your Unit Statement Instantly.
Log on to www.reliancelife.com
with your Client ID and password.

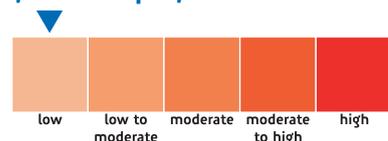
rolling yearly performance



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



fund manager's report

Presently the investments of this fund are entirely in Certificate of deposits, Commercial Paper and Fixed Deposits i.e. at 100% of the portfolio.

target asset allocation

Money Market Instruments: 100%

benchmark construction

CRISIL Liquid Bond Index: 100%

ULIP Money Market Fund

fund performance as on October 30, 2009

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	10.30%	6.23%	0.46%	0.99%	11.56	1.24
since inception (CAGR)	9.99%	7.04%	0.38%	0.79%	13.26	2.58

date of inception November, 2007

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

security % to net assets rating

certificate of deposits

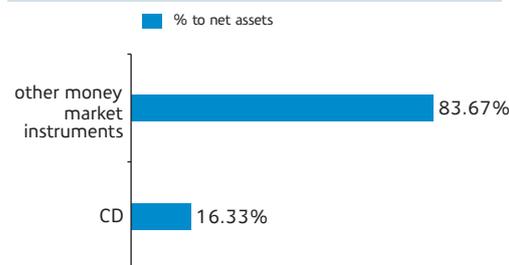
AXIS BANK LTD 30-11-2009	8.26	P1+
CANARA BANK 18-03-2010	8.07	P1+

total certificate of deposits 16.33

other money market instruments 83.67

total net assets 100.00

asset allocation as on Oct 30, 2009

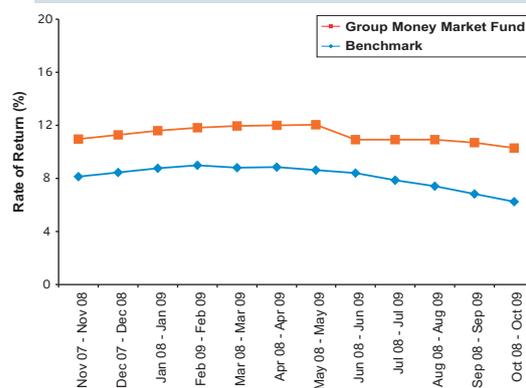


fund characteristics as on Oct 30, 2009

M.Duration of debt portfolio: 0.04 years
YTM of debt portfolio: 7.63%

Download Your Unit Statement Instantly.
Log on to www.reliancelife.com
with your Client ID and password.

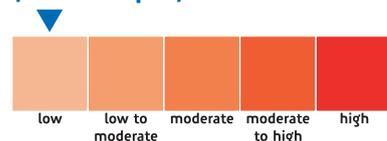
rolling yearly performance



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



ULIP Capital Secure Fund

fund performance as on October 30, 2009

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	9.56%	4.93%	0.46%	0.47%	9.87	-0.14
last 2 years (CAGR)	9.74%	6.57%	0.39%	0.58%	12.26	2.68
last 3 years (CAGR)	9.14%	6.89%	0.44%	0.50%	9.41	3.78
since inception (CAGR)	7.08%	5.87%	0.68%	0.49%	3.04	1.77
date of inception	february, 2003					

*CAGR: Compounded Annual Growth Rate

portfolio as on October 30, 2009

security % to net assets rating

certificate of deposits

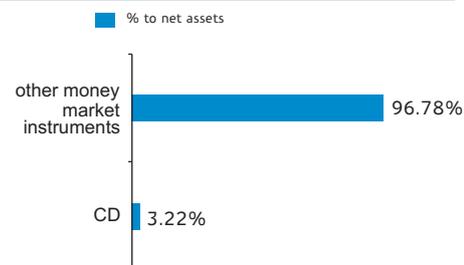
CANARA BANK 18-03-2010	3.03	P1+
AXIS BANK LTD 30-11-2009	0.20	P1+

total certificate of deposits 3.22

other money market instruments 96.78

total net assets 100.00

asset allocation as on Oct 30, 2009



fund characteristics as on Oct 30, 2009

M.Duration of debt portfolio:	0.01 years
YTM of debt portfolio:	6.69%

Download Your Unit Statement Instantly.
Log on to www.reliancelife.com
with your Client ID and password.

fund manager's report

The allocation to CDs and CPs and bank fixed deposits was maintained at 100% to take advantage of high yields in these instruments.

