

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 Jun 10	31st May 10	% Change
¹ Rs./₹	46.35	46.33	0.04
² WPI Inflation		258.1	1.70
³ Forex Reserves (\$ bn)	276.98	273.36	1.31
¹ Oil Price (\$ per Barrel)	76.71	71.75	6.47
¹ Gold (Rs. per 10gm)	18501	18095	2.19

Investments	30th Jun 10	31st May 10	Absolute Change
⁴ FII's (Rs Crs)	10508.4	-9436.7	19,945
⁴ FII's (Rs Crs)	-1093.1	98.60	-1,192

Indices	30th Jun 10	31st May 10	% Change
¹ BSE Sensex	17583	16707	5.24
¹ S&P CNX Nifty	5271	5013	5.15
¹ CNX Mid Cap	8044	7711	4.32
¹ BSE Small Cap	8924	8577	4.05

Global Indices	30th Jun 10	31st May 10	% Change
⁵ Dow Jones	9774	10137	-3.58
⁵ FTSE 100	4914	5188	-5.28
¹ Hang Seng	20369	19752	3.12
¹ Nikkei	9866	9991	-1.25

Sectoral Indices	30th Jun 10	31st May 10	% Change
⁶ CNX Infrastructure	3397	3230	5.17
⁶ CNX Energy	9751	9187	6.14
¹ BSE Capital Goods	14468	13492	7.23
¹ BSE Bankex	10883	10574	2.93
¹ BSE Oil & Gas	10449	9838	6.21
¹ BSE IT	5352	5140	4.13

Fixed Income Indicators (%)	30th Jun 10	31st May 10	Absolute Change
⁵ NSE Mibor	5.73	5.25	0.48
¹ 91 Day T-Bill	5.35	5.05	0.30
¹ 182 Day T-Bill	5.43	4.95	0.48
¹ 1 year GOI Benchmark	5.38	5.20	0.18
¹ 5 Year GOI Benchmark	7.38	7.40	-0.02
¹ 10 Year GOI Benchmark	7.55	7.56	-0.01
¹ 5 Year Corp Bond Benchmark	8.23	8.19	0.04
¹ 10 Year AAA Corp Bond Benchmark	8.70	8.69	0.01
¹ 10 Year US Benchmark	2.94	3.30	-0.36

Source: ¹ Thomson Reuters, ² eaindustry.nic.in, ³ RBI, ⁴ SEBI, ⁵ Bloomberg
⁶ India Index Services & Products Ltd.

asset allocation	funds	gross return (CAGR*) (%) As on Jun 30, 2010				date of inception
		last 1 year	last 2 year	last 3 year	since inception	
100% equity	Equity Fund	28.75%	19.26%	6.00%	20.61%	August, 2004
100% pure equity	Pure Equity Fund	24.39%	14.82%	NA	14.82%	June, 2008
100% equity	Infrastructure Fund	2.84%	4.00%	NA	-5.92%	March, 2008
100% equity	Energy Fund	15.97%	12.80%	NA	4.56%	March, 2008
100% equity	Midcap Fund	33.63%	14.22%	NA	4.87%	March, 2008
80% equity, 20% debt	Super Growth Fund	21.66%	15.01%	5.82%	6.17%	May, 2007
60% equity, 40% debt	High Growth Fund	18.29%	14.85%	7.65%	10.25%	March, 2007
50% equity, 50% debt	Growth Plus Fund	16.34%	14.36%	8.15%	10.10%	March, 2007
40% equity, 60% debt	Growth Fund	13.28%	13.39%	8.11%	12.65%	August, 2004
20% equity, 80% debt	Balanced Fund	10.22%	12.44%	9.31%	11.00%	February, 2003
100% bond instruments	Corporate Bond Fund	8.45%	11.59%	10.33%	10.40%	May, 2007
100% debt Instruments	Pure Debt Fund	8.32%	11.54%	9.87%	9.78%	April, 2007
100% govt. securities	Gilt Fund	5.67%	7.61%	6.47%	6.47%	May, 2007
100% debt Instruments	Guaranteed Bond Fund I	8.39%	NA	NA	14.26%	December, 2008
100% money market instruments	Money Market Fund	7.59%	9.15%	9.12%	9.14%	May, 2007
100% money market instruments	Capital Secure Fund	6.95%	8.72%	8.73%	7.04%	February, 2003
100% equity	Equity Plus Fund	NA	NA	NA	NA	January, 2010
100% dynamic	Highest Nav Guarantee Fund	NA	NA	NA	NA	February, 2010

*CAGR: Compounded Annual Growth Rate

Indian Economy

IIP growth for April 2010 was 17.6% mainly due to capital goods, consumer durables and intermediates. India's WPI inflation for May 2010 climbed to 10.16% from 9.59% a month ago. Core inflation also moved up to 6.60% in May. Rise in Non food component of primary articles (18.6%) was the main cause for higher inflation, mainly due to 50% rise in sugarcane index from the previous month

Debt Market

Tight liquidity due to payout for 3G and BWA auction and Finance Ministry statement that auction will have no effect on government borrowing plan moved the overall yield curve upwards. There was further pressure on yields after May'10 inflation reached 10.16%. The 10-year benchmark yield went up to 7.68% during the month. In the later half of the month the yields eased after RBI cut down its planned borrowing program pushing 10-Year benchmark yield to 7.55% at month end. The 10-year AAA paper touched a peak of 8.74% during the month but overall it traded in a tight range.

Outlook:

In the short term liquidity will remain under pressure until government spending brings liquidity back into the system. Due to spiraling inflation RBI may hike repo and reverse repo rate by 50 bps. We expect 10 year to trade between 7.50-7.70.

Equity Market

Equity markets in the month of June were positive. Strong cement and auto sales in the previous month led to buoyed sentiments in the market. Maruti Suzuki posted a record for monthly sales in May as a rapidly expanding economy pulled buyers despite price increases.

Continuing an upswing, IIP in India grew by 17.6% in April on a y-o-y basis. The April figure is a four month high and is close to the 20 year high of 17.7% recorded in December 2009.

The market also saw positive news coming from the 3G auctions and BWA (broadband wireless access) which came to an end bringing the government total revenue of Rs. 106,336 crore of which Rs. 38,617 crore came from BWA alone.

Subsequent to lot of skepticism, the government decided to give a free hand to oil companies to determine petrol prices in line with market price. However with respect to diesel prices it indicated that it would be market determined in due course. While the move would have a direct bearing on inflation, it would enable to reduce the country's fiscal deficit. Subsequent to this news, oil and gas companies a big surge was seen in the prices of upstream and downstream oil companies.

Pursuant to the fuel price deregulation news and robust IIP no's the central bank increased the key bank rates by 25 bps each. This was primarily done to rein in the runaway inflation.

Outlook

The markets in the coming month are expected to take cues from Q1FY11 earnings of companies. Also another key factor to be tracked would be the progress of monsoon and policy action of the central bank in the quarterly policy review scheduled at the end of this month.

Equity Fund

fund performance As on Jun 30, 2010

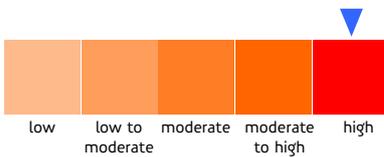
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	28.75%	23.80%	16.13%	18.95%	1.47%	0.99%
last 2 year (CAGR*)	19.26%	14.67%	29.65%	35.17%	0.48%	0.27%
last 3 year (CAGR*)	6.00%	7.15%	32.68%	35.57%	0.03%	0.06%
last 4 year (CAGR*)	13.30%	14.16%	29.35%	31.67%	0.28%	0.29%
last 5 year (CAGR*)	18.06%	19.06%	28.40%	30.37%	0.46%	0.46%
since inception (CAGR*)	20.61%	22.07%	27.10%	28.77%	0.58%	0.59%
date of inception	august, 2004					

*CAGR: Compounded Annual Growth Rate

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'.

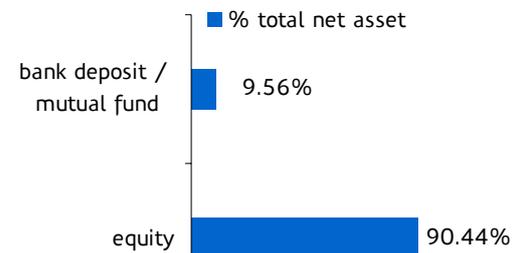
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	1-yr beta
equity		
BANKING & FINANCE	21.25	
ICICI BANK	4.37	1.51
HDFC BANK	3.62	0.73
STATE BANK OF INDIA	3.51	1.17
AXIS BANK	2.56	1.16
HOUSING DEVELOPMENT FINANCE CORPORATION	2.35	1.04
SHRIRAM TRANSPORT FINANCE COMPANY LTD	1.97	0.32
BANK OF BARODA	1.16	0.80
PUNJAB NATIONAL BANK	0.75	0.82
POWER FINANCE CORPORATION	0.74	0.80
MAX INDIA LTD	0.21	0.72
OIL REFINERIES	9.07	
RELIANCE INDUSTRIES	9.07	1.09
CAP GOODS / ENGINEERING	10.60	
LARSEN & TOUBRO	4.19	1.05
BHARAT HEAVY ELECTRICALS	2.17	0.76
CUMMINS INDIA	2.46	0.57
ALSTOM PROJECTS INDIA	1.21	0.88
PUNJ LLOYD	0.54	1.39
TRIVENI ENGINEERING AND INDUSTRIES	0.03	1.15
IT	9.59	
INFOSYS TECHNOLOGIES	6.13	0.70
TATA CONSULTANCY SERVICES	2.97	0.81
MPHASIS	0.48	0.69
METALS	5.31	
TATA STEEL	2.07	1.67
STERLITE INDUSTRIES	1.21	1.54
JINDAL STEEL AND POWER LTD	1.41	1.13
JINDAL SAW	0.62	1.36
FMCG	6.02	
ITC LTD	4.54	0.63
HINDUSTAN UNILEVER	1.48	0.45
PHARMACEUTICALS	5.97	
DIVIS LABORATORIES	2.90	0.71
LUPIN	1.79	0.34
CIPLA LTD	0.57	0.40
SUN PHARMACEUTICALS	0.71	0.39
AUTOMOBILES	5.94	
BAJAJ AUTO LTD	2.29	0.69
MAHINDRA & MAHINDRA LTD	2.24	1.24
MARUTI SUZUKI INDIA	1.36	0.76
TATA MOTORS LTD	0.05	1.48
CEMENT & CEMENT PRODUCTS	1.86	
ULTRATECH CEMENT LTD	1.36	0.61
INDIA CEMENTS	0.50	0.97
TELECOM	2.02	
BHARTI AIRTEL	2.02	0.65
POWER	2.21	
NTPC	0.60	0.58
TATA POWER	1.12	0.79
AREVA T & D INDIA LTD	0.50	0.92
CONSTRUCTION	2.14	
JAIPRAKASH ASSOCIATES	1.11	1.79
NAGARJUNA CONSTRUCTION	1.03	1.39
GAS	1.20	
GAIL INDIA	1.10	0.57
PETRONET LNG LTD	0.10	0.91
MEDIA	0.60	
HT MEDIA LTD	0.60	0.76
SOFTWARE	0.55	
FINANCIAL TECHNOLOGIES	0.55	1.03
FERTILIZERS & CHEMICALS	0.15	
GUJARAT STATE FERTILIZERS & CHEMICALS	0.15	0.68
PLASTIC AND PLASTIC PRODUCT	0.95	
SINTEX INDUSTRIES LTD	0.95	0.92
OIL EXPLORATION	3.97	
CAIRN INDIA	0.50	0.98
OIL & NATURAL GAS CORPORATION	2.27	0.63
OIL INDIA LTD	1.21	0.33
AUTO ANCILLARY	1.00	
EXIDE INDUSTRIES	0.40	0.84
MOTHERSON SUMI SYSTEMS	0.60	0.71
CONSUMER GOODS	0.03	
PANTALOON RETAIL INDIA	0.03	0.82
total equity	90.44	
total bank deposits/mutual funds	9.56	
total net assets	100.00	

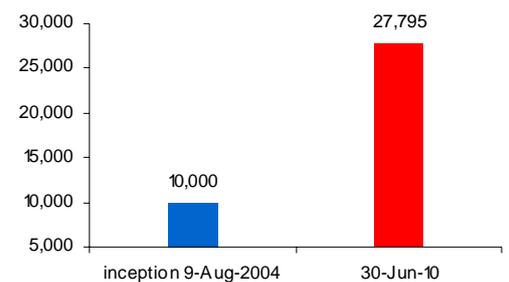
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

Fund Beta 0.90

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



fund manger's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 90.44%.

target asset allocation

Equity: 100%

benchmark construction

S&P CNX Nifty: 100%

Pure Equity Fund

fund performance As on Jun 30, 2010

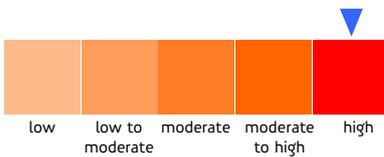
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	24.39%	23.80%	15.82%	18.95%	1.23%	0.99%
last 2 year (CAGR*)	14.82%	14.67%	30.99%	35.17%	0.32%	0.27%
since inception (CAGR*)	14.82%	14.67%	30.99%	35.17%	0.32%	0.27%
date of inception	june, 2008					

*CAGR: Compounded Annual Growth Rate

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'.

