



RELIANCE

Life Insurance



the analyst

monthly Group fund
factsheet for October 2012

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	29th Sep 12	31st Aug 12	%Change
¹ Rs./\$	52.86	55.63	-5.25
² WPI Inflation Index		166.60	
³ Forex Reserves (\$ bn)	294.51	290.18	1.47
¹ Brent Crude Price (\$ per Barrel)	92.19	114.57	-24.28
¹ Gold (Rs. per 10gm)	31301	30654	2.07

Investments	29th Sep 12	31st Aug 12	Absolute Change
⁴ FII's (Rs Crs)	1230	2306	-1076
⁴ Mf's (Rs Crs)	-679	328	-351

Indices	29th Sep 12	31st Aug 12	% Change
¹ BSE Sensex	18763	17542	6.96
¹ S&P CNX Nifty	5703	5315	7.30
¹ CNX Mid Cap	7841	7072	10.87
¹ BSE Small Cap	7018	6381	9.98

Global Indices	29th Sep 12	31st Aug 12	% Change
¹ Dow Jones	13437	13001	3.36
¹ FTSE 100	5742	5719	0.40
¹ Hang Seng	20840	19553	6.58
¹ Nikkei	8870	8984	-1.26

Sectoral Indices	29th Sep 12	31st Aug 12	% Change
¹ CNX Infrastructure	2526	2252	12.17
¹ CNX Energy	8072	7737	4.32
¹ BSE Capital Goods	10958	9516	15.15
¹ BSE Bankex	13139	11564	13.61
¹ BSE Oil & Gas	8662	8290	4.48
¹ BSE IT	5923	5786	2.35

Fixed Income Indicators (%)	29th Sep 12	31st Aug 12	Absolute Change
¹ NSE Mibor	8.95	8.04	0.91
¹ 91 Day T-Bill	8.08	8.22	-0.14
¹ 182 Day T-Bill	8.07	8.08	-0.01
¹ 1 year GOI Benchmark	8.01	7.95	0.06
¹ 5 Year GOI Benchmark	8.20	8.21	-0.01
¹ 10 Year GOI Benchmark	8.15	8.20	-0.04
¹ 5 Year Corp Bond Benchmark	9.26	9.27	-0.01
¹ 10 Year AAA Corp Bond Benchmark	9.25	9.22	0.03
¹ 10 Year US Benchmark	1.63	1.62	0.01

Source: ¹Bloomberg, ²eaindustry.nic.in, ³RBI and ⁴SEBI

Indian Economy

The highlight for the month of September has been a slew of reforms by the government which will have far reaching impact on the economy in the medium term. The significant among them are allowing FDI in Retail & aviation. This will give much needed boost to the capital starved sectors and bring in FDI inflow. This was a sentiment booster for the rupee which rallied from INR 56-57/\$ to around INR 52/\$.

After the announcement of QE3 by Federal Reserve and Bond purchase program by ECB, commodity prices remain stable.

WPI Inflation showed signs of upward bias with print at 7.55% for August as compared to 6.87% for June. This was primarily driven by rise of food inflation and Core inflation breaching the 5% mark. The key figure to watch out for is September inflation with government hiking diesel price by almost 12% and reducing number of subsidized LPG cylinder. Fuel inflation is expected to show an upward trend and full impact estimate of around 1.1% increase in WPI.

Debt Market

Yield on 10Y \mathcal{g} -sec Benchmark came down to 8.15% from 8.25% during the month of September owing to value buying at higher levels. Going ahead into October policy liquidity may tighten near festival season & interest rates may show upward bias however liquidity will be managed by RBI through buying of Bonds.

September showed Liquidity well within the comfort zone of RBI, with 3 Month and 1 Year CDs trading at around 8.30% and 8.7% on an average respectively. Liquidity tightening was observed post advance tax outflows where average banking liquidity came to around INR 60,000 crs. Later on in the month liquidity eased due to government spending and 25 bps CRR cut by the RBI in September policy which released INR 17,000 crs into the system.

Debt Outlook:

Fiscal Deficit remains an area of concern, with growth tapering to 5.5% YoY in Q1 FY13. This can have an adverse impact on tax collections. Also, Oil subsidy is causing strain on the finances of public sector oil companies with their borrowings increasing to almost INR 1.5 lakh crore. Even after diesel price hike Oil subsidy is expected to be in the range of INR 1.4 to 1.6 lakh crore.

With inflation remaining firm and concerns on fiscal slippage, RBI is expected to continue its inflation targeting policy with a close watch on growth inflation dynamics and there by we expect RBI to remain on hold in the forth coming policy.

Equity Market

Buoyed by some positive steps initiated by the government of India (GOI), Sensex posted positive returns of 7.26% in August primarily led by Banking (+14%), Auto (+13%), Metals (+8.68%) and Oil and Gas (+5%) while Healthcare (+0.44%) FMCG (+3%), IT (+3.15%) were relative underperformers.

GOI announced a number of reforms to counter risk of a sovereign risk downgrade and help contain fiscal deficit. Government increased diesel price by Rs.5 a liter, while reducing the excise duty on petrol by Rs 5.30 a liter and also capped subsidized domestic liquefied petroleum gas (LPG) for consumers to six per year. Government also approved 51% foreign direct investment (FDI) in multi-brand retail, 49% FDI in local carriers by foreign airlines, 49% FDI in power trading exchanges and raised cap of FDI to 74% in broadcast services. Government also approved sale of its minority stakes in four public sector firms Hindustan Copper, Oil India, MMTC (Minerals & Metals Trading Corporation of India) and Nalco—to raise up to Rs 15,000 cr.

Domestic cues were also supported by continued loosening by the US Fed Reserve and the ECB. US Fed Reserve said that it would spend \$40bn a month to buy mortgage bonds for as long as it deems necessary to make home buying more affordable, and will keep interest rates at record lows until mid-2015.