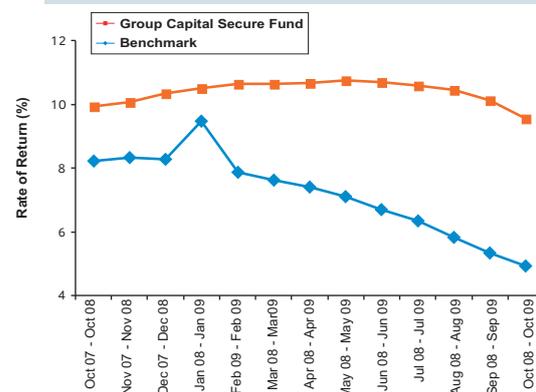
target asset allocation

Money Market Instruments: 100%

benchmark construction

Yield on 182-day T.Bills

rolling yearly performance



Product Details

Nav's as of 30th October, 2009

Reliance Equity Fund

Product Name	NAV
Reliance Group Leave Encashment (GLE) - Equity Fund Option	Rs. 7.9315
Reliance Group Savings Linked Insurance (GSLI)	Rs. 16.3357
Reliance Group Gratuity (GG)	Rs. 11.1967

Reliance Pure Equity Fund

Product Name	NAV
Reliance Group Savings Linked Insurance(GSLI)	Rs. 16.3224

Reliance Infrastructure Fund

Product Name	NAV
Reliance Group Savings Linked Insurance- (GSLI)	Rs. 13.1349
Reliance Group Gratuity (GG)	Rs. 9.8330

Reliance Energy Fund

Product Name	NAV
Reliance Group Savings Linked Insurance (GSLI)	Rs. 14.7290

Reliance Midcap Fund

Product Name	NAV
Reliance Group Savings Linked Insurance (GSLI)	Rs. 16.8908
Reliance Group Gratuity (GG)	Rs. 11.5978

Reliance Growth Fund

Product Name	NAV
Reliance Group Gratuity (GG)	Rs. 11.8337
Reliance Group Superannuation (GSA)	Rs. 9.8997

Product Details

Nav's as of 30th October, 2009

Reliance Balanced Fund

Product Name	NAV
Reliance Group Gratuity (GG)	Rs. 12.4021
Reliance Group Superannuation (GSA)	Rs. 15.5615
Reliance Group Savings Linked Insurance (GSLI)	Rs. 11.7610
Reliance Group Leave Encashment (GLE)	Rs. 10.3824

Reliance Corporate Bond Fund

Product Name	NAV
Reliance Group Gratuity (GG)	Rs. 11.4198
Reliance Group Leave Encashment (GLE)	Rs. 12.0114
Reliance Group Savings Linked Insurance (GSLI)	Rs. 11.0190
Reliance Group Superannuation (GSA)	Rs. 10.5482

Reliance Pure Debt Fund

Product Name	NAV
Reliance Group Gratuity (GG)	Rs. 11.3429
Reliance Group Superannuation (GSA)	Rs. 11.2377
Reliance Group Leave Encashment (GLE)	Rs. 11.4208
Reliance Group Savings Linked Insurance (GSLI)	Rs. 10.8367

Reliance Gilt Fund

Product Name	NAV
Reliance Group Leave Encashment (GLE)	Rs. 11.1238
Reliance Group Gratuity(GG)	Rs. 10.1386
Reliance Group Savings Linked Insurance (GSLI)	Rs. 10.1191