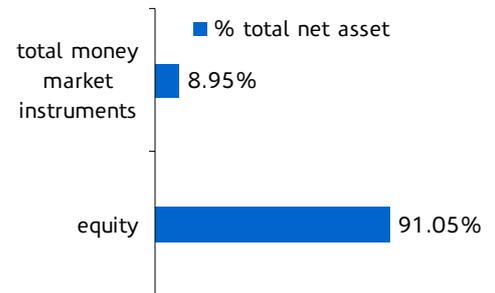
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	1-yr beta
equity		
BANKING & FINANCE	2.65	
MAX INDIA LIMITED	2.65	0.72
CAP GOODS / ENGINEERING	12.58	
LARSEN & TOUBRO	4.71	1.05
BHARAT HEAVY ELECTRICALS	3.56	0.76
PUNJ LLOYD	1.50	1.39
CUMMINS INDIA	1.16	0.57
VOLTAS	1.02	1.07
CROMPTON GREAVES	0.62	0.88
OIL REFINERIES	13.41	
RELIANCE INDUSTRIES	8.84	1.09
OIL & NATURAL GAS CORPORATION	4.57	0.63
POWER	9.42	
TATA POWER	5.47	0.79
NTPC	2.98	0.58
PTC INDIA	0.98	0.71
IT	10.58	
INFOSYS TECHNOLOGIES	6.70	0.70
TATA CONSULTANCY SERVICES	2.93	0.81
MPHASIS	0.95	0.69
AUTOMOBILES	12.98	
BAJAJ AUTO LTD	5.00	0.69
MAHINDRA & MAHINDRA LTD	2.96	1.24
MARUTI SUZUKI INDIA	2.72	0.76
MOTHERSON SUMI SYSTEMS	2.30	0.71
PHARMACEUTICALS	7.44	
CIPLA LTD	3.10	0.40
SUN PHARMACEUTICALS	2.64	0.39
LUPIN	1.70	0.34
METALS	4.25	
JINDAL STEEL AND POWER LTD	4.25	1.13
FMCG	4.53	
HINDUSTAN UNILEVER	4.53	0.45
TELECOM	3.79	
BHARTI AIRTEL	3.79	0.65
GAS	3.97	
GAIL INDIA	3.97	0.57
SOFTWARE	2.13	
FINANCIAL TECHNOLOGIES	2.13	1.03
OIL EXPLORATION	2.20	
CAIRN INDIA	2.20	0.98
CEMENT & CEMENT PRODUCTS	1.10	
GRASIM INDUSTRIES	0.87	0.63
SAMRUDDHI CEMENT LTD	0.23	NA
total equity	91.05	
total money market instruments	8.95	
total net assets	100.00	

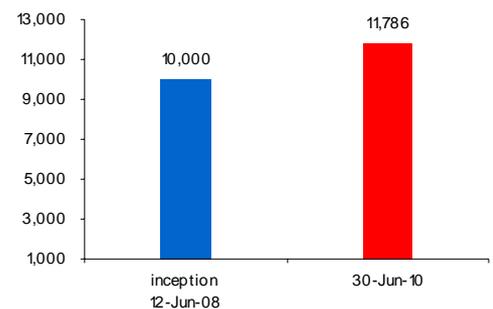
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

Fund Beta 0.78

growth of initial investment of Rs. 10,000 in SIP



fund manger's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 91.05%.

target asset allocation

Pure 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%

Infrastructure Fund

fund performance As on Jun 30, 2010

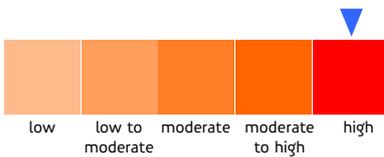
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	2.84%	-3.87%	18.43%	21.52%	-0.12%	-0.41%
last 2 year (CAGR*)	4.00%	1.96%	31.78%	40.82%	-0.03%	-0.07%
since inception (CAGR*)	-5.92%	-9.59%	33.57%	41.62%	-0.33%	-0.35%
date of inception	march, 2008					

*CAGR: Compounded Annual Growth Rate

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'

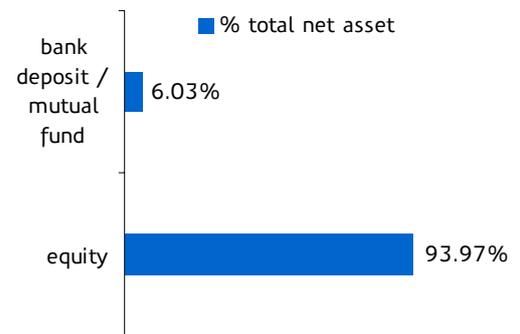
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	1-yr beta
equity		
CAP GOODS / ENGINEERING 37.62		
BHARAT HEAVY ELECTRICALS	11.79	0.76
LARSEN & TOUBRO	10.02	1.05
CUMMINS INDIA	4.97	0.57
PUNJ LLOYD	3.17	1.39
ALSTOM PROJECTS INDIA	1.73	0.88
IRB INFRASTRUCTURE DEVELOPERS LTD	1.34	1.15
VOLTAS	2.22	1.07
CROMPTON GREAVES	2.38	0.88
POWER 16.44		
NTPC	9.56	0.58
TATA POWER	2.57	0.79
NEVELI LIGNITE CORPORATION	2.39	1.03
PTC INDIA	1.11	0.71
BGR ENERGY SYSTEMS LIMITED	0.81	0.85
TELECOM 10.18		
BHARTI AIRTEL	10.18	0.65
METALS 5.52		
TATA STEEL	2.33	1.67
JINDAL STEEL AND POWER LTD	3.20	1.13
CONSTRUCTION 7.70		
JAIPRAKASH ASSOCIATES	4.79	1.79
NAGARJUNA CONSTRUCTION	2.92	1.39
SOFTWARE 2.94		
FINANCIAL TECHNOLOGIES	2.94	1.03
PLASTIC AND PLASTIC PRODUCT 2.79		
SINTEX INDUSTRIES LTD	2.79	0.92
CEMENT & CEMENT PRODUCTS 1.54		
GRASIM INDUSTRIES	1.21	0.63
SAMRUDDHI CEMENT LTD	0.32	0.00
BANKING & FINANCE 1.40		
HOUSING DEVELOPMENT FINANCE CORPORATION	1.40	1.04
HOTELS 1.30		
INDIAN HOTELS	1.30	0.99
GAS 2.86		
PETRONET LNG LTD	2.86	0.91
OIL REFINERIES 3.68		
OIL & NATURAL GAS CORPORATION	3.68	0.63
total equity	93.97	
total bank deposits/mutual funds	6.03	
total net assets	100.00	

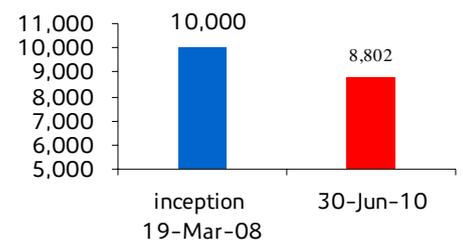
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

Fund Beta 0.90

growth of initial investment of Rs. 10,000 in TIPS-I



fund manger's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 93.97%.

target asset allocation

Equity: 100%

benchmark construction

CNX Infrastructure Index: 100%

Energy Fund

fund performance As on Jun 30, 2010

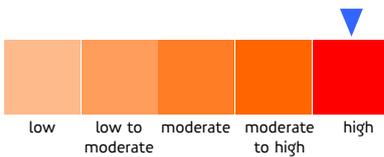
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	15.97%	16.53%	11.36%	14.99%	0.97%	0.77%
last 2 year (CAGR*)	12.80%	13.69%	29.97%	33.97%	0.26%	0.26%
since inception (CAGR*)	4.56%	5.85%	30.85%	34.64%	-0.01%	0.02%
date of inception	march, 2008					

*CAGR: Compounded Annual Growth Rate

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'

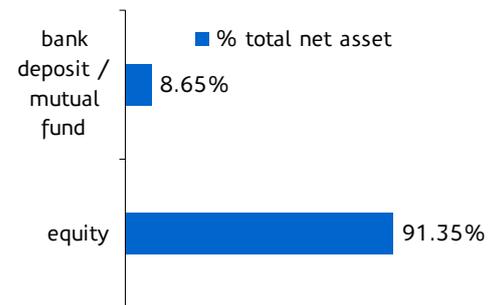
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	1-yr beta
equity		
OIL REFINERIES		
RELIANCE INDUSTRIES	30.35	1.09
OIL & NATURAL GAS CORPORATION	14.92	0.63
OIL INDIA LTD	8.59	0.33
POWER		
NTPC	11.16	0.58
TATA POWER	2.51	0.79
NHPC LTD	0.87	0.53
CAP GOODS / ENGINEERING		
CUMMINS INDIA	5.14	0.57
BHARAT HEAVY ELECTRICALS	2.38	0.76
ALSTOM PROJECTS INDIA	1.04	0.88
GAS		
GAIL INDIA	5.24	0.57
PETRONET LNG	1.57	0.91
METALS		
JINDAL STEEL AND POWER LTD	1.51	1.13
BANKING & FINANCE		
POWER FINANCE CORPORATION	1.75	0.80
OIL EXPLORATION		
CAIRN INDIA	3.39	0.98
CONSTRUCTION		
JAIPRAKASH ASSOCIATES	0.92	1.79
total equity	91.35	
total bank deposits/mutual funds	8.65	
total net assets	100.00	

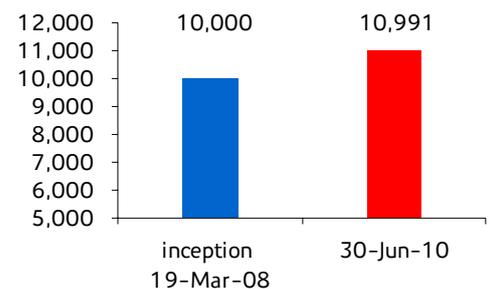
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

Fund Beta 0.79

growth of initial investment of Rs. 10,000 in TIPS-I



fund manger's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 91.35%.

target asset allocation

Equity: 100%

benchmark construction

CNX Energy Index: 100%

Mid Cap Fund

fund performance As on Jun 30, 2010

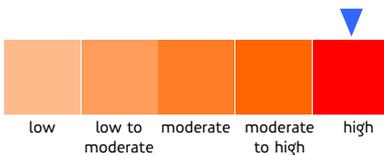
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	33.63%	34.28%	17.56%	19.14%	1.63%	1.53%
last 2 year (CAGR*)	14.22%	18.90%	37.55%	49.43%	0.25%	0.28%
since inception (CAGR*)	4.87%	7.08%	39.19%	50.96%	0.00%	0.04%
date of inception	march, 2008					

*CAGR: Compounded Annual Growth Rate

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'

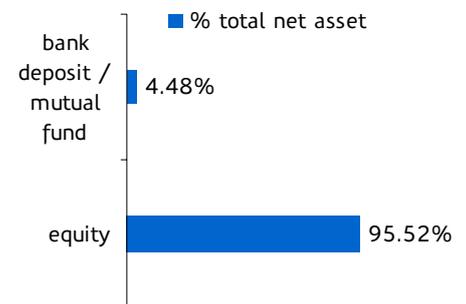
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	1-yr beta
equity		
CAP GOODS / ENGINEERING		
VOLTAS	11.35	1.07
PUNJ LLOYD	4.25	1.39
IRB INFRASTRUCTURE DEVELOPERS LTD	3.23	1.15
CUMMINS INDIA	2.74	0.57
PHARMACEUTICALS		
DIVIS LABORATORIES	1.13	0.71
LUPIN	3.78	0.34
JUBILANT ORGANOSYS	3.66	0.88
JUBILANT ORGANOSYS	2.75	0.88
BANKING & FINANCE		
SHRIRAM TRANSPORT FINANCE COMPANY LTD	4.44	0.32
ANDHRA BANK	5.44	0.91
IT		
MPHASIS	5.07	0.69
PLASTIC AND PLASTIC PRODUCT		
SINTEX INDUSTRIES LTD	6.46	0.92
SOFTWARE		
FINANCIAL TECHNOLOGIES	4.98	1.03
CONSTRUCTION		
NAGARJUNA CONSTRUCTION	6.20	1.39
JAIPRAKASH ASSOCIATES	4.71	1.79
AUTO ANCILLARY		
EXIDE INDUSTRIES	1.49	0.84
HOTELS		
INDIAN HOTELS	3.79	0.99
CEMENT & CEMENT PRODUCTS		
ULTRATECH CEMENT LTD	3.35	0.61
SHIPPING		
GREAT EASTERN SHIPPING	2.44	1.24
AUTOMOBILES		
TATA MOTORS	2.93	1.48
FMCG		
TATA TEA	1.71	0.61
UNITED SPIRITS	3.30	1.01
FERTILIZERS		
GUJARAT STATE FERTILIZERS & CHEMICALS	2.98	0.68
TATA CHEMICALS	1.33	0.88
METALS		
JINDAL STEEL AND POWER LTD	3.28	1.13
JINDAL SAW	9.87	1.36
JSW STEELS LIMITED	2.14	1.76
OIL REFINERIES		
PETRONET LNG	2.09	0.91
TELECOM		
BHARTI AIRTEL	1.54	0.65
POWER		
PTC INDIA	1.11	0.71
CONSUMER GOODS		
PANTALOON RETAIL INDIA	1.68	0.82
total equity	95.52	
total bank deposits/mutual funds	4.48	
total net assets	100.00	

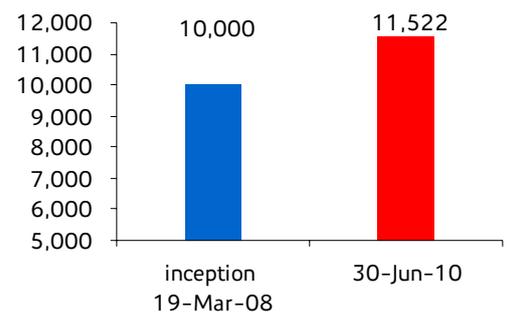
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

Fund Beta 0.97

growth of initial investment of Rs. 10,000 in TIPS-I



fund manger's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 95.52%.

target asset allocation

Equity: 100%

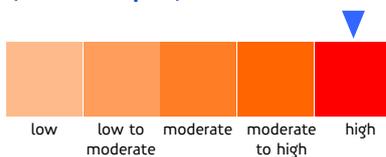
benchmark construction

Nifty Midcap 50: 100%

fund objective

Provide high 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



fund manger's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 72.33%.