Equity Outlook:

The Outlook for October remains positive with markets keenly watching the Q2FY13 results and RBI monetary policy expected at the end of the month.

fund snapshot

gross return (CAGR*) (%) As on Sep 30, 2012

asset allocation	funds	Last 1 Year	Last 2 Year	Last 3 Year	Page No.
100% equity	Group Equity Fund 2	16.55%	-0.39%	6.99%	4
100% equity	Group Equity Fund 3	24.79%	8.67%	13.47%	5
100% pure equity	Group Pure Equity Fund 1	11.59%	-0.96%	4.60%	6
100% equity	Group Infrastructure Fund 1	0.98%	-14.20%	-8.45%	7
100% equity	Group Energy Fund 1	5.96%	-5.53%	-0.73%	8
100% equity	Group Midcap Fund 1	17.65%	-4.46%	4.12%	9
40% equity, 60% debt	Group Growth Fund 1	13.63%	4.75%	7.17%	10
20% equity, 80% debt	Group Balanced Fund 1	11.91%	6.48%	7.53%	11
20% equity, 80% debt	Group Balanced Fund 2	12.46%	6.90%	7.86%	12
100% bond instruments	Group Corporate Bond Fund 2	10.32%	8.20%	8.46%	13
100% debt Instruments	Group Pure Debt Fund 1	10.23%	8.22%	8.54%	14
100% money market	Group Capital Secure Fund 1	9.48%	9.07%	8.32%	15
100% govt. securities	Group Gilt Fund 2	9.18%	8.00%	7.69%	16
100% money market	Group Money Market Fund 2	10.19%	9.65%	8.85%	17

RELIANCE

Life Insurance

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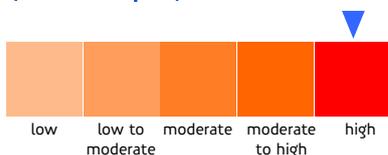
ULGF00724/10/07EQUITYF01121

Inception Date : 30th Oct 2007

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



target asset allocation

Equity: 100%

benchmark construction

S&P CNX Nifty: 100%

Group Equity Fund 2

fund performance as on Sep 30, 2012

gross return			
fund name	12 month returns	24 month returns	36 month returns
Group Equity Fund 2	16.55%	-0.39%	6.99%
<i>Benchmark</i>	<i>15.38%</i>	<i>-2.75%</i>	<i>3.91%</i>

portfolio As on Sep 30, 2012

security % total net assets

equity

ASSOCIATED CEMENT COMPANIES LTD.	1.29
AUROBINDO PHARMA LTD FV1	0.86
AXIS BANK LIMITED	1.29
BAJAJ AUTO LTD	2.26
BHARAT FORGE	0.96
BHARAT HEAVY ELECTRICALS LTD.FV-2	0.84
BHARTI AIRTEL LIMITED	1.22
CAIRN INDIA LIMITED	1.09
COAL INDIA LIMITED	0.04
CROMPTON GREAVES LTD	0.74
D.B. CORP LIMITED	0.40
DIVIS LABORATORIES LIMITED	6.14
EXIDE INDUSTRIES LTD	0.46
FINANCIAL TECHNOLOGIES (INDIA) LIMITED	0.15
GAS AUTHORITY OF INDIA LTD.	0.83
GRASIM INDUSTRIES LTD.	0.45
HDFC BANK LTD.FV-2	5.42
HDFC LTD FV 2	2.02
HEXA TRADEX LIMITED	0.04
HINDALCO INDUSTRIES LTD FV RE 1	0.52
HINDUSTAN LEVER LTD.	1.51
HINDUSTAN ZINC LIMITEDFV-2	0.91
HT MEDIA LIMITED	0.40
ICICI BANK LTD.	8.17
INFOSYS LIMITED	6.70
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.79
ITC - FV 1	7.50
JAIPRAKASH ASSOCIATE	1.44
JINDAL SAW LIMITED FV2	0.97
JINDAL STEEL & POWER LTD.	0.35
JSW STEEL LIMITED	0.20
KIRLOSKAR CLIMMINS	2.74
LARSEN&TUBRO	3.19
LUPIN LIMITEDFV-2	1.45
MAHINDRA & MAHINDRA LTD.-FV5	1.97
MARUTI UDYOG LTD.	1.26
MOTHERSON SUMI SYSTEMS LTD.	1.12
NCC LIMITED	0.34
NTPC LIMITED	0.70
OIL INDIA LIMITED	0.84
ONGCFV-5	1.45
POWER FINANCE CORPORATION	0.27
RALLIS INDIA LIMITED	0.21
RANBAXY FV RS 5	0.99
RELIANCE INDUSTRIES LTD.	7.86
SINTEX INDUSTRIES LTD.FV-1	0.29
SML ISUZU LIMITED	0.47
STATE BANK OF INDIA	3.35
STERLITE INDUSTRIES FV 1	1.44
STRIDES ARCOLAB LIMITED	1.60
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.92
TATA CONSULTANCY SERVICES LTD.	3.08
TATA IRON & STEEL COMPANY LTD	0.81
TATA MOTORS LIMITED DVRFV-2	0.98
TATA MOTORS LTD.FV-2	1.38
ULTRATECH CEMCO LTD	1.40
UNITED PHOSPHOROUS LTD	0.42
UNITED SPIRITS LIMITED	0.68
WIPRO	0.16
YES BANK LTD	1.40
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.22
total equity	98.95