Reliance Money Market Fund

Product Name	NAV
Reliance Group Gratuity (GG)	Rs. 11.1452
Reliance Group Superannuation (GSA)	Rs. 10.9080
Reliance Group Leave Encashment (GLE)	Rs. 11.9737
Reliance Group Savings Linked Insurance (GSLI)	Rs. 10.7958

Reliance Capital Secure Fund

Product Name	NAV
Reliance Group Gratuity (GG)	Rs. 12.5418
Reliance Group Superannuation (GSA)	Rs. 11.3438
Reliance Group Leave Encashment (GLE)	Rs. 10.2775

- ✓ 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

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 Sharp 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.

- ✓ Gross Fund Return
- ✓ Benchmark Return
- ✓ Fund Standard Deviation
- ✓ Fund Sharpe Ratio

the analyst expressions

► Gross Fund Return

Gross return for a fund is defined as 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. Fund management charges are a matter of policy decision by the top management of a life insurance company. Hence, even if two funds from two different fund management companies give the same returns, the returns may not reflect that if they are calculated on an NAV basis.

We shall highlight this with the help of an example.

Reliance Life Insurance

Balanced Fund
NAV based Return=11.50 %
Fund Management Fee=2%
Gross Fund Return=13.50%

XYZ Insurance Company

Balanced Fund
NAV based Return=10.50%
Fund Management Fee=3%
Gross Fund Return=13.50%.

As seen above, though the gross return of both the companies were same, Reliance Life Insurance showed a higher NAV based return as the fund management fees were lower. Please note that the returns as given in The Analyst for all funds are computed on a gross basis.

► Benchmark Return

A benchmark is a standard against which the performance of an investment 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.

However, the benchmark for the Growth Fund of Reliance Life Insurance has been constructed as 60% of CRISIL Short Term Bond Index and 40% of CNX Nifty as the asset allocation of the growth fund is 60% of debt and 40% of equity. (Please refer to the Growth Fund page of The Analyst).

► 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 for a given time period.

In other words, Fund Standard Deviation for a particular time period gives us the deviation from the mean returns, that has occurred for that fund during that time period. For e.g. let us assume that the Balanced Fund has generated an average (mean) return of 11.55% for the last 2 years and that the corresponding standard deviation was 4.44%. That means that during the last 2 year time period, the balanced fund return varied between 15.99% (i.e. $11.55 + 4.44$) and 7.11% (i.e. $11.55 - 4.44$) during 65% of the time.

Higher the standard deviation, the greater the volatility, and therefore, the greater the risk of investing in that fund.

Thus, an investor has more information available at his disposal to evaluate the quality of performance of the fund and how volatile its returns are.

To carry it a step further, it is highly unlikely that a fund's return in any one year will be exactly the average. Rather, it will always be either higher or lower than the average. Thus, standard deviation teaches us to look beyond the "average annual return" figures that are touted by investment advisors.

► 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 a risk point of view.

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

Sharpe Ratio = Excess return / Annualized standard deviation of fund return

The "risk-free return" is the annualized return currently available on "risk-free" investments. This is usually assumed to be the return on a short government security like Treasury bill. A government security is sovereign credit which is the nearest to a risk free asset that one can get. For our calculations of the Sharpe ratios for all funds as given in the Analyst, we have assumed this risk free rate of interest to be at 5%.

✓ Benchmark Sharpe Ratio

✓ Modified Duration of Debt Portfolio

✓ Fund Beta

We shall assume that 9.85% was the annualized gross return for a 3-year time period for the balanced fund, 5% p.a. was the assumed risk free rate of return as discussed above and 4.14% p.a. was the standard deviation of this 3-year return. The Sharpe ratio can be calculated as follows:

$$(9.85-5)\%/4.14\%=1.17.$$

The Sharpe ratio tells us whether the returns of a portfolio are due to smart investment decisions or a result of excess risk. This measurement is very useful because although one portfolio or fund can reap higher returns than its peers, it is only a good investment if those higher returns do not come with too much additional risk. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been.