Exposures in Government Securities have been maintained while exposure in Corporate Bonds have been slightly increased to capture the opportunity of gaining higher yields in long end of the yield curve. Allocations to Money Market instruments have been decreased. We will increase exposure to gilts and corporate bonds as and when attractive investments are available.

target asset allocation

Debt:	20%
Equity:	80%

benchmark construction

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

Super Growth Fund

fund performance As on Jun 30, 2010

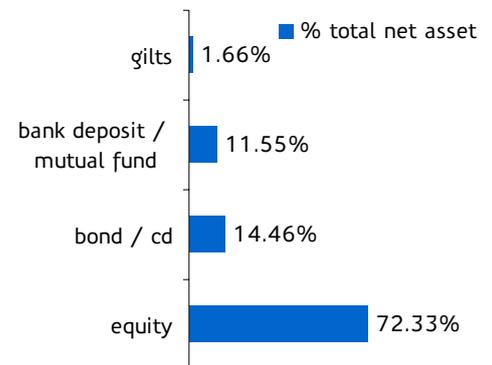
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	21.66%	20.08%	12.52%	15.21%	1.33%	0.99%
last 2 year (CAGR*)	15.01%	14.42%	23.74%	28.17%	0.42%	0.33%
last 3 year (CAGR*)	5.82%	8.34%	25.87%	28.54%	0.03%	0.12%
since inception (CAGR*)	6.17%	8.31%	25.51%	28.14%	0.05%	0.12%
date of inception	may, 2007					

*CAGR: Compounded Annual Growth Rate

portfolio As on Jun 30, 2010

security	% total net assets	rating/1-yr beta
bond/cd		
11.95% HDFC LTD 26-11-2018	1.89	AAA
8.40% Aditya Birla Nuvo Ltd 23-11-2012	1.62	LAA+
8.90% Power Grid Corporation 25-02-2016	1.62	AAA
7.6% RECL 22-01-2013	1.59	AAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	1.06	AAA
9.05% SBI 27-01-2020	0.81	AAA
8.90% Power Grid Corporation 25-02-2017	0.81	AAA
8.95% IRFC NCD SERIES 69 10-03-2025	0.65	AAA
11.35% RECL LTD 24-10-2013	0.33	AAA
9.50% NABARD SER IX I 15-10-2012	0.33	AAA
8.75% IRFC 07-01-2013	0.33	AAA
9.25% IDBI Bank 29-01-2020	0.31	AA
9.25% EXIM BANK 13-12-2012	0.26	AAA
8.99% TATA SONS LTD NCD 07-06-2020	1.62	AAA
9.7% UNITED PHOSPHORUS NCD 09-04-2017	0.50	AAA
9.20% HDFC LTD 09-02-2012	0.16	AAA
9.90% TATA SONS 20-05-2011	0.16	LAAA
8.65% HDFC LTD 12-09-2011	0.16	AAA
10% NABARD SER IX 14-05-2012	0.10	AAA
9.25% POWER GRID CORP 09-02-2013	0.08	AAA
9.76% IRFC 03-07-1012	0.07	AAA
total bond/cd	14.46	
gilts		
7.44% GOI SPL OIL BOND 23-03-2012	0.03	sovereign
8.24% GOI 22-04-2018	0.66	sovereign
7.56% GOI 03-11-2014	0.32	sovereign
8.47% NAGALAND GOI 25-03-2019	0.65	sovereign
total gilts	1.66	
equity		
BANKING & FINANCE		
ICICI BANK	3.78	1.51
HDFC BANK	3.21	0.73
STATE BANK OF INDIA	2.57	1.17
AXIS BANK	1.77	1.16
HOUSING DEVELOPMENT FINANCE CORPORATION	1.60	1.04
SHRIRAM TRANSPORT FINANCE COMPANY LTD	1.37	0.32
BANK OF BARODA	1.27	0.80
PUNJAB NATIONAL BANK	0.75	0.82
MAX INDIA	0.36	0.72
OIL REFINERIES		
RELIANCE INDUSTRIES	7.24	1.09
OIL & NATURAL GAS CORPORATION	1.86	0.63
OIL INDIA LTD	0.93	0.33
CAP GOODS / ENGINEERING		
LARSEN & TOUBRO	4.86	1.05
BHARAT HEAVY ELECTRICALS	2.12	0.76
VOLTAS	0.92	1.07
CUMMINS INDIA	0.81	0.57
PUNJ LLOYD	0.51	1.39
IT		
INFOSYS TECHNOLOGIES	5.22	0.70
TATA CONSULTANCY SERVICES	1.42	0.81
MPHASIS	0.62	0.69
METALS	4.83	
TATA STEEL	1.78	1.67
JINDAL STEEL AND POWER LTD	1.63	1.13
STERLITE INDUSTRIES	1.42	1.54
PHARMACEUTICALS		
JUBILANT ORGANOSYS	1.98	0.88
DIVIS LABORATORIES	1.47	0.71
SUN PHARMACEUTICALS	0.62	0.39
CIPLA LTD	0.58	0.40
LUPIN	0.29	0.34
FMCG		
ITC LTD	4.20	0.63
HINDUSTAN UNILEVER	0.84	0.45
UNITED SPIRITS	0.77	1.01
AUTOMOBILES		
BAJAJ AUTO LTD	2.15	0.69
MAHINDRA & MAHINDRA LTD	1.64	1.24
MARUTI SUZUKI INDIA	1.08	0.76
TATA MOTORS LTD	0.46	1.48
POWER		
NTPC	0.94	0.58
TATA POWER	0.84	0.79
TELECOM		
BHARTI AIRTEL	1.81	0.65
CEMENT & CEMENT PRODUCTS		
ULTRATECH CEMENT LTD	0.97	0.61
INDIA CEMENTS	0.03	0.97
CONSTRUCTION		
JAIPRAKASH ASSOCIATES	1.46	1.79
NAGARJUNA CONSTRUCTION	0.44	1.39
PLASTIC AND PLASTIC PRODUCT		
SINTEX INDUSTRIES LTD	0.90	0.92
GAS		
GAIL INDIA	0.67	0.57
SOFTWARE		
FINANCIAL TECHNOLOGIES	0.19	1.03
total equity	72.33	
total bank deposits/mutual funds	11.55	
total net assets	100.00	

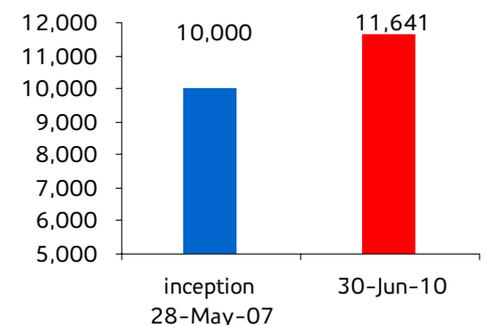
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

M.Duration of debt portfolio:	2.54 years
YTM of debt portfolio:	8.16%
Beta of equity portfolio:	0.93

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



High Growth Fund

fund performance As on Jun 30, 2010

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	18.29%	16.31%	9.54%	11.48%	1.39%	0.99%
last 2 year (CAGR*)	14.85%	13.60%	17.95%	21.19%	0.55%	0.41%
last 3 year (CAGR*)	7.65%	8.98%	19.80%	21.52%	0.13%	0.19%
since inception (CAGR*)	10.25%	10.16%	19.04%	20.49%	0.28%	0.25%
date of inception						march, 2007

*CAGR: Compounded Annual Growth Rate

portfolio As on Jun 30, 2010

security	% total net assets	rating/1-yr beta
bond/cd		
10.70% Power Finance Corp 15-07-2013	1.58	AAA
8.40% HDFC Ltd 08-12-2014	1.47	AAA
8% RECL LTD 05-08-2014	1.45	AAA
8.75% Reliance Industries Ltd NCD 07/05/2020	1.46	AAA
10.75% RECL LTD 14-04-2011	0.77	AAA
10.10% POWER GRID CORP 12-06-2012	0.77	AAA
9.80% POWER FINANCE CORP 22-03-2012	0.76	AAA
9.45% RECL LTD 04-04-2013	0.76	AAA
9.40% Power Finance Corporation Ltd 25-03-2013	0.76	AAA
9.50% NABARD SER IX 115-10-2012	0.76	AAA
9.25% EXIM BANK 13-12-2012	0.76	AAA
9.90% TATA SONS 20-05-2011	0.75	LAAA
8.79% IRFC NCD SERIES 70 (MD 04/05/2030)	0.74	AAA
9.50% TATA COMMUNICATION LTD 08-06-2014	0.76	AAA
11.65% HDFC LTD 09-09-2010	0.73	AAA
9.05% SBI 27-01-2020	0.74	AAA
8.90% Power Grid Corporation 25-02-2016	0.74	AAA
9% TATA SONS 27-07-2010	0.73	AAA
8.90% STEEL AUTHORITY OF INDIA 01-05-2019	0.74	AAA
8.68% NAT CAP REGIONAL PLANNING 18-08-2019	0.74	AAA
8.60% POWER FINANCE CORP LTD 07-08-2014	0.74	AAA
7.6% RECL 22-01-2013	0.73	AAA
6.00% INDIAN HOTEL 13-05-2011	0.72	LAAA
9.68% IRFC 03-07-2010	0.58	AAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	0.80	AAA
11.35% RECL LTD 24-10-2013	0.47	AAA
9.15% NAT CAP REGIONAL PLANNING 18-02-2019	0.45	AAA
8.90% Power Grid Corporation 25-02-2014	0.38	AAA
8.90% Power Grid Corporation 25-02-2020	0.37	AAA
7.60% ICICI BANK 30-12-2015	0.37	AAA
8.25% IDBI OMNI BOND SER III 26-05-2011	0.35	AA+
11.45% Reliance Industries Ltd 25-11-2013	1.95	AAA
8.99% TATA SONS LTD NCD 07-06-2020	1.48	AAA
8.4% TATA CAPITAL LTD NCD 26-11-2012	0.74	AA+
9.7% UNITED PHOSPHORUS LTD NCD 09-04-2017	0.99	AAA
9.50% INDIAN HOTEL 28-02-2012	0.30	AA+
8.95% IRFC NCD SERIES 69 10-03-2025	0.30	AAA
9.25% IDBI Bank 29-01-2020	0.28	AA
9.76% IRFC 03-07-1012	0.15	AAA
total bond/cd	30.14	
gilts		
8.47% JHARKHAND GOI 25-03-2019	0.15	sovereign
6.72% GOI 24-02-2014	0.14	sovereign
total gilts	0.29	
equity		
BANKING & FINANCE 12.72		
ICICI BANK	2.88	1.51
HDFC BANK	2.35	0.73
STATE BANK OF INDIA	2.02	1.17
AXIS BANK	1.35	1.16
HOUSING DEVELOPMENT FINANCE CORPORATION	1.22	1.04
SHRIRAM TRANSPORT FINANCE COMPANY LTD	1.07	0.32
BANK OF BARODA	1.03	0.80
PUNJAB NATIONAL BANK	0.54	0.82
MAX INDIA	0.28	0.72
OIL REFINERIES 7.56		
RELIANCE INDUSTRIES	5.46	1.09
OIL & NATURAL GAS CORPORATION	1.39	0.63
OIL INDIA LTD	0.71	0.33
CAP GOODS / ENGINEERING 7.09		
LARSEN & TOUBRO	3.68	1.05
BHARAT HEAVY ELECTRICALS	1.61	0.76
VOLTAS	0.72	1.07
CUMMINS INDIA	0.67	0.57
PUNJ LLOYD	0.40	1.39
IT 5.66		
INFOSYS TECHNOLOGIES	3.93	0.70
TATA CONSULTANCY SERVICES	1.27	0.81
MPHASIS	0.47	0.69
METALS 3.61		
TATA STEEL	1.28	1.67
JINDAL STEEL AND POWER LTD	1.28	1.13
STERLITE INDUSTRIES	1.04	1.54
PHARMACEUTICALS 3.73		
JUBILANT ORGANOSYS	1.48	0.88
DIVIS LABORATORIES	1.14	0.71
SUN PHARMACEUTICALS	0.46	0.39
CIPLA LTD	0.44	0.40
LUPIN	0.22	0.34
FMCG 4.46		
ITC LTD	3.21	0.63
HINDUSTAN UNILEVER	0.49	0.45
UNITED SPIRITS	0.76	1.01
AUTOMOBILES 4.26		
BAJAJ AUTO LTD	1.75	0.69
MAHINDRA & MAHINDRA LTD	1.35	1.24
MARUTI SUZUKI INDIA	0.80	0.76
TATA MOTORS LTD	0.35	1.48
POWER 1.31		
NTPC	0.69	0.58
TATA POWER	0.62	0.79
TELECOM 1.33		
BHARTI AIRTEL	1.33	0.65
CEMENT & CEMENT PRODUCTS 0.77		
ULTRATECH CEMENT LTD	0.75	0.61
INDIA CEMENTS	0.02	0.97
CONSTRUCTION 1.49		
JAIPRAKASH ASSOCIATES	1.15	1.79
NAGARJUNA CONSTRUCTION	0.34	1.39
PLASTIC AND PLASTIC PRODUCT 0.69		
SINTEX INDUSTRIES LTD	0.69	0.92
GAS 0.65		
GAIL INDIA	0.65	0.57
SOFTWARE 0.15		
FINANCIAL TECHNOLOGIES	0.15	1.03
total equity	55.46	
total bank deposits/mutual funds	14.11	
total net assets	100.00	

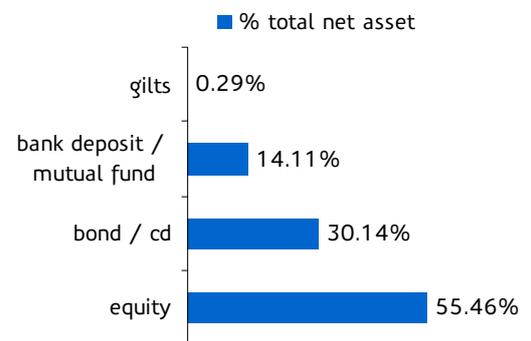
fund objective

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



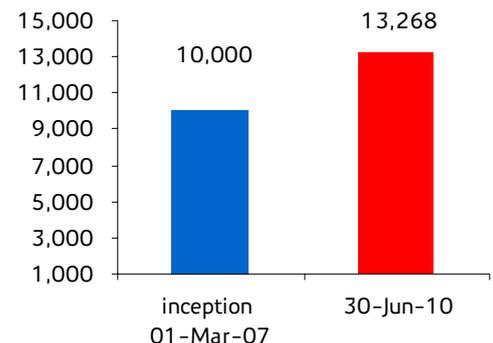
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

M.Duration of debt portfolio: 2.3 years
 YTM of debt portfolio: 8.1%
 Beta of equity portfolio: 0.93

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



fund manger's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 55.46%.