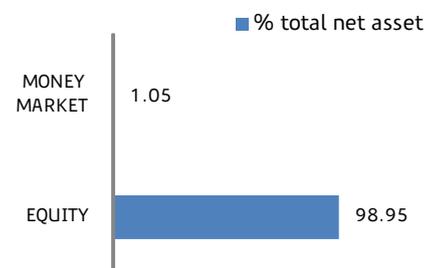
total money market 1.05

total net assets 100.00

fund characteristics as on Sep 30, 2012

Fund Beta 0.99
S&P CNX Nifty Beta 1.00

asset allocation as on Sep 30, 2012



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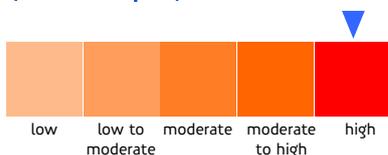
ULGF01808/06/09GEQUITYF03121

Inception Date : 8th Jun 2009

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



target asset allocation

Equity: 100%

benchmark construction

S&P CNX Nifty: 100%

Group Equity Fund 3

fund performance as on Sep 30, 2012

gross return			
fund name	12 month returns	24 month returns	36 month returns
Group Equity Fund 3	24.79%	8.67%	13.47%
Benchmark	15.38%	-2.75%	3.91%

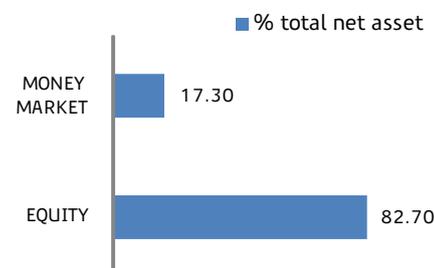
portfolio As on Sep 30, 2012

security	% total net assets
equity	
ASSOCIATED CEMENT COMPANIES LTD.	1.12
AUROBINDO PHARMA LTD FV1	0.74
AXIS BANK LIMITED	1.12
BAJAJ AUTO LTD	1.62
BHARAT FORGE	0.82
BHARAT HEAVY ELECTRICALS LTD.FV-2	0.90
BHARTI AIRTEL LIMITED	1.00
CAIRN INDIA LIMITED	0.99
COAL INDIA LIMITED	0.05
CROMPTON GREAVES LTD	0.64
D.B. CORP LIMITED	0.26
DIVIS LABORATORIES LIMITED	5.11
EXIDE INDUSTRIES LTD	0.40
FINANCIAL TECHNOLOGIES (INDIA) LIMITED	0.19
GAS AUTHORITY OF INDIA LTD.	0.69
GRASIM INDUSTRIES LTD.	0.40
HDFC BANK LTD.FV-2	4.56
HDFC LTD FV 2	1.45
HINDALCO INDUSTRIES LTD FV RE 1	0.48
HINDUSTAN LEVER LTD.	1.25
HINDUSTAN ZINC LIMITEDFV-2	0.78
HT MEDIA LIMITED	0.30
ICICI BANK LTD.	6.60
INFOSYS LIMITED	5.72
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.67
ITC - FV 1	6.26
JAIPRAKASH ASSOCIATE	1.20
JINDAL SAW LIMITED FV2	0.84
JINDAL STEEL & POWER LTD.	0.27
JSW STEEL LIMITED	0.18
KIRLOSKAR CUMMINS	2.15
LARSEN&TUBRO	2.68
LUPIN LIMITEDFV-2	1.19
MAHINDRA & MAHINDRA LTD.-FV5	1.62
MARUTI UDYOG LTD.	1.08
MOTHERSON SUMI SYSTEMS LTD.	0.93
NCC LIMITED	0.30
NTPC LIMITED	0.59
OIL INDIA LIMITED	0.68
ONGCFV-5	1.35
POWER FINANCE CORPORATION	0.22
RALLIS INDIA LIMITED	0.19
RANBAXY FV RS 5	0.86
RELIANCE INDUSTRIES LTD.	6.63
SINTEX INDUSTRIES LTD.FV-1	0.25
SML ISUZU LIMITED	0.38
STATE BANK OF INDIA	2.70
STERILITE INDUSTRIES FV 1	1.22
STRIDES ARCOLAB LIMITED	1.35
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.69
TATA CONSULTANCY SERVICES LTD.	2.78
TATA IRON & STEEL COMPANY LTD.	0.67
TATA MOTORS LIMITED DVRFV-2	0.91
TATA MOTORS LTD.FV-2	1.13
ULTRATECH CEMCO LTD	1.12
UNITED PHOSPHOROUS LTD	0.31
UNITED SPIRITS LIMITED	0.61
WIPRO	0.12
YES BANK LTD	1.21
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.18
total equity	82.70
total money market	17.30
total net assets	100.00

fund characteristics as on Sep 30, 2012

Fund Beta	0.99
S&P CNX Nifty Beta	1.00

asset allocation as on Sep 30, 2012



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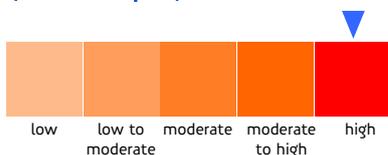
ULGF01528/11/08GPUREEQF01121

Inception Date : 16th Dec 2008

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



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

benchmark construction
 S&P CNX Nifty Shariah Index: 100%

Group Pure Equity Fund 1

fund performance as on Sep 30, 2012

gross return			
Fund name	12 month returns	24 month returns	36 month returns
Group Pure Equity Fund 1	11.59%	-0.96%	4.60%
Benchmark	13.58%	-3.51%	3.36%