▶ **Benchmark Sharpe Ratio**

Just as the 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. In our example above, let us assume that the benchmark Sharpe ratio of the balanced fund for the last 3 years is 0.98. This means that over a three-year time period, the Balanced Fund of Reliance Life Insurance has given a higher risk-adjusted return than the comparable risk-adjusted return provided by the constructed benchmark.

While calculating the benchmark Sharpe ratio of 0.98, let us assume that 9.10% was the annualized gross return provided by the constructed benchmark for the balanced fund for the last 3-year time period, 5% p.a. was the assumed risk free rate of return, and 4.21% p.a. was the standard deviation of the 3-year benchmark return.

The benchmark Sharpe ratio for the Balanced Fund for the last three years has been calculated as follows:
 $(9.10-5)\%/4.21\%=0.98.$

▶ **Modified Duration of Debt Portfolio**

The value of a fund's debt portfolio is sensitive to changes in interest rates. When interest rates rise, bond prices fall, and vice versa. Generally, a debt portfolio comprising of bonds with higher maturities will have a higher price fluctuation than a portfolio comprising of bonds with lower maturities. Modified duration, indicates the sensitivity of the value of the debt portfolio to any given change in interest rates. Modified Duration is derived from Duration, which represents a weighted average of the time periods to maturity.

Modified Duration gives one an immediate rule of thumb -- the percentage change in the price of a bond is the duration multiplied by the change in interest rates. So, if a bond has duration of 10 years and interest rates fall from 8% to 7.5% (a drop of 0.50 percentage points), the bond's price will rise by approximately 5% (i.e. $10 \times 0.50\%$).

Let us assume that the modified duration for the Balanced Fund is 2.03. If interest rates drop from 8% to 7.5%, the value of this debt portfolio will rise by 1.015% (i.e. $2.03 \times 0.50\%$). Similarly, when interest rates rise from 8% to 8.5%, say, the value of this debt portfolio will fall by 1.015%.

▶ **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. (For the more statistically inclined readers, Beta is the slope of the regression line). It is generally calculated for equity portfolio/funds.

If a stock has a beta of 1, that stock is likely to generate the same returns as the market. If the beta of a stock is more than 1, it means that the stock is likely to give higher returns compared to the market but also at a higher risk as compared to the market. For instance, a stock with beta of 1.2 means that when the market, say Nifty, gives a return of 10%, that stock is likely to generate returns of 12% (i.e. $1.2 \times 10\%$). Similarly, a low beta stock has given lower returns compared to what the market has delivered for a particular time period. For e.g. for a stock with beta of 0.80, if the Nifty gives returns of 10%, the stock is likely to give returns of only half of that, i.e. 8%. (i.e. $0.80 \times 10\%$)

Now we shall see the impact of these two stocks when the market falls. When the Nifty gives negative returns of 10%, i.e. the market falls by 10%, the price of the stock with beta of 1.2 will fall by 12%. However, though the price of the stock with the low beta of 0.8 will also fall when the market falls, it will not fall as much as the market. If the market falls by 10%, the price of this scrip will fall only by 8%.

The fund beta is nothing but the betas of individual stocks in the equity portfolio multiplied by the weight of that stock in the portfolio. If a fund has a high beta, the equity portfolio of that fund is aggressive and tilted towards high beta stocks and vice versa. Please note that the betas of individual stocks as given in the Equity Fund page of the Analyst have been calculated based on the available prices of the stocks on the NSE for the last 1-yr period.

products & UIN nos.

Reliance Group Gratuity: 121L011V02

Reliance Group Superannuation:
121L021V01

Reliance Group Leave Encashment Plan:
121L027V01

Reliance Group Savings Linked Insurance
Plan : 121L033V01

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 LTD 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.com"

"Insurance is the subject matter of solicitation. Reliance Life Insurance Company LTD 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."