Exposures in Government Securities have been maintained while exposure in Corporate Bonds have been slightly increased to capture the opportunity of gaining higher yields in long end of the yield curve. Allocations to Money Market instruments have been decreased. We will increase exposure to gilts and corporate bonds as and when attractive investments are available.

target asset allocation

Debt: 40%
 Equity: 60%

benchmark construction

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

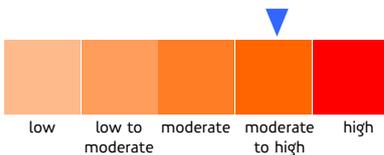
Growth Plus Fund

fund performance As on Jun 30, 2010

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



fund manger's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 44.95%.

Exposures in Government Securities have been maintained while exposure in Corporate Bonds have been slightly increased to capture the opportunity of gaining higher yields in long end of the yield curve. Allocations to Money Market instruments have been decreased. We will increase exposure to gilts and corporate bonds as and when attractive investments are available.

target asset allocation

Debt:	50%
Equity:	50%

benchmark construction

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

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	16.34%	14.42%	7.95%	9.61%	1.43%	0.98%
last 2 year (CAGR*)	14.36%	12.98%	15.30%	17.71%	0.61%	0.45%
last 3 year (CAGR*)	8.15%	9.10%	16.64%	18.02%	0.19%	0.23%
since inception (CAGR*)	10.10%	10.03%	15.98%	17.16%	0.32%	0.29%
date of inception	march, 2007					

*CAGR: Compounded Annual Growth Rate

portfolio As on Jun 30, 2010

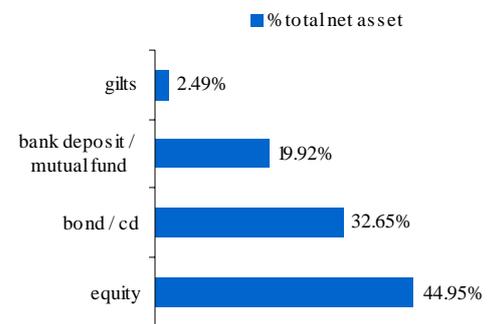
security	% total net assets	rating/1-yr beta
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bond/cd		
10.10% POWER GRID CORP 12-06-2011	0.06	AAA
9.35% IL & FS LTD 22-10-2010	0.10	AAA
10% NABARD SER IX 14-05-2012	0.10	AAA
6.10% POWER GRID CORP 17-07-2010	0.12	AAA
7.60% ICICI BANK 30-12-2015	0.19	AAA
9.25% EXIM BANK 13-12-2012	0.21	AAA
8.95% HDFC LTD 29-10-2010	0.25	AAA
9.20% HDFC LTD 09-02-2012	0.26	AAA
9.25% IDBI Bank 29-01-2020	0.48	AA
8.79% IRFC NCD SERIES 70 (MD 04/05/2030)	2.53	AAA
8.65% HDFC LTD 12-09-2011	0.51	AAA
9.50% NABARD SER IX I 15-10-2012	0.63	AAA
9.07% RECL LTD 28-02-2018	1.02	AAA
11.15% POWER FINANCE CORP 15-09-2011	1.05	AAA
11.45% Reliance Industries Ltd 25-11-2013	1.40	AAA
8.90% Power Grid Corporation 25-02-2019	1.27	AAA
9.90% TATA SONS 20-05-2011	1.28	LAAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	1.95	AAA
7.6% RECL 22-01-2013	2.51	AAA
9.05% SBI 27-01-2020	2.55	AAA
8.75% IRFC 07-01-2013	2.58	AAA
10.60% IRFC 11-09-2018	2.81	AAA
10.90% RECL LTD 14-04-2013	4.92	AAA
8.99% TATA SONS LTD NCD 07-06-2020	2.55	AAA
9.7% UNITED PHOSPHORUS LTD NCD 09-04-2017	1.31	AAA
total bond/cd	32.65	

gilts			sovereign		
7.44% GOI SPL OIL BOND 23-03-2012	0.05	sovereign			
7.56% GOI 03-11-2014	0.51	sovereign			
7.50% GOI 10-08-2034	0.94	sovereign			
6.72% GOI 24-02-2014	0.99	sovereign			
total gilts	2.49				

equity		
BANKING & FINANCE 9.95		
ICICI BANK	2.29	1.51
HDFC BANK	1.86	0.73
STATE BANK OF INDIA	1.54	1.17
AXIS BANK	1.06	1.16
HOUSING DEVELOPMENT FINANCE CORPORATION	0.95	1.04
SHRIRAM TRANSPORT FINANCE COMPANY LTD	0.84	0.32
BANK OF BARODA	0.76	0.80
PUNJAB NATIONAL BANK	0.41	0.82
MAX INDIA	0.22	0.72
OIL REFINERIES 7.03		
RELIANCE INDUSTRIES	5.34	1.09
OIL & NATURAL GAS CORPORATION	1.13	0.63
OIL INDIA LTD	0.56	0.33
CAP GOODS / ENGINEERING 5.59		
LARSEN & TOUBRO	2.94	1.05
BHARAT HEAVY ELECTRICALS	1.28	0.76
VOLTAS	0.60	1.07
PUNJ LLOYD	0.31	1.39
CUMMINS INDIA	0.47	0.57
IT 4.65		
INFOSYS TECHNOLOGIES	3.15	0.70
TATA CONSULTANCY SERVICES	1.12	0.81
Mphasis	0.38	0.69
METALS 3.00		
TATA STEEL	1.09	1.67
STERLITE INDUSTRIES	0.93	1.54
JINDAL STEEL AND POWER LTD	0.98	1.13
PHARMACEUTICALS 2.94		
JUBILANT ORGANOSYS	1.19	0.88
DIVIS LABORATORIES	0.87	0.71
SUN PHARMACEUTICALS	0.36	0.39
CIPLA LTD	0.35	0.40
LUPIN	0.18	0.34
FMCG 3.53		
ITC LTD	2.55	0.63
HINDUSTAN UNILEVER	0.50	0.45
UNITED SPIRITS	0.47	1.01
AUTOMOBILES 3.24		
BAJAJ AUTO LTD	1.27	0.69
MAHINDRA & MAHINDRA LTD	1.04	1.24
MARUTI SUZUKI INDIA	0.65	0.76
TATA MOTORS LTD	0.28	1.48
TELECOM 1.06		
BHARTI AIRTEL	1.06	0.65
POWER 1.02		
TATA POWER	0.51	0.79
NTPC	0.51	0.58
CEMENT & CEMENT PRODUCTS 0.58		
ULTRATECH CEMENT LTD	0.57	0.61
INDIA CEMENTS	0.02	0.97
CONSTRUCTION 1.16		
JAIPRAKASH ASSOCIATES	0.88	1.79
NAGARJUNA CONSTRUCTION	0.27	1.39
PLASTIC AND PLASTIC PRODUCT 0.58		
SINTEX INDUSTRIES LTD	0.58	0.92
GAS 0.50		
GAIL INDIA	0.50	0.57
SOFTWARE 0.11		
FINANCIAL TECHNOLOGIES	0.11	1.03
total equity	44.95	
total bank deposits/mutual funds	19.92	
total net assets	100.00	

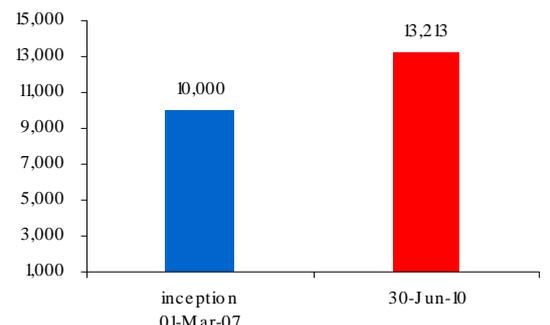
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

M.Duration of debt portfolio:	2.76 years
YTM of debt portfolio:	8.05%
Beta of equity portfolio:	0.94

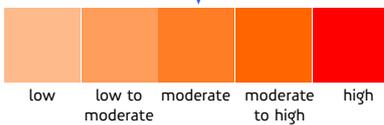
growth of initial investment of Rs.10,000 in MGP



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



fund manager's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 37.84%.

Exposures in Government Securities have been maintained while exposure in Corporate Bonds have been slightly increased to capture the opportunity of gaining higher yields in long end of the yield curve. Allocations to Money Market instruments have been decreased. We will increase exposure to gilts and corporate bonds as and when attractive investments are available.

target asset allocation

Debt: 60%
Equity: 40%

benchmark construction

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

Growth Fund

fund performance As on Jun 30, 2010

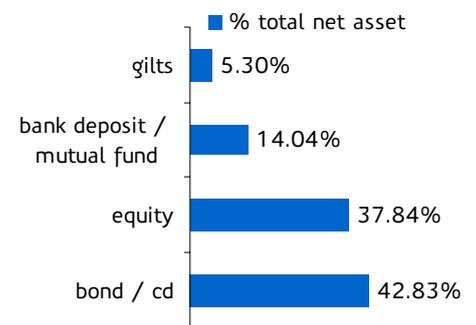
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	13.28%	12.51%	6.61%	7.75%	1.25%	0.97%
last 2 year (CAGR*)	13.39%	12.23%	12.48%	14.24%	0.67%	0.51%
last 3 year (CAGR*)	8.11%	9.08%	13.89%	14.53%	0.22%	0.28%
last 4 year (CAGR*)	10.56%	11.39%	12.47%	12.96%	0.45%	0.49%
last 5 year (CAGR*)	12.02%	12.79%	11.94%	12.36%	0.59%	0.63%
since inception (CAGR*)	12.65%	13.12%	11.33%	11.64%	0.67%	0.70%
date of inception	august, 2004					