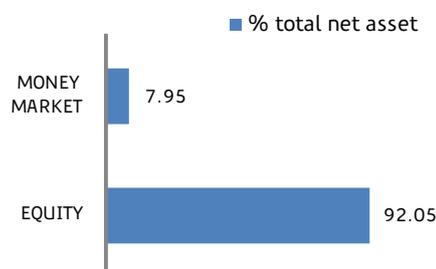
portfolio As on Sep 30, 2012

security	% total net assets
equity	
ASSOCIATED CEMENT COMPANIES LTD.	2.60
BAJAJ AUTO LTD	3.29
BHARAT HEAVY ELECTRICALS LTD.FV-2	2.95
BHARTI AIRTEL LIMITED	3.29
CAIRN INDIA LIMITED	4.16
CROMPTON GREAVES LTD	1.69
DIVIS LABORATORIES LIMITED	3.18
EXIDE INDUSTRIES LTD	2.19
GAS AUTHORITY OF INDIA LTD.	2.28
GRASIM INDUSTRIES LTD.	2.75
HEXA TRADEX LIMITED	0.05
HINDALCO INDUSTRIES LTD FV RE 1	1.58
HINDUSTAN LEVER LTD.	5.24
INFOSYS LIMITED	6.01
JINDAL SAW LIMITED FV2	0.97
JINDAL STEEL & POWER LTD.	1.92
KIRLOSKAR CUMMINS	1.76
LARSEN&TUBRO	3.58
LUPIN LIMITEDFV-2	1.18
MAHINDRA & MAHINDRA LTD.-FV5	2.87
MARUTI UDYOG LTD.	2.50
MOTHERSON SUMI SYSTEMS LTD.	2.39
NTPC LIMITED	2.63
OIL INDIA LIMITED	0.61
ONGCFV-5	4.28
PETRONET LNG LIMITED	0.92
POWER GRID CORP OF INDIA LTD	1.69
RANBAXY FV RS 5	2.25
RELIANCE INDUSTRIES LTD.	7.86
SANOFI INDIA LIMITED	1.75
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	3.60
TATA CONSULTANCY SERVICES LTD.	3.89
ULTRATECH CEMCO LTD	1.94
VOLTAS LTD	2.18
total equity	92.05
total money market	7.95
total net assets	100.00

fund characteristics as on Sep 30, 2012

Fund Beta	0.89
S&P CNX Nifty Shariah Index Beta	0.97

asset allocation as on Sep 30, 2012



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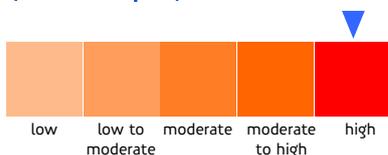
ULGF01908/06/09GINFRASF01121

Inception Date : 8th Jun 2009

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



target asset allocation

Equity: 100%

benchmark construction

CNX Infrastructure Index: 100%

Group Infrastructure Fund 1

fund performance as on Sep 30, 2012

fund Name	gross return		
	12 month returns	24 month returns	36 month returns
Group Infrastructure Fund 1	0.98%	-14.20%	-8.45%
Benchmark	-2.43%	-17.59%	-13.19%

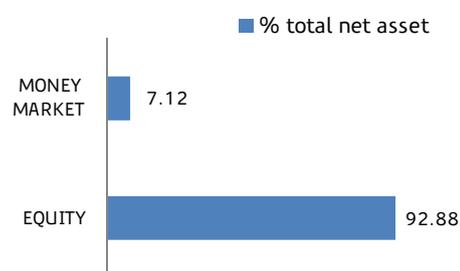
portfolio As on Sep 30, 2012

security	% total net assets
equity	
ASHOKA BUILDCON LTD.	1.82
BHARAT FORGE	3.36
BHARAT HEAVY ELECTRICALS LTD.FV-2	5.87
BHARTI AIRTEL LIMITED	5.34
CAIRN INDIA LIMITED	0.97
COAL INDIA LIMITED	3.18
CROMPTON GREAVES LTD	1.59
EXIDE INDUSTRIES LTD	1.16
GAS AUTHORITY OF INDIA LTD.	3.40
GRASIM INDUSTRIES LTD.	5.65
GREAVES COTTONFV-2	0.71
HEXA TRADEX LIMITED	0.04
HINDALCO INDUSTRIES LTD FV RE 1	1.10
HINDUSTAN ZINC LIMITEDFV-2	1.10
INDIAN METALS AND FERRO ALLOYS LIMITED	2.15
INFOSYS LIMITED	2.31
IRB INFRASTRUCTURE DEVELOPERS LIMITED	2.60
JAIPRAKASH ASSOCIATE	5.92
JINDAL SAW LIMITED FV2	0.79
JINDAL STEEL & POWER LTD.	2.17
JYOTI STRUCTURES LTD	1.87
LARSEN&TUBRO	8.77
MOTHERSON SUMI SYSTEMS LTD.	1.03
NCC LIMITED	0.99
NTPC LIMITED	7.77
ORIENT GREEN POWER COMPANY LIMITED	1.07
PETRONET LNG LIMITED	1.13
POWER GRID CORP OF INDIA LTD	6.07
RELIANCE INDUSTRIES LTD.	2.68
SINTEX INDUSTRIES LTD.FV-1	1.12
TATA IRON & STEEL COMPANY LTD	2.64
TATA POWER CO. LTD.FV-1	3.72
TD POWER SYSTEMS LIMITED	1.34
VOLTAS LTD	1.46
total equity	92.88
total money market	7.12
total net assets	100.00

fund characteristics as on Sep 30, 2012

Fund Beta	1.07
CNX Infrastructure Index Beta	0.97

asset allocation as on Sep 30, 2012



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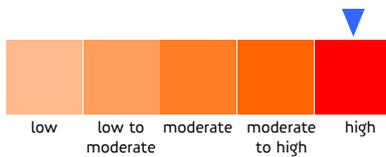
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Inception Date : 16th Dec 2008

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



target asset allocation

Equity: 100%

benchmark construction

CNX Energy Index: 100%

Group Energy Fund 1

fund performance as on Sep 30, 2012

gross return			
fund Name	12 month returns	24 month returns	36 month returns
Group Energy Fund 1	5.96%	-5.53%	-0.73%
Benchmark	4.34%	-9.47%	-4.57%

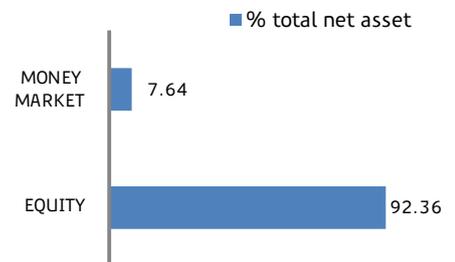
portfolio As on Sep 30, 2012

security	% total net assets
equity	
BHARAT HEAVY ELECTRICALS LTD.FV-2	2.52
BHARAT PETROLEUM CORP. LTD.	6.03
CAIRN INDIA LIMITED	7.45
COAL INDIA LIMITED	1.23
CROMPTON GREAVES LTD	1.53
EXIDE INDUSTRIES LTD	3.34
GAS AUTHORITY OF INDIA LTD.	8.52
JINDAL STEEL & POWER LTD.	2.60
JYOTI STRUCTURES LTD	2.81
KIRLOSKAR CUMMINS	4.73
LARSEN&TUBRO	6.10
NTPC LIMITED	5.59
OIL INDIA LIMITED	8.16
ONGCFV-5	8.78
ORIENT GREEN POWER COMPANY LIMITED	1.09
PETRONET LNG LIMITED	4.09
POWER FINANCE CORPORATION	1.08
POWER GRID CORP OF INDIA LTD	7.78
RELIANCE INDUSTRIES LTD.	8.14
TATA POWER CO. LTD.FV-1	0.80
total equity	92.36
total money market	7.64
total net assets	100.00

fund characteristics as on Sep 30, 2012

Fund Beta	0.90
CNX Energy Index Beta	1.01

asset allocation as on Sep 30, 2012



RELIANCE

Life Insurance

SFIN :

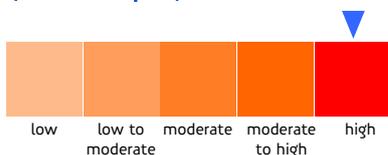
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Inception Date : 8th Jun 2009

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



target asset allocation

Equity: 100%

benchmark construction

Nifty Midcap 50: 100%

Group Midcap Fund 1

fund performance as on Sep 30, 2012

fund Name	gross return		
	12 month returns	24 month returns	36 month returns
Group Midcap Fund 1	17.65%	-4.46%	4.12%
Benchmark	7.14%	-13.41%	-3.58%

portfolio As on Sep 30, 2012

security % total net assets

equity

ARVIND LTD	3.11
AUROBINDO PHARMA LTD FV1	1.45
BHARAT FORGE	2.29
CIPLA LTD.	0.67
D.B. CORP LIMITED	2.29
DIVIS LABORATORIES LIMITED	6.53
EXIDE INDUSTRIES LTD	3.66
FINANCIAL TECHNOLOGIES (INDIA) LIMITED	3.04
GREAVES COTTONFV-2	2.50
GUJARAT STATE FERTILIZER COMPANYFV-2	2.84
HEXA TRADEX LIMITED	0.17
HT MEDIA LIMITED	1.70
INDIABULLS FINANCIAL SERVICES LIMITED	2.01
INDIAN METALS AND FERRO ALLOYS LIMITED	2.33
IRB INFRASTRUCTURE DEVELOPERS LIMITED	2.70
JINDAL SAW LIMITED FV2	3.90
JSW STEEL LIMITED	4.09
JYOTI STRUCTURES LTD	2.41
KIRLOSKAR CUMMINS	3.97
NCC LIMITED	0.76
PANTALOON RETAIL (I) LTD	1.30
PETRONET LNG LIMITED	2.49
RADICO KHAITAN LIMITED	2.95
RALLIS INDIA LIMITED	0.18
SANOFI INDIA LIMITED	6.19
SINTEX INDUSTRIES LTD.FV-1	1.53
STRIDES ARCOLAB LIMITED	7.97
TATA CHEMICALS LTD.	2.03
TATA GLOBAL BEVERAGES LIMITED	3.82
TATA MOTORS LIMITED DVRFV-2	3.70
TD POWER SYSTEMS LIMITED	1.22
TECH MAHINDRA LIMITED	0.03
UNITED SPIRITS LIMITED	2.64
VOLTAS LTD	1.23
YES BANK LTD	1.81
ZEE ENTERTAINMENT ENTERPRISES LIMITED	1.45
total equity	92.98

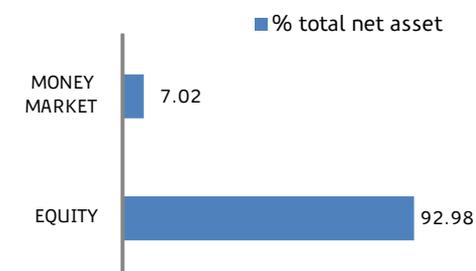
total money market 7.02

total net assets 100.00

fund characteristics as on Sep 30, 2012

Fund Beta 0.95
Nifty Midcap 50 Beta 1.07

asset allocation as on Sep 30, 2012



RELIANCE

Life Insurance

SFIN :