*CAGR: Compounded Annual Growth Rate

portfolio As on Jun 30, 2010

security	% total net assets	rating/1-yr beta
bond/cd		
9.25% IDBI BANK 29-01-2020	0.28	AA
8.95% HDFC LTD 16-01-2011	0.29	AAA
8.95% IRFC NCD SERIES 69 10-03-2025	0.30	AAA
9.68% IRFC 03-07-2010	0.46	AAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	0.97	AAA
9.05% EXIM BANK 06-11-2010	0.59	AAA
9.90% TATA SONS 20-05-2011	0.59	LAAA
8.90% POWER GRID CORPORATION 25-02-2018	0.73	AAA
9.80% TATA STEEL 07-05-2011	0.89	AA
9.50% INDIAN HOTEL 28-02-2012	0.90	AA+
7.39% POWER GRID CORP 22-09-2011	0.93	AAA
11.40% POWER FINANCE CORP 28-11-2013	0.97	AAA
7.15% IND OIL BOND 10-06-2012	1.15	LAA+
8.95% HDFC LTD 29-10-2010	1.32	AAA
8% RECL LTD 05-08-2014	1.44	AAA
8.20% IRFC 27-04-2016	1.45	AAA
7.6% RECL 22-01-2013	1.46	AAA
9.05% SBI 27-01-2020	1.48	AAA
8.4% TATA CAPITAL 26-11-2012	1.48	AA+
9.50% NABARD SER IX I 15-10-2012	1.49	AAA
10.35% HDFC LTD 16-05-2017	1.50	AAA
9.25% HDFC LTD 24-11-2016	1.51	AAA
9.40% POWER FINANCE CORPORATION LTD 25-03-2013	1.52	AAA
9.70% LIC HOUSING FINANCE LTD 07-04-2013	1.53	AAA
11.95% HDFC LTD 26-11-2018	1.73	AAA
8.25% IDBI OMNI BOND SER III 26-05-2011	1.76	AA+
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	4.54	AAA
8.79% IRFC NCD SERIES 70	4.40	AAA
8.65% LARSEN & TOUBRO LTD PARTLY PAID UP NCD	0.74	AA+
8.80% STEEL AUTHORITY OF INDIA LTD NCD	1.46	AAA
8.99% TATA SONS LTD NCD 07-06-2020	1.48	AAA
9.7% UNITED PHOSPHORUS LTD NCD 09-04-2017	1.52	AAA
total bond/cd	42.83	
gilts		
8.35% GOI 14-05-2022	0.01	sovereign
7.46% GOI 28-08-2017	0.57	sovereign
7.44% GOI SPL OIL BOND 23-03-2012	1.27	sovereign
7.56% GOI 03-11-2014	1.48	sovereign
7.02% GOI (MD 17/08/2016)	1.97	sovereign
total gilts	5.30	
equity		
BANKING & FINANCE	8.17	
ICICI BANK	1.86	1.51
STATE BANK OF INDIA	1.32	1.17
AXIS BANK	1.04	1.16
HOUSING DEVELOPMENT FINANCE CORPORATION	0.63	1.04
SHRIRAM TRANSPORT FINANCE COMPANY LTD	0.84	0.32
BANK OF BARODA	0.74	0.80
POWER FINANCE CORPORATION	1.27	0.80
HDFC BANK	0.11	0.73
MAX INDIA	0.36	0.72
OIL REFINERIES	4.36	
RELIANCE INDUSTRIES	3.74	1.09
OIL & NATURAL GAS CORPORATION	0.62	0.63
CAP GOODS / ENGINEERING	6.18	
LARSEN & TOUBRO	2.47	1.05
BHARAT HEAVY ELECTRICALS	0.81	0.76
VOLTAS	0.53	1.07
CROMPTON GREAVES	0.81	0.88
CUMMINS INDIA	1.03	0.57
PUJJI LLOYD	0.52	1.39
IT	3.65	
INFOSYS TECHNOLOGIES	2.92	0.70
TATA CONSULTANCY SERVICES	0.73	0.81
METALS	1.68	
TATA STEEL	0.68	1.67
SHERLITE INDUSTRIES	1.00	1.54
PHARMACEUTICALS	2.48	
DIVIS LABORATORIES	0.39	0.71
JUBILANT ORGANOSYS	1.23	0.88
LUPIN	0.87	0.34
FMCG	1.03	
ASIAN PAINTS	0.21	0.36
ITC LTD	0.82	0.63
AUTOMOBILES	1.21	
MAHINDRA & MAHINDRA LTD	0.45	1.24
MARUTI SUZUKI INDIA	0.32	0.76
BAJAJ AUTO LTD	0.44	0.69
CONSTRUCTION	0.96	
NAGARJUNA CONSTRUCTION	0.96	1.39
TELECOM	1.04	
BHARTI AIRTEL	1.04	0.65
CEMENT & CEMENT PRODUCTS	1.09	
ULTRATECH CEMENT LTD	0.50	0.61
INDIA CEMENTS	0.59	0.97
GAS	0.62	
GAIL INDIA	0.62	0.57
POWER	0.26	
PTC INDIA	0.26	0.71
PLASTIC AND PLASTIC PRODUCT	0.30	
SINTEX INDUSTRIES LTD	0.30	0.92
CONSUMER GOODS	2.71	
UNITED SPIRITS	0.65	1.01
PANTALOON RETAIL INDIA	2.06	0.82
CHEMICALS	0.43	
TATA CHEMICALS	0.43	0.88
SOFTWARE	0.83	
FINANCIAL TECHNOLOGIES	0.83	1.03
FERTILIZERS	0.83	
GUJARAT STATE FERTILIZERS & CHEMICALS	0.83	0.68
total equity	37.84	
total bank deposits/mutual funds	14.04	
total net assets	100.00	

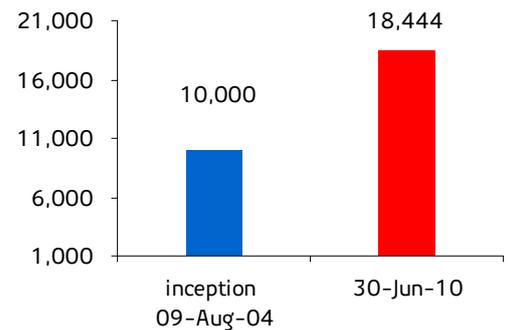
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

M.Duration of debt portfolio: 3.13 years
YTM of debt portfolio: 8.09%
Beta of equity portfolio: 0.89

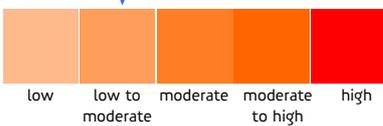
growth of initial investment of Rs.10,000 in MRP



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



fund manager's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 18.61%.

Exposures in Government Securities have been maintained while exposure in Corporate Bonds have been slightly increased to capture the opportunity of gaining higher yields in long end of the yield curve. Allocations to Money Market instruments have been decreased. We will increase exposure to gilts and corporate bonds as and when attractive investments are available.

target asset allocation

Debt.:	80%
Equity:	20%

benchmark construction

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

Balanced Fund

fund performance As on Jun 30, 2010

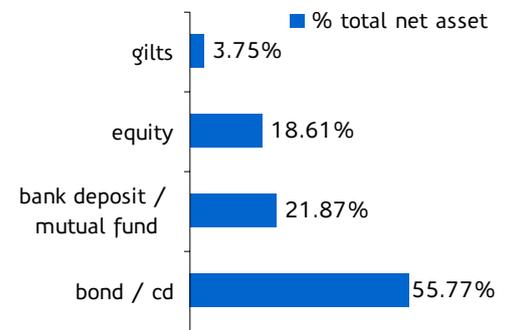
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	10.22%	8.69%	3.68%	4.06%	1.42%	0.91%
last 2 year (CAGR*)	12.44%	10.36%	6.92%	7.42%	1.07%	0.72%
last 3 year (CAGR*)	9.31%	8.64%	7.67%	7.63%	0.56%	0.48%
last 4 year (CAGR*)	10.13%	9.60%	6.89%	6.83%	0.74%	0.67%
last 5 year (CAGR*)	10.35%	9.95%	6.53%	6.46%	0.82%	0.77%
since inception (CAGR*)	11.00%	9.76%	5.75%	5.81%	1.04%	0.82%
date of inception	february, 2003					

*CAGR: Compounded Annual Growth Rate

portfolio As on Jun 30, 2010

security	% total net assets	rating/1-yr beta
bond/cd		
11.35% RECL LTD 24-10-2013	0.06	AAA
10.35% HDFC LTD SR 5006 06-06-2017	0.13	AAA
10.60% IRFC 11-09-2018	0.15	AAA
12% TATA CAPITAL LTD 05-03-2014	0.29	LAA+
8.90% POWER GRID CORPORATION 25-02-2021	0.31	AAA
9.25% EXIM BANK 13-11-2017	0.36	AAA
8.40% L & T FINANCE 08-03-2013	0.36	AA+
6.00% INDIAN HOTEL 13-05-2011	0.39	LAA+
9.68% IRFC 03-07-2012	0.40	AAA
9.20% HDFC LTD 09-02-2012	0.42	AAA
11.15% POWER FINANCE CORP 15-09-2011	0.43	AAA
9.45% RECL LTD 04-04-2013	0.43	AAA
11.15% HDFC LTD 06-08-2018	0.47	AAA
9% TATA SONS 27-07-2010	0.48	AAA
8.65% HDFC LTD 12-09-2011	0.49	AAA
9.76% IRFC 03-07-1012	0.50	AAA
9.30% POWER FINANCE CORP LTD 12-03-2013	0.64	AAA
9.25% IDBI BANK 29-01-2020	0.66	AA
9.35% L & FS LTD 22-10-2010	0.66	AAA
9.24% L&T FINANCE LTD 30-07-2010	0.69	AA+
7.6% RECL 22-01-2013	0.69	AAA
8.90% STEEL AUTHORITY OF INDIA 01-05-2019	0.69	AAA
10.10% POWER GRID CORP 12-06-2011	0.69	AAA
8.40% HDFC LTD 08-12-2014	0.69	AAA
8.68% NAT CAP REGIONAL PLANNING 18-08-2019	0.69	AAA
11.65% HDFC LTD 09-09-2010	0.69	AAA
9.05% SBI 27-01-2020	0.70	AAA
8.40% ADITYA BIRLA NUVO LTD 23-11-2012	0.70	LAA+
8.4% TATA CAPITAL 26-11-2012	0.70	AA+
8.83% IRFC 29-10-2012	0.71	AAA
9.50% TATA COMMUNICATION LTD 08-06-2014	0.71	AAA
9.20% POWER GRID CORP 12-03-2013	0.71	AAA
9.80% POWER FINANCE CORP 22-03-2012	0.71	AAA
10.75% RECL LTD 14-04-2011	0.72	AAA
10.90% RECL LTD 14-04-2013	0.75	AAA
11.25% POWER FINANCE CORP LTD 28-11-2018	0.79	AAA
9.80% TATA STEEL 07-05-2011	0.83	AA
10% NABARD SER IX 14-05-2012	0.85	AAA
8.75% IRFC 07-01-2013	0.85	AAA
9.35% LIC HOUSING FIN LTD 23-11-2012	0.86	AAA
9.50% INDIAN HOTEL 28-02-2012	1.06	AAA
9.80% ICICI BANK LTD 10-02-2013	1.09	AAA
9.50% NABARD SER IX 15-10-2012	1.13	AAA
11.10% POWER FINANCE CORP 15-09-2013	1.14	AAA
8.95% HDFC LTD 16-01-2011	1.24	AAA
8% RECL LTD 05-08-2014	1.36	AAA
8.80% STEEL AUTHORITY OF INDIA LTD 22-06-2019	0.69	AAA
8.94% LIC HOUSING FIN LTD 16-01-2011	1.38	AAA
8.50% EXPORT & IMPORT BANK LTD 12-09-2011	1.39	AAA
9.90% TATA SONS 20-05-2011	1.40	LAA+
10.95% RECL LTD 14-04-2013	1.42	AAA
10.20% SUNDARAM FINANCE 29-05-2013	1.46	AA+
11.40% POWER FINANCE CORP 28-11-2013	2.29	AAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	2.29	AAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	2.75	AAA
8.46% IRFC NCD	1.41	AAA
8.79% IRFC NCD SERIES 70	1.38	AAA
8.65% LARSEN & TOUBRO LTD PARTLY PAID UP NCD	0.35	AA+
9.33% POWER GRID CORPORATION LTD NCD	0.29	AAA
8.75% RELIANCE INDUSTRIES LTD NCD	2.06	AAA
9.34% STATE BANK OF TRAVANCORE NCD	0.51	AAA
8.99% TATA SONS LTD NCD 07-06-2020	2.09	AAA
9.7% UNITED PHOSPHORUS LTD NCD 09-04-2017	2.15	AAA
total bond/cd	55.77	
gilts		
7.37% GOI 16-04-2014	0.00	sovereign
8.24% GOI 22-04-2018	0.24	sovereign
6.72% GOI 24-02-2014	0.27	sovereign
7.50% GOI 10-08-2034	0.39	sovereign
7.46% GOI 28-05-2017	0.67	sovereign
7.44% GOI SPL OIL BOND 23-03-2012	1.12	sovereign
7.02% GOI 17-08-2016	1.06	sovereign
total gilts	3.75	
equity		
BANKING & FINANCE	4.03	
ICICI BANK	0.92	1.51
STATE BANK OF INDIA	0.68	1.17
AXIS BANK	0.52	1.16
HOUSING DEVELOPMENT FINANCE CORPORATION	0.31	1.04
SHRI RAM TRANSPORT FINANCE COMPANY LTD	0.42	0.32
BANK OF BARODA	0.37	0.80
POWER FINANCE CORPORATION	0.52	0.80
MAX INDIA	0.18	0.72
HDFC BANK	0.12	0.73
OIL REFINERIES	2.18	
RELIANCE INDUSTRIES	1.86	1.09
OIL & NATURAL GAS CORPORATION	0.32	0.63
CAP GOODS / ENGINEERING	3.06	
LARSEN & TOUBRO	1.23	1.05
BHARAT HEAVY ELECTRICALS	0.40	0.76
PUNJ LLOYD	0.26	1.39
VOLTAS	0.26	1.07
CUMMINS INDIA	0.51	0.77
CROMPTON GREAVES	0.40	0.88
IT	1.79	
INFOSYS TECHNOLOGIES	1.43	0.70
TATA CONSULTANCY SERVICES	0.36	0.81
METALS	0.84	
TATA STEEL	0.35	1.67
STERLITE INDUSTRIES	0.50	1.54
PHARMACEUTICALS	1.04	
LUBILANT ORGANOSYS	0.61	0.88
LUPIN	0.43	0.34
FMCG	0.40	
ITC LTD	0.40	0.63
AUTOMOBILES	0.60	
MAHINDRA & MAHINDRA LTD	0.23	1.24
BAJAJ AUTO LTD	0.22	0.69
MARUTI SUZUKI INDIA	0.16	0.76
CONSTRUCTION	0.48	
NAGARJUNA CONSTRUCTION	0.48	1.39
TELECOM	0.52	
BHARTI AIRTEL	0.52	0.65
CEMENT & CEMENT PRODUCTS	0.57	
ULTRATECH CEMENT LTD	0.23	0.61
INDIA CEMENTS	0.29	
POWER	0.17	0.97
PTC INDIA	0.17	0.71
GAS	0.31	
GAIL INDIA	0.31	0.57
PLASTIC AND PLASTIC PRODUCT	0.15	
SINTEX INDUSTRIES LTD	0.15	0.92
CONSUMER GOODS	1.44	
UNITED SPIRITS	0.32	1.01
ASIAN PAINTS	0.10	0.36
PANTALON RETAIL INDIA	1.01	0.82
CHEMICALS	0.22	
TATA CHEMICALS	0.22	0.88
FERTILIZERS	0.41	
GUJARAT STATE FERTILIZERS & CHEMICALS	0.41	0.68
SOFTWARE	0.41	
FINANCIAL TECHNOLOGIES	0.41	1.03
total equity	18.61	
total bank deposits/mutual funds	21.87	
total net assets	100.00	

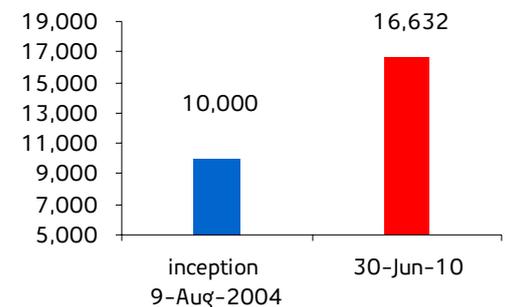
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

M.Duration of debt portfolio:	2.26 years
YTM of debt portfolio:	7.75%
Fund Beta:	0.93

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



Corporate Bond Fund

fund performance As on Jun 30, 2010

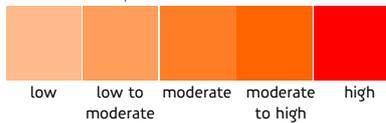
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	8.45%	4.69%	1.90%	1.89%	1.82%	-0.16%
last 2 year (CAGR*)	11.59%	7.90%	3.98%	4.84%	1.66%	0.60%
last 3 year (CAGR*)	10.33%	6.96%	3.60%	4.39%	1.48%	0.45%
since inception (CAGR*)	10.40%	7.01%	3.55%	4.33%	1.52%	0.46%
date of inception					may, 2007	

*CAGR: Compounded Annual Growth Rate

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'.

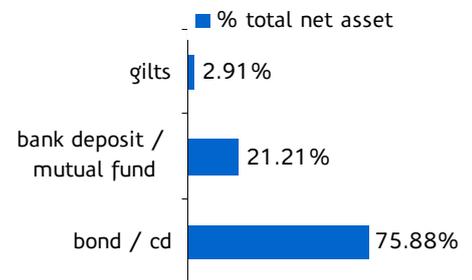
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	rating/1-yr beta
bond/cd		
CENTRAL BANK OF INDIA LTD CD 06/07/2010	2.45	PR1+
KOTAK MAHINDRA BANK LTD CD 09/07/2010	4.09	P1+
11.35% RECL LTD 24-10-2013	0.04	AAA
9.25% EXIM BANK 13-12-2012	0.09	AAA
9.76% IRFC 03-07-1012	0.09	AAA
9.30% POWER FINANCE CORP LTD 12-03-2013	0.14	AAA
11.30% ACC LTD 10-12-2013	0.15	AAA
9.80% TATA STEEL 07-05-2011	0.28	AA
9.20% HDFC LTD 09-02-2012	0.28	AAA
9.47% POWER GRID CORP 31-03-2013	0.29	AAA
9% TATA SONS 27-07-2010	0.41	AAA
7.39% POWER GRID CORP 22-09-2011	0.49	AAA
9.35% LIC HOUSING FIN LTD 23-11-2012	0.57	AAA
9.32% HDFC LTD 17-12-2012	0.57	AAA
6.00% INDIAN HOTEL 13-05-2011	0.58	LAA+
8.90% POWER GRID CORPORATION 25-02-2016	0.70	AAA
8% RECL LTD 05-08-2014	1.36	AAA
8.90% STEEL AUTHORITY OF INDIA 01-05-2019	1.38	AAA
8.68% NAT CAP REGIONAL PLANNING 18-08-2019	1.38	AAA
8.88% IDFC 07-01-2011	1.38	AA+
9.05% SBI 27-01-2020	1.39	AAA
8.60% POWER FINANCE CORP LTD 07-08-2014	1.38	AAA
9.50% HDFC LTD 27-02-2013	1.43	AAA
9.33% POWER GRID CORP LTD 15-12-2013	0.86	AAA
9.70% LIC HOUSING FINANCE LTD 07-04-2013	1.44	AAA
10.05% NABARD 11-06-2014	1.45	AAA
8.75% IRFC 07-01-2013	1.69	AAA
10.90% RECL LTD 14-04-2013	2.57	AAA
7.24% LIC HOUSING FIN LTD 23-06-2011	2.74	AAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	0.79	AAA
8.40% ADITYA BIRLA NUVO LTD 23-11-2012	2.78	LAA+
8.40% L & T FINANCE 08-03-2013	2.79	AA+
2% INDIAN HOTELS COMPANY LTD 09-12-2014	2.93	LAA+
2% TATA MOTORS LTD 31-03-2014	2.95	AAA
11.50% RECL LTD 26-11-2013	3.05	AAA
8.80% STEEL AUTHORITY OF INDIA LTD 22-06-2019	4.12	AAA
12% TATA CAPITAL LTD 05-03-2014	4.39	LAA+
11.10% POWER FINANCE CORP 15-09-2013	6.73	AAA
8.79% IRFC NCD SERIES 70 04-05-2030	1.38	AAA
8.75% RELIANCE INDUSTRIES LTD NCD 07-05-2020	6.84	AAA
10.48% SAMRUDDHI CEMENTS LTD NCD 16/12/2013	0.10	AAA
8.99% TATA SONS LTD NCD 07-06-2020	2.78	AAA
9.7% UNITED PHOSPHORUS LTD NCD 09-04-2017	2.58	AAA
total bond/cd	75.88	
gilts		
7.56% GOI 03-11-2014	0.28	sovereign
7.35% GOI 22-06-2024	1.29	sovereign
7.46% GOI 28-08-2017	1.34	sovereign
total gilts	2.91	
total bank deposits/mutual funds	21.21	
total net assets	100.00	

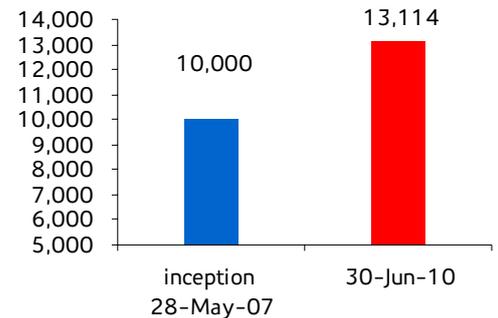
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

M.Duration of debt portfolio: 2.75 years
YTM of debt portfolio: 7.94%

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



fund manger's report

Exposures in Government Securities have been maintained while exposure in Corporate Bonds have been slightly increased to capture the opportunity of gaining higher yields in long end of the yield curve. Allocations to Money Market instruments have been decreased. We will increase exposure to gilts and corporate bonds as and when attractive investments are available .

target asset allocation

Bond Instruments: 100%

benchmark construction

CRISIL Composite Bond Index: 100%

Pure Debt Fund

fund performance As on Jun 30, 2010

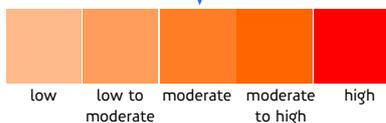
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	8.32%	4.69%	2.27%	1.89%	1.46%	-0.16%
last 2 year (CAGR*)	11.54%	7.90%	3.70%	4.84%	1.77%	0.60%
last 3 year (CAGR*)	9.87%	6.96%	3.26%	4.39%	1.49%	0.45%
since inception (CAGR*)	9.78%	6.89%	3.14%	4.22%	1.52%	0.45%
date of inception	april, 2007					

*CAGR: Compounded Annual Growth Rate

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



portfolio As on Jun 30, 2010

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

bond/cd

KOTAK MAHINDRA BANK LTD CD 09/07/2010	3.76	P1+
10.90% RECL LTD 14-04-2013	5.10	AAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	4.79	AAA
10.90% RECL LTD 30-09-2013	4.13	AAA
9.70% LIC HOUSING FINANCE LTD 07-04-2013	3.97	AAA
2% TATA MOTORS LTD 31-03-2014	4.07	AAA
2% INDIAN HOTELS COMPANY LTD 09-12-2014	4.04	LAA+
8.40% L & T FINANCE 08-03-2013	3.85	AA+
8.40% HDFC LTD 08-12-2014	3.79	AAA
12% TATA CAPITAL LTD 05-03-2014	3.23	LAA+
10.60% IRFC 11-09-2018	2.54	AAA
11.25% POWER FINANCE CORP LTD 28-11-2018	2.16	AAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	2.10	AAA
11.30% ACC LTD 10-12-2013	2.09	AAA
8.98% NAT CAP REGIONAL PLANNING 14-02-2018	1.95	AAA
8.4% TATA CAPITAL 26-11-2012	2.17	AA+
8.40% ADITYA BIRLA NUVO LTD 23-11-2012	1.92	LAA+
8.90% STEEL AUTHORITY OF INDIA 01-05-2019	1.91	AAA
9.25% IDBI BANK 29-01-2020	1.82	AA
9.05% SBI 27-01-2020	0.96	AAA
8.90% POWER GRID CORPORATION 25-02-2015	0.96	AAA
10% NABARD SER IX 14-05-2012	0.39	AAA
total bond/cd	61.70	

gilts

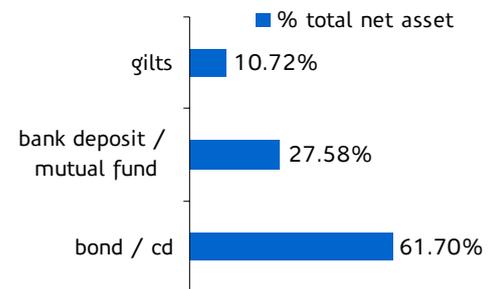
7.46% GOI 28-08-2017	3.71	sovereign
7.50% GOI 10-08-2034	1.77	sovereign
7.56% GOI 03-11-2014	1.53	sovereign
8.28% GOI 15-02-2032	1.89	sovereign
7.02% GOI 17-08-2016	1.83	sovereign
total gilts	10.72	

total bank deposits/mutual funds

27.58

total net assets 100.00

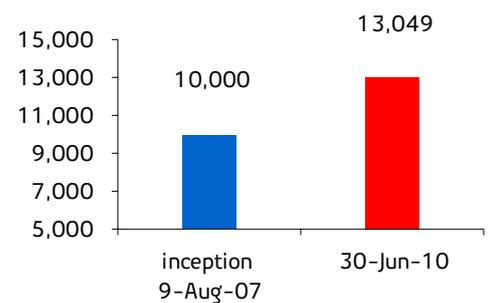
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

M.Duration of debt portfolio: 2.69 years
YTM of debt portfolio: 8.04%

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



fund manger's report

Exposures in Government Securities, Corporate Bonds and Money Market instruments have been maintained. 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%

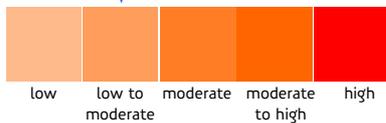
Gilt Fund

fund performance As on Jun 30, 2010

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



fund manger's report

Exposures in Government Securities and Money Market instruments have been maintained. We will increase exposure to gilts as and when attractive investments are available.

target asset allocation

Government Securities: 100%

benchmark construction

I-Sec Composite Sovereign Bond Index:100%

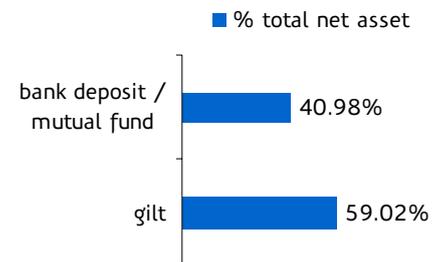
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	5.67%	4.35%	1.87%	3.36%	0.36%	-0.20%
last 2 year (CAGR*)	7.61%	12.52%	3.77%	12.50%	0.69%	0.60%
last 3 year (CAGR*)	6.47%	9.55%	3.31%	10.64%	0.45%	0.43%
since inception (CAGR*)	6.47%	9.42%	3.26%	10.49%	0.45%	0.42%
date of inception	may, 2007					

*CAGR: Compounded Annual Growth Rate

portfolio As on Jun 30, 2010

security	% total net assets	rating/ 1-yr beta
gilts	69.02	
9.85% GOI 16-10-2015	0.03	sovereign
6.07% GOI 15-05-2014	4.11	sovereign
7.49% GOI 16-04-2017	4.19	sovereign
8.24% GOI 15-02-2027	4.27	sovereign
8.26% GOI 2027 (MD 02/08/2027)	8.54	sovereign
7.56% GOI 03-11-2014	8.64	Sovereign
6.49% GOI 08-06-2015	12.26	Sovereign
8.28% GOI (MD 15/02/2032)	16.99	sovereign
total gilts	69.02	
total bank deposits/mutual funds	40.98	
total net assets	100.00	

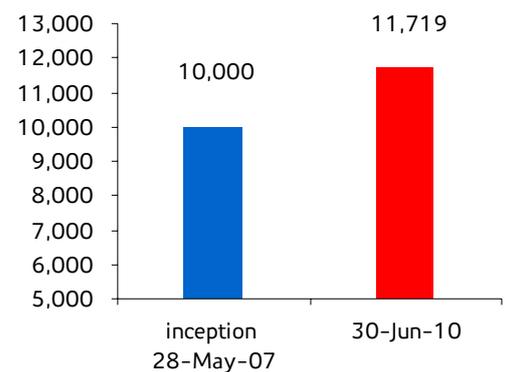
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

M.Duration of debt portfolio: 4.11 years
YTM of debt portfolio: 7.86%

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



Guaranteed Bond Fund I

fund performance As on Jun 30, 2010

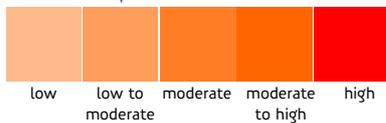
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	8.39%		2.26%		1.50%	
since inception (CAGR*)	14.26%		3.87%		2.39%	
date of inception	december, 2008					

*CAGR: Compounded Annual Growth Rate

fund objective

To achieve predictable investment return. This will be achieved through 100% investments in debt securities where returns are locked in through portfolio immunization techniques and use of rigorous Asset Liability Management (ALM). The risk appetite is 'low to moderate'.