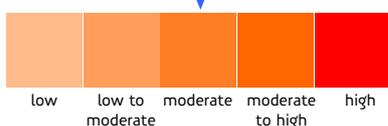
ULGF00310/10/03GGROWTHF01121

Inception Date : 31st Jan 2007

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



target asset allocation

Debt: 60%
Equity: 40%

benchmark construction

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

Group Growth Fund 1

fund performance as on Sep 30, 2012

fund Name	gross return				
	12 month returns	24 month returns	36 month returns	48 month returns	60 month returns
Group Growth Fund 1	13.63%	4.75%	7.17%	10.45%	6.20%
Benchmark	12.28%	4.09%	6.23%	9.66%	6.69%

portfolio As on Sep 30, 2012

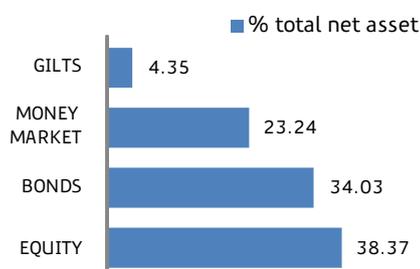
security	% total assets	rating
bond/ncd		
0.00% HDFC ZCB 06-02-2017 I-032	2.24	AAA
10.35% NCD(B)HDFC 16-05-2017	2.15	AAA
10.60% IRFC NCB 11-09-2018	0.55	AAA
11.95% HDFC DB 26-11-2018	2.32	AAA
2.00% TATA MOTORS NCD 31-03-2014 TRANCHE 3	3.14	AAA
8.20% IRFC NCD 27-04-2016	2.01	AAA
8.42% SHREECEM NCD 22-07-2015	1.01	AA+
8.90% PGCIL NCD 25-02-2018 XXXI E	0.64	AAA
8.93% NTPC NCB 19-01-2021 XXXVII	2.04	AAA
8.95% INFOTEL NCD 15-09-2020 PPD 1	2.55	AAA
8.97% TATA SONS NCD 15-07-2020	5.10	AAA
8.99% TATA SONS NCD 07-06-2020	3.58	AAA
9.27% PFC NCD 21-08-2017 92-B	2.07	AAA
9.55% HINDALCO NCD 25-04-2022	0.52	AA+
9.70% LICHL NCD 07-04-2013	2.05	AAA
9.70% UNITEDPHOSPHORUS NCD 09-04-2017 A	2.07	AA+
total bond/cd	34.03	
gilts		
8.15% GOI CG 11-06-2022	2.55	
8.19% GOI CG 16-01-2020	0.46	
8.97% GOI CG 05-12-2030	1.34	
total gilts	4.35	
equity		

ASSOCIATED CEMENT COMPANIES LTD.	0.34
AUROBINDO PHARMA LTD FV1	0.38
AXIS BANK LIMITED	0.49
BAJAJ AUTO LTD	0.73
BHARAT FORGE	0.37
BHARAT HEAVY ELECTRICALS LTD.FV-2	0.32
BHARTI AIRTEL LIMITED	0.47
CAIRN INDIA LIMITED	1.24
COAL INDIA LIMITED	0.02
CROMPTON GREAVES LTD	0.29
D.B. CORP LIMITED	0.17
DIVIS LABORATORIES LIMITED	2.46
EXIDE INDUSTRIES LTD	0.17
FINANCIAL TECHNOLOGIES (INDIA) LIMITED	0.08
GAS AUTHORITY OF INDIA LTD.	0.32
GRASIM INDUSTRIES LTD.	0.17
HDFC BANK LTD.FV-2	2.08
HDFC LTD FV 2	0.57
HEXA TRADEX LIMITED	0.01
HINDALCO INDUSTRIES LTD FV RE 1	0.19
HINDUSTAN LEVER LTD.	0.58
HINDUSTAN ZINC LIMITEDFV-2	0.37
HT MEDIA LIMITED	0.00
ICICI BANK LTD.	3.16
INFOSYS LIMITED	2.47
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.36
ITC - FV 1	2.89
JAIPRAKASH ASSOCIATE	0.55
JINDAL SAW LIMITED FV2	0.35
JINDAL STEEL & POWER LTD.	0.13
JSW STEEL LIMITED	0.08
KIRLOSKAR CUMMINS	1.00
LARSEN&TUBRO	1.21
LUPIN LIMITEDFV-2	0.59
MAHINDRA & MAHINDRA LTD.-FV5	0.76
MARUTI UDYOG LTD.	0.48
MOTHERSON SUMI SYSTEMS LTD.	0.47
NCC LIMITED	0.00
NTPC LIMITED	0.27
OIL INDIA LIMITED	0.04
ONGCFV-5	0.55
POWER FINANCE CORPORATION	0.12
RALLIS INDIA LIMITED	0.09
RANBAXY FV RS 5	0.39
RELIANCE INDUSTRIES LTD.	3.00
SANOFI INDIA LIMITED	0.42
SINTEX INDUSTRIES LTD.FV-1	0.12
SML ISUZU LIMITED	0.21
STATE BANK OF INDIA	1.27
STERILITE INDUSTRIES FV 1	0.54
STRIDES ARCOLAB LIMITED	0.37
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.32
TATA CONSULTANCY SERVICES LTD	1.18
TATA IRON & STEEL COMPANY LTD	0.30
TATA MOTORS LIMITED DVRFV-2	0.41
TATA MOTORS LTD.FV-2	0.52
ULTRATECH CEMCO LTD	0.66
UNITED PHOSPHOROUS LTD	0.08
UNITED SPIRITS LIMITED	0.64
WIPRO	0.02
YES BANK LTD	0.51
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.04
total equity	38.37
total money market	23.24
total net assets	100.00

fund characteristics as on Sep 30, 2012

M.Duration of debt portfolio: 2.60 years
YTM of debt portfolio: 8.79%
Beta of equity portfolio: 0.99
S&P CNX Nifty Beta: 1.00

asset allocation as on Sep 30, 2012



RELIANCE

Life Insurance

SFIN :