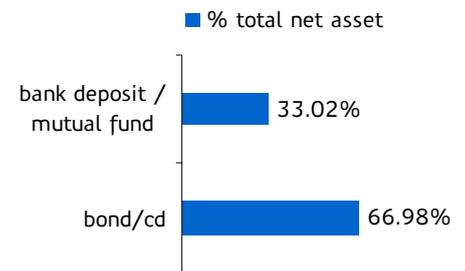
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	rating/ 1-yr beta
bond/cd		
11.15% HDFC LTD 06-08-2018	2.91	AAA
9.07% RECL LTD 28-02-2018	3.71	AAA
10.60% IRFC 11-09-2018	4.08	AAA
11.35% RECL LTD 24-10-2013	4.26	AAA
10.35% HDFC LTD SR E006 06-06-2017	5.43	AAA
11.30% ACC LTD 10-12-2013	6.06	AAA
10.48% SAMRUDDHI CEMENTS LTD NCD 16-12-2013	6.17	AAA
11.45% RELIANCE INDUSTRIES LTD 25-11-2013	6.20	AAA
9.50% TATA COMMUNICATION LTD 08-06-2014	6.05	AAA
2% TATA MOTORS LTD 31-03-2014	6.52	AAA
11% POWER FINANCE CORP LTD 15-09-2018	6.86	AAA
9.15% NAT CAP REGIONAL PLANNING 18-02-2019	8.73	AAA
total bond/cd	66.98	
total bank deposits/mutual funds	33.02	
total net assets	100.00	

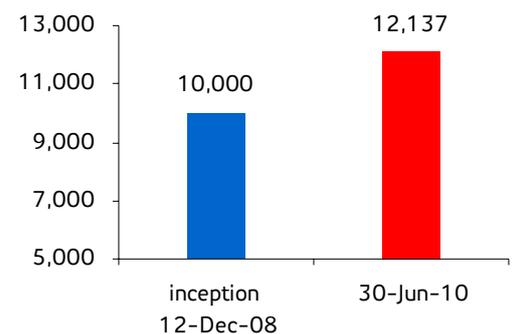
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

M.Duration of debt portfolio: 2.82 years
YTM of debt portfolio: 8.43%

growth of initial investment of Rs.10,000 in GRP-I



fund manger's report

The allocation to gilts was increased to the portfolio is maintained to deliver guaranteed returns

target asset allocation

Debt Instruments: 100%

Money Market Fund

fund performance As on Jun 30, 2010

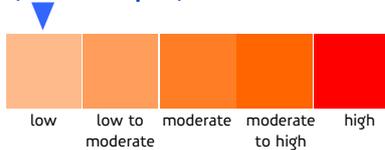
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	7.59%	3.29%	0.26%	0.23%	10.08%	-7.36%
last 2 year (CAGR*)	9.15%	5.80%	0.52%	0.87%	7.99%	0.92%
last 3 year (CAGR*)	9.12%	6.14%	0.43%	0.76%	9.70%	1.50%
since inception (CAGR*)	9.14%	6.14%	0.42%	0.75%	9.85%	1.51%
date of inception	may, 2007					

*CAGR: Compounded Annual Growth Rate

fund objective

To achieve predictable investment return. This will be achieved through 100% investments in debt securities where returns are locked in through portfolio immunization techniques and use of rigorous Asset Liability Management (ALM). The risk appetite is 'low to moderate'.

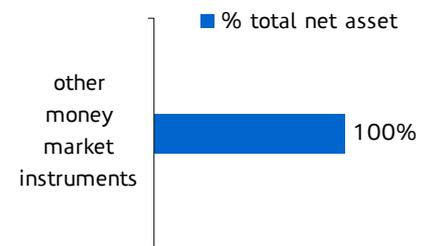
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	rating/1-yr beta
other money market Instrument	100.00	
total net assets	100.00	

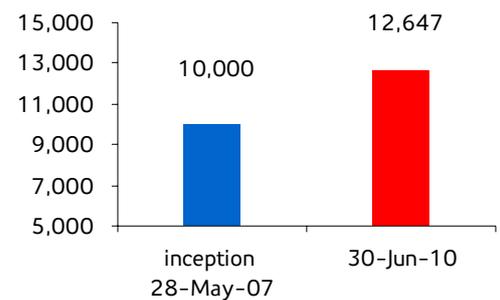
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

YTM of debt portfolio: 7.26%

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



fund manger'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%

Capital Secure Fund

fund performance As on Jun 30, 2010

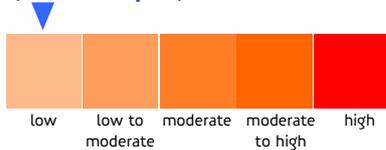
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	6.95%	4.20%	0.25%	0.12%	7.85%	-6.55%
last 2 year (CAGR*)	8.72%	5.46%	0.56%	0.57%	6.64%	0.81%
last 3 year (CAGR*)	8.73%	6.17%	0.51%	0.55%	7.29%	2.14%
last 4 year (CAGR*)	8.52%	6.49%	0.49%	0.50%	7.18%	2.97%
last 5 year (CAGR*)	8.01%	6.41%	0.53%	0.46%	5.72%	3.07%
since inception (CAGR*)	7.04%	5.75%	0.59%	0.48%	3.45%	1.55%
date of inception	february, 2003					

*CAGR: Compounded Annual Growth Rate

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'.

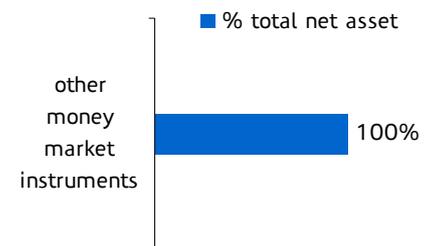
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	rating/ 1-yr beta
other money market Instrument	100.00	
total net assets	100.00	

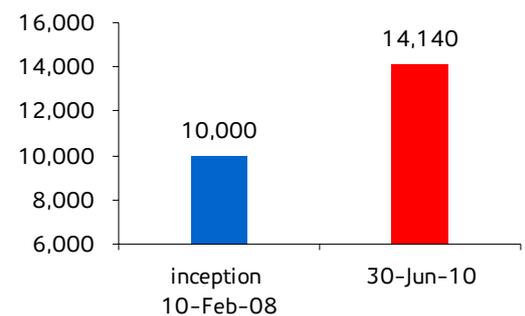
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

YTM of debt portfolio: 7.35%

growth of initial investment of Rs.10,000 in



fund manger'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 : 100%

Equity Plus Fund

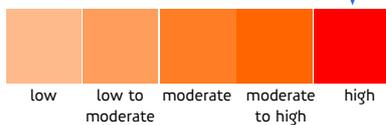
fund performance As on Jun 30, 2010

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	fund has not completed a period of one year since inception					
date of inception	january, 2010					

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'.

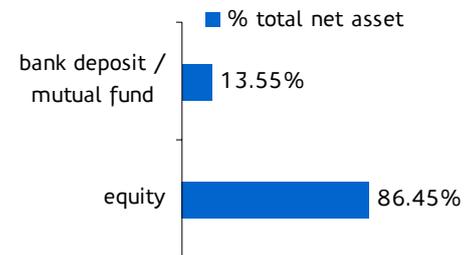
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	rating/1-yr beta
equity	17.66	
BANKING & FINANCE	4.49	
ICICI BANK	4.49	1.51
STATE BANK OF INDIA	3.54	1.17
HDFC BANK	2.46	0.73
AXIS BANK	2.04	1.16
POWER FINANCE CORPORATION	2.37	0.80
HOUSING DEVELOPMENT FINANCE CORPORATION	1.23	1.04
MAX INDIA	0.53	0.72
BANK OF BARODA	1.00	0.80
OIL REFINERIES	8.36	
RELIANCE INDUSTRIES	8.36	1.09
CAP GOODS / ENGINEERING	8.91	
LARSEN & TOUBRO	4.02	1.05
BHARAT HEAVY ELECTRICALS	2.08	0.76
CROMPTON GREAVES	0.33	0.88
CUMMINS INDIA	2.49	0.57
IT	8.55	
INFOSYS TECHNOLOGIES	7.00	0.70
TATA CONSULTANCY SERVICES	1.55	0.81
METALS	4.36	
TATA STEEL	1.43	1.67
STERLITE INDUSTRIES	1.95	1.54
HINDALCO INDUSTRIES	0.98	1.80
PHARMACEUTICALS	4.48	
JUBILANT ORGANOSYS	2.68	0.88
LUPIN	1.81	0.34
AUTOMOBILES	4.01	
MAHINDRA & MAHINDRA LTD	1.92	1.24
MARUTI SUZUKI INDIA	1.10	0.76
BAJAJ AUTO LTD	0.99	0.69
CEMENT & CEMENT PRODUCTS	2.61	
ULTRATECH CEMENT LTD	1.30	0.61
INDIA CEMENTS	1.31	0.97
FMCG	1.60	
ITC LTD	1.60	0.63
TELECOM	2.04	
BHARTI AIRTEL	2.04	0.65
POWER	0.30	
PTC INDIA	0.30	0.71
CONSUMER GOODS	3.12	
ASIAN PAINTS	1.63	0.36
UNITED SPIRITS	1.49	1.01
AUTO ANCILLARY	3.60	
EXIDE INDUSTRIES	2.44	0.84
MOTHERSON SUMI SYSTEMS	1.17	0.71
CONSTRUCTION	2.19	
NAGARJUNA CONSTRUCTION	2.19	1.39
OIL EXPLORATION	3.09	
OIL & NATURAL GAS CORPORATION	3.09	0.63
FERTILISERS AND CHEMICALS	2.68	
TATA CHEMICALS	0.68	0.88
GUJARAT STATE FERTILIZERS & CHEMICALS	2.00	0.68
RETAIL	4.95	
PANTALOON RETAIL	4.95	0.82
PLASTIC AND PLASTIC PRODUCT	0.69	
SINTEX INDUSTRIES LTD	0.69	0.92
GAS	1.26	
GAIL INDIA	1.26	0.57
SOFTWARE	2.00	
FINANCIAL TECHNOLOGIES	2.00	1.03
total equity	86.45	
total bank deposits/mutual funds	13.55	
total net assets	100.00	

asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

Fund Beta 0.90

fund manger's report

The month of June saw the markets ending positive. The equity market saw huge FII inflows and risk appetite returning back. Looking at positive news flows in specific sectors, the holding in equities was kept at 86.45%.

target asset allocation

Equity Plus : 100%

benchmark construction

S&P CNX Nifty: 100%

Highest Nav Guarantee Fund

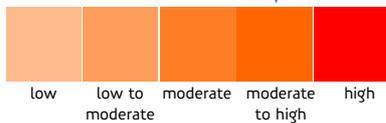
fund performance As on Jun 30, 2010

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	fund has not completed a period of one year since inception					
date of inception	february, 2010					

fund objective

Offer guarantee of maturity value, in an equity oriented fund, at the highest NAV achieved during the period of the guarantee. The risk appetite is 'moderate to high'

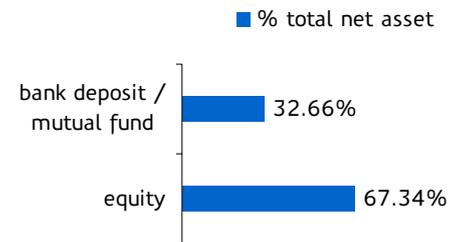
fund risk profile



portfolio As on Jun 30, 2010

security	% total net assets	1-yr beta
equity	67.34	
BANKING & FINANCE	15.51	
ICICI BANK	4.88	1.51
HDFC BANK	3.52	0.73
HOUSING DEVELOPMENT FINANCE CORPORATION	3.83	1.04
STATE BANK OF INDIA	3.28	1.17
OIL REFINERIES	12.65	
RELIANCE INDUSTRIES	9.84	1.09
OIL & NATURAL GAS CORPORATION	2.81	0.63
IT	10.01	
INFOSYS TECHNOLOGIES	6.83	0.70
TATA CONSULTANCY SERVICES	2.22	0.81
WIPRO	0.96	0.77
CAP GOODS / ENGINEERING	7.07	
LARSEN & TOUBRO	4.93	1.05
BHARAT HEAVY ELECTRICALS	2.14	0.76
FMCG	5.51	
ITC LTD	4.06	0.63
HINDUSTAN UNILEVER	1.45	0.45
METALS	5.24	
TATA STEEL	1.58	1.67
STERLITE INDUSTRIES	1.34	1.54
HINDALCO INDUSTRIES	1.00	1.80
JINDAL STEEL AND POWER LTD	1.33	1.13
AUTOMOBILES	4.70	
TATA MOTORS	1.27	1.48
MAHINDRA & MAHINDRA LTD	1.35	1.24
MARUTI SUZUKI INDIA	1.04	0.76
HERO HONDA MOTORS	1.02	0.73
POWER	2.76	
NTPC	1.66	0.58
TATA POWER	1.10	0.79
TELECOM	1.78	
BHARTI AIRTEL	1.78	0.65
CEMENT & CEMENT PRODUCTS	0.46	
ACC	0.46	0.81
CONSTRUCTION	0.77	
JAIPRAKASH ASSOCIATES	0.77	1.79
PHARMACEUTICALS	0.88	
CIPLA LTD	0.88	0.40
total equity	67.34	
total bank deposits/mutual funds	32.66	
total net assets	100.00	