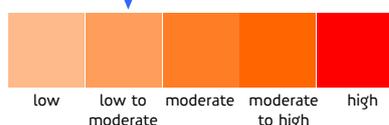
ULGF00110/10/03GBALANCE01121

Inception Date : 29th Jan 2007

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



target asset allocation

Debt.: 80%
Equity: 20%

benchmark construction

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

Group Balanced Fund 1

fund performance as on Sep 30, 2012

fund Name	gross return				
	12 month returns	24 month returns	36 month returns	48 month returns	60 month returns
Group Balanced Fund 1	11.91%	6.48%	7.53%	9.91%	7.64%
Benchmark	10.86%	6.13%	6.69%	8.92%	7.31%

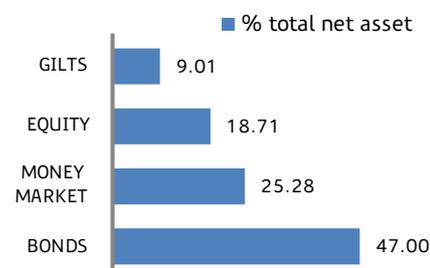
portfolio As on Sep 30, 2012

security	% total assets	rating
bond/ncd		
10.35% HDFC NCD 06-06-2017	0.49	AAA
10.60% IRFC NCB 11-09-2018	0.50	AAA
11.15% HDFC NCD 06-08-2018	1.01	AAA
11.45% RIL NCD 25-11-2013	3.32	AAA
11.45% RIL NCD 25-11-2013 TRANCHE2	0.47	AAA
7.60% HDFC NCD 08-12-2017 C-009	1.32	AAA
8.42% SHREECEM NCD 22-07-2015	2.73	AA+
8.48% LICHL NCD 27-09-2013	1.38	AAA
8.68% NCRPB NCB 18-08-2019	1.38	AAA
8.90% PGCIL NCD 25-02-2021 XXXI H	0.57	AAA
8.93% NTPC NCB 19-01-2021 XXXVII	5.07	AAA
8.95% INFOTEL NCD 15-09-2020 PPD 1	8.31	AAA
9.25% REC NCD 27-08-2017 109TH	2.80	AAA
9.27% PFC NCD 21-08-2017 92-B	2.34	AAA
9.30% PFC NCD 12-03-2013	0.92	AAA
9.33% PGCIL NCB 15-12-2013	0.58	AAA
9.34% SBOT NCB 31-10-2016 I	0.94	AAA
9.50% TATA COMMUNICATIONS NCD 08-06-2014	1.40	AA+
9.55% HINDALCO NCD 25-04-2022	1.42	AA+
9.57% LICHL NCD 07-09-2017	4.73	AAA
9.75% SRTRANSFIN NCD 01-06-2015	4.65	AA
9.95% ILFS NCD 14-02-2016 VIII	0.65	AAA
total bond/cd	47.00	
gilts		
8.15% GOI CG 11-06-2022	4.85	
8.19% GOI CG 16-01-2020	0.65	
8.28% GOI CG 15-02-2032	1.36	
8.28% GOI CG 21-09-2027	0.69	
8.97% GOI CG 05-12-2030	1.46	
total gilts	9.01	
equity		
ASSOCIATED CEMENT COMPANIES LTD.	0.20	
AUROBINDO PHARMA LTD FV1	0.14	
AXIS BANK LIMITED	0.23	
BAJAJ AUTO LTD	0.23	
BHARAT FORGE	0.17	
BHARAT HEAVY ELECTRICALS LTD.FV-2	0.14	
BHARTI AIRTEL LIMITED	0.22	
CAIRN INDIA LIMITED	0.60	
COAL INDIA LIMITED	0.01	
CROMPTON GREAVES LTD	0.14	
D.B. CORP LIMITED	0.05	
DIVIS LABORATORIES LIMITED	0.96	
EXIDE INDUSTRIES LTD	0.12	
FINANCIAL TECHNOLOGIES (INDIA) LIMITED	0.03	
GAS AUTHORITY OF INDIA LTD.	0.16	
GRASIM INDUSTRIES LTD.	0.08	
HDFC BANK LTD.FV-2	0.99	
HDFC LTD FV 2	0.19	
HEXA TRADEX LIMITED	0.01	
HINDALCO INDUSTRIES LTD FV RE 1	0.10	
HINDUSTAN LEVER LTD	0.30	
HINDUSTAN ZINC LIMITEDFV-2	0.34	
HT MEDIA LIMITED	0.00	
ICICI BANK LTD.	1.53	
INFOSYS LIMITED	1.50	
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.16	
ITC - FV 1	0.99	
JAIPRAKASH ASSOCIATE	0.28	
JINDAL SAW LIMITED FV2	0.11	
JINDAL STEEL & POWER LTD.	0.07	
JSW STEEL LIMITED	0.04	
KIRLOSKAR CUMMINS	0.39	
LARSEN&TUBRO	0.63	
LUPIN LIMITEDFV-2	0.36	
MAHINDRA & MAHINDRA LTD.-FV5	0.35	
MARUTI UDYOG LTD	0.23	
MOTHERSON SUMI SYSTEMS LTD.	0.07	
NCC LIMITED	1.09	
NTPC LIMITED	0.15	
OIL INDIA LIMITED	0.00	
ONGCFV-5	0.28	
POWER FINANCE CORPORATION	0.03	
RALLIS INDIA LIMITED	0.04	
RANBAXY FV RS 5	0.19	
RELIANCE INDUSTRIES LTD.	1.27	
SANOFI INDIA LIMITED	0.23	
SINTEX INDUSTRIES LTD.FV-1	0.06	
SML ISUZU LIMITED	0.07	
STATE BANK OF INDIA	0.63	
STERILITE INDUSTRIES FV 1	0.29	
STRIDES ARCOLAB LIMITED	0.07	
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.20	
TATA CONSULTANCY SERVICES LTD.	0.63	
TATA IRON & STEEL COMPANY LTD	0.11	
TATA MOTORS LIMITED DVRFV-2	0.18	
TATA MOTORS LTD.FV-2	0.27	
ULTRATECH CEMCO LTD	0.25	
UNITED PHOSPHOROUS LTD	0.03	
UNITED SPIRITS LIMITED	0.23	
WIPRO	0.01	
YES BANK LTD	0.29	
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.01	
total equity	18.71	
total money market	25.28	
total net assets	100.00	

fund characteristics as on Sep 30, 2012

M.Duration of debt portfolio:	3.01 years
YTM of debt portfolio:	8.98%
Beta of equity portfolio:	1.06
S&P CNX Nifty Beta	1.00

asset allocation as on Sep 30, 2012



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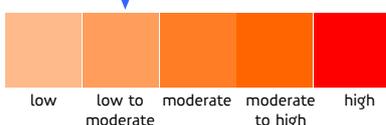
ULGF00210/10/03GBALANCE02121