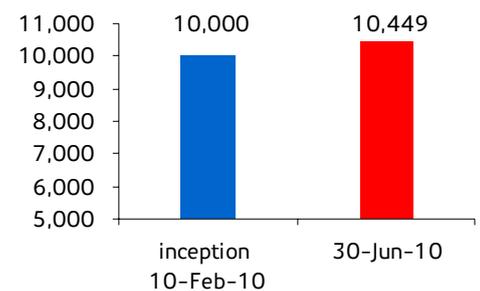
asset allocation as on Jun 30, 2010



fund characteristics as on Jun 30, 2010

Fund Beta 0.97

growth of initial investment of Rs.10,000 in TIPS-I



target asset allocation

Equity Plus : 100%

benchmark construction

S&P CNX Nifty: 100%

Product Details

Nav's as of 30 June, 2010

Reliance Equity Fund

Product Name	Inception Date	Nav
Market Return Plan (MRP)	August 9, 2004	27.7955
Golden Year Plan (GYP)	March 12, 2007	13.7111
Automatic Investment Plan (AIP)	May 28, 2007	11.7965
Secure Child Plan (SCP)	Nov 29,2007	9.0070
Wealth + Health Plan (WHP)	Feb 27,2008	9.7930
Total Investment Plan Series I (TIPS I)	March 19, 2008	12.1696
Total Investment Plan Series II (TIPS II)	Mar 19,2008	12.1648
SuperInvest Assure Plan (SIP)	June 12, 2008	12.1777
Super Golden Year Plan (SGYP)	December 4, 2008	11.7965
Super Market Return Plan (SMRP)	December 4, 2008	11.7965
Super Automatic Investment Plan (SAIP)	December 4, 2008	11.7965
SuperInvest Assure Plan Plus (SIP Plus)	December 10, 2008	12.1777
Savings Linked Insurance (SLI)	May 26, 2009	18.5868
Reliance Premier Life (RPL)	Aug 20,2009	18.5868
New Equity Fund	Jan 11,2010	10.2346

Reliance Pure Equity Fund

Product Name	Inception Date	Nav
SuperInvest Assure Plan (SIP)	June 12, 2008	13.0439
Automatic Investment Plan (AIP)	August 1, 2008	11.7864
Secure Child Plan (SCP)	August 1, 2008	11.7864
Golden Year Plan (GYP)	August 1, 2008	11.7864
Wealth + Health Plan (WHP)	August 1, 2008	11.7864
Total Investment Plan Series I (TIPS I)	August 1, 2008	11.7864
Total Investment Plan Series II (TIPS II)	August 1, 2008	11.7864
Market Return Plan (MRP)	August 1, 2008	11.7864
Super Golden Year Plan (SGYP)	December 4, 2008	11.7864
Super Market Return Plan (SMRP)	December 4, 2008	11.7864
Super Automatic Investment Plan (SAIP)	December 4, 2008	11.7864
SuperInvest Assure Plan Plus (SIP Plus)	December 10, 2008	13.0439
Imaan Plan- Indian Traditional Fund Option	December 17, 2008	13.0439
Savings Linked Insurance(SLI)	April 29, 2009	18.1711
Reliance Premier Life (RPL)	Aug 20,2009	18.1711
New Pure Equity Fund	Jan 11,2010	9.9555
New Indian Traditional Fund	Jan 11,2010	9.9555

Reliance Infrastructure Fund

Product Name	Inception Date	Nav
Total Investment Plan Series I (TIPS I)	March 19, 2008	8.8016
Total Investment Plan Series II (TIPS II)	March 19, 2008	8.7918
SuperInvest Assure Plan (SIP)	June 12, 2008	9.2321
Automatic Investment Plan (AIP)	August 1, 2008	8.9505
Secure Child Plan (SCP)	August 1, 2008	8.9505
Golden Year Plan (GYP)	August 1, 2008	8.9505
Wealth + Health Plan (WHP)	August 1, 2008	8.9505
Market Return Plan (MRP)	August 1, 2008	8.9505
Super Golden Year Plan (SGYP)	December 4, 2008	8.9505
Super Market Return Plan (SMRP)	December 4, 2008	8.9505
Super Automatic Investment Plan (SAIP)	December 4, 2008	8.9505
SuperInvest Assure Plan Plus (SIP Plus)	December 10, 2008	9.2321
Savings Linked Insurance(SLI)	May 26, 2009	13.3262
Reliance Premier Life (RPL)	Aug 20,2009	13.3262
New Infrastructure fund	Jan 11,2010	9.1264

Reliance Energy Fund

Product Name	Inception Date	Nav
Total Investment Plan Series I (TIPS I)	March 19, 2008	10.9906
Total Investment Plan Series II (TIPS II)	March 19, 2008	10.9915
SuperInvest Assure Plan (SIP)	June 12, 2008	11.5829
Automatic Investment Plan (AIP)	August 1, 2008	10.8517
Golden Year Plan (GYP)	August 1, 2008	10.8517
Wealth + Health Plan (WHP)	August 1, 2008	10.8517
Market Return Plan (MRP)	August 1, 2008	10.8517
Secure Child Plan (SCP)	August 1, 2008	10.8517
Super Golden Year Plan (SGYP)	December 4, 2008	10.8517
Super Market Return Plan (SMRP)	December 4, 2008	10.8517
Super Automatic Investment Plan (SAIP)	December 4, 2008	10.8517
SuperInvest Assure Plan Plus (SIP Plus)	December 10, 2008	11.5829
Savings Linked Insurance (SLI)	May 26, 2009	16.1849
Reliance Premier Life (RPL)	Aug 20,2009	16.1849
New Energy Fund	Jan 11,2010	9.9778

Product Details

Nav's as of 30 June, 2010

Reliance Midcap Fund

Product Name	Inception Date	Nav
Total Investment Plan Series I (TIPS I)	March 19, 2008	11.5220
Total Investment Plan Series II (TIPS II)	March 19, 2008	11.5537
SuperInvest Assure Plan (SIP)	June 12, 2008	11.0564
Automatic Investment Plan (AIP)	August 1, 2008	11.4430
Secure Child Plan (SCP)	August 1, 2008	11.4430
Golden Year Plan (GYP)	August 1, 2008	11.4430
Wealth + Health Plan (WHP)	August 1, 2008	11.4430
Market Return Plan (MRP)	August 1, 2008	11.4430
Super Golden Year Plan (SGYP)	December 4, 2008	11.4430
Super Market Return Plan (SMRP)	December 4, 2008	11.4430
Super Automatic Investment Plan (SAIP)	December 4, 2008	11.4430
SuperInvest Assure Plan Plus (SIP Plus)	December 10, 2008	11.0564
Reliance Premier Life (RPL)	Aug 20,2009	19.0674
New Midcap fund	Jan 11,2010	9.6978

Reliance Super Growth Fund

Product Name	Inception Date	Nav
Automatic Investment Plan (AIP)-A Option	May 28, 2007	11.6412
Wealth + Health Plan (WHP)-A Option	February 27, 2008	9.9041
Super Automatic Investment Plan (SAIP)-A Option	December 4, 2008	11.6412
New Fund A	Jan 11,2010	10.2638

Reliance High Growth Fund

Product Name	Inception Date	Nav
Reliance Money Guarantee Plan (MGP)-F Option	March 1, 2007	13.2677
New Fund F	Jan 11,2010	10.4446

Reliance Growth Plus Fund

Product Name	Inception Date	Nav
Money Guarantee Plan (MGP)-E Option	March 1, 2007	13.2129
Automatic Investment Plan (AIP)-B Option	May 28, 2007	12.4475
Wealth + Health Plan (WHP)-B Option	February 27, 2008	10.9401
Super Automatic Investment Plan (SAIP)-B Option	August 4, 2008	12.4475
New Fund B	Jan 11,2010	10.3154
New Fund E	Jan 11,2010	10.3154

Reliance Growth Fund

Product Name	Inception Date	Nav
Market Return Plan (MRP)	August 9, 2004	18.4439
Money Guarantee Plan (MGP)-D Option	March 1, 2007	13.1314
Golden Year Plan (GYP)	March 12, 2007	14.6928
Secure Child Plan (SCP)-H Option	November 29, 2007	10.8142
Super Golden Year Plan (SGYP)	December 4, 2008	14.6928
Super Market Return Plan (SMRP)	December 4, 2008	18.4439
New Growth Fund	Jan 11,2010	10.2217
New Fund D	Jan 11,2010	10.2217
New Fund H	Jan 11,2010	10.2217

Reliance Balanced Fund

Product Name	Inception Date	Nav
Golden Year Plan (GYP)	February 10, 2003	16.6359
Market Return Plan (MRP)	August 9, 2004	16.6321
Automatic Investment Plan (AIP)-C Option	May 28, 2007	12.7926
Secure Child Plan (SCP)-G Option	November 29, 2007	11.6241
Super Golden Year Plan (SGYP)	December 4, 2008	16.6359
Super Market Return Plan (SMRP)	December 4, 2008	16.6321
Super Automatic Investment Plan (SAIP)-C Option	December 4, 2008	12.7926
New Balanced Fund	Jan 11,2010	10.2837
New Fund C	Jan 11,2010	10.2837
New Fund G	Jan 11,2010	10.2837

Product Details

Nav's as of 30 June, 2010

Reliance Corporate Bond Fund

Product Name	Inception Date	Nav
Automatic Investment Plan (AIP)	May 28, 2007	13.1136
Total Investment Plan Series I (TIPS I)	March 19, 2008	12.2128
Total Investment Plan Series II (TIPS II)	March 19, 2008	12.2011
Wealth + Health Plan (WHP)	February 27, 2008	12.2925
SuperInvest Assure Plan (SIP)	June 12, 2008	12.1183
Super Automatic Investment Plan (SAIP)	December 4, 2008	13.1136
SuperInvest Assure Plan Plus (SIP Plus)	December 4, 2008	12.1183
Reliance Premier Life (RPL)	Aug 20,2009	11.6797
New Corporate Bond Fund	Jan 11,2010	10.3696

Reliance Pure Debt Fund

Product Name	Inception Date	Nav
Money Guarantee Plan (MGP) Return Shield Option	April 9, 2007	13.0492
Secure Child Plan (SCP) Return Shield Option	December 27, 2007	12.3107
New Return Shield	Jan 11,2010	10.3133

Reliance Gilt Fund

Product Name	Inception Date	Nav
Automatic Investment Plan (AIP)	May 28, 2007	11.7193
Wealth + Health Plan (WHP)	February 27, 2008	11.1836
Total Investment Plan Series I (TIPS I)	March 19, 2008	11.1343
Total Investment Plan Series II (TIPS II)	March 19, 2008	11.1377
SuperInvest Assure Plan (SIP)	June 12, 2008	11.1866
Super Automatic Investment Plan (SAIP)	December 4, 2008	11.7193
SuperInvest Assure Plan Plus (SIP Plus)	December 10, 2008	11.1866
Savings Linked Insurance (SLI)	May 26, 2009	10.6284
Reliance Premier Life (RPL)	Aug 20,2009	10.6284
New Gilt Fund	Jan 11,2010	10.3366

Reliance Guaranteed Bond Fund I

Product Name	Inception Date	Nav
Insurance Bond Fund Option	12-Dec-08	12.1366
Pension Bond Fund Option	12-Dec-08	12.1467
Insurance Bond Fund Option (New)	25-Feb-09	11.4191
Pension Bond Fund Option (New)	25-Feb-09	11.4315

Reliance Money Market Fund

Product Name	Inception Date	Nav
Automatic Investment Plan (AIP)	May 28, 2007	12.6468
Wealth + Health Plan (WHP)	February 27, 2008	11.9679
Total Investment Plan Series I (TIPS I)	March 19, 2008	11.8995
Total Investment Plan Series II (TIPS II)	March 19, 2008	11.8915
SuperInvest Assure Plan (SIP)	June 12, 2008	11.6972
Super Golden Year Plan (SGYP)	December 4, 2008	11.3119
Super Market Return Plan (SMRP)	December 4, 2008	11.3119
Super Automatic Investment Plan (SAIP)	December 4, 2008	12.6468
SuperInvest Assure Plan Plus (SIP Plus)	December 10, 2008	11.6972
Savings Linked Insurance (SLI)	May 26, 2009	11.2354
Reliance Premier Life (RPL)	Aug 20,2009	11.2354
New Money Market	Jan 11,2010	10.2653

Reliance Capital Secure Fund

Product Name	Inception Date	Nav
Golden Year Plan (GYP)	February 10, 2003	14.1958
Market Return Plan (MRP)	August 9, 2004	14.1404

Reliance Highest Nav Guarantee Fund

Product Name	Inception Date	Nav
Highest Nav Guarantee Fund	15-Feb-10	10.4492

- √ Macro Analysis
- √ Appreciation of Market Dynamics
- √ Meeting Investment Objective vis-à-vis Risk Appetite
- √ Asset Allocation Strategy
- √ Security Selection- Portfolio Constriction
- √ Benchmark
- √ Risk Management / Portfolio Evolution/ Diagnostics
- √ Governance and Process

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 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 process and risk/compliance controls are well documented.

✓ Gross Fund Return

✓ Benchmark Return

✓ Fund Standard Deviation

✓ Fund Sharpe Ratio

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%.

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.

✓ **Benchmark Sharpe Ratio**✓ **Modified Duration Of Debt Profile**✓ **Fund Beta**

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