Inception Date : 31th Jan 2007

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



target asset allocation

Debt.: 80%
Equity: 20%

benchmark construction

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

Group Balanced Fund 2

fund performance as on Sep 30, 2012

fund Name	gross return				
	12 month returns	24 month returns	36 month returns	48 month returns	60 month returns
Group Balanced Fund 2	12.46%	6.90%	7.86%	10.25%	7.91%
Benchmark	10.86%	6.13%	6.69%	8.92%	7.31%

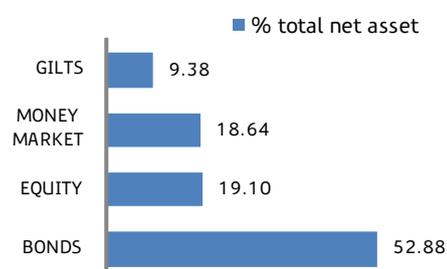
portfolio As on Sep 30, 2012

security	% total assets	rating
bond/ncd		
10.05% USBNABARD 11-06-2014	0.27	AAA
10.60% IRFC NCB 11-09-2018	0.73	AAA
11.15% HDFC NCD 06-08-2018	2.21	AAA
11.45% RIL NCD 25-11-2013	5.66	AAA
11.45% RIL NCD 25-11-2013 TRANCHE2	0.14	AAA
7.60% HDFC NCD 08-12-2017 C-009	3.33	AAA
8.40% HDFC NCD 08-12-2014 G-003	3.20	AAA
8.42% SHREECEM NCD 22-07-2015	0.40	AA+
8.48% LICHL NCD 27-09-2013	0.27	AAA
8.68% NCRPB NCB 18-08-2019	0.27	AAA
8.90% PGCIL NCD 25-02-2021 XXXI H	1.67	AAA
8.93% NTPC NCB 19-01-2021 XXXVII	0.80	AAA
8.95% INFOTEL NCD 15-09-2020 PPD 1	8.72	AAA
8.97% TATA SONS NCD 15-07-2020	0.13	AAA
8.99% TATA SONS NCD 07-06-2020	4.03	AAA
9.27% PFC NCD 21-08-2017 92-B	2.31	AAA
9.30% PFC NCD 12-03-2013	3.09	AAA
9.30% TATA SONS NCD 24-12-2015	1.90	AAA
9.33% PGCIL NCB 15-12-2013	1.52	AAA
9.34% SBOT NCB 31-10-2016 I	2.45	AAA
9.50% TATA COMMUNICATIONS NCD 08-06-2014	0.27	AA+
9.55% HINDALCO NCD 25-04-2022	3.59	AA+
9.75% SRTRANSFIN NCD 01-06-2015	5.41	AA
9.90% TATA SONS NCD 18-03-2016	0.41	AAA
9.95% ILFS NCD 14-02-2016 VIII	0.11	AAA
total bond/cd	52.88	
gilts		
8.15% GOI CG 11-06-2022	4.84	
8.19% GOI CG 16-01-2020	1.21	
8.28% GOI CG 15-02-2032	0.40	
8.28% GOI CG 21-09-2027	0.00	
8.33% GOI CG 09-07-2026	0.95	
8.97% GOI CG 05-12-2030	1.98	
total gilts	9.38	
equity		
ASSOCIATED CEMENT COMPANIES LTD.	0.18	
AUROBINDO PHARMA LTD FV1	0.19	
AXIS BANK LIMITED	0.20	
BAJAJ AUTO LTD	0.21	
BHARAT FORGE	0.07	
BHARAT HEAVY ELECTRICALS LTD.FV-2	0.14	
BHARTI AIRTEL LIMITED	0.25	
CAIRN INDIA LIMITED	0.59	
COAL INDIA LIMITED	0.01	
CROMPTON GREAVES LTD	0.14	
D.B. CORP LIMITED	0.09	
DIVIS LABORATORIES LIMITED	1.04	
EXIDE INDUSTRIES LTD	0.01	
FINANCIAL TECHNOLOGIES (INDIA) LIMITED	0.04	
GAS AUTHORITY OF INDIA LTD.	0.14	
GRASIM INDUSTRIES LTD.	0.09	
HDFC BANK LTD.FV-2	0.93	
HDFC LTD FV 2	0.18	
HEXA TRADEX LIMITED	0.01	
HINDALCO INDUSTRIES LTD FV RE 1	0.10	
HINDUSTAN LEVER LTD.	0.30	
HINDUSTAN ZINC LIMITEDFV-2	0.00	
HT MEDIA LIMITED	0.00	
ICICI BANK LTD.	1.45	
INFOSYS LIMITED	1.46	
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.24	
ITC - FV 1	1.27	
JAIPRAKASH ASSOCIATE	0.28	
JINDAL SAW LIMITED FV2	0.21	
JINDAL STEEL & POWER LTD.	0.07	
JSW STEEL LIMITED	0.04	
KIRLOSKAR CUMMINS	0.64	
LARSEN&TUBRO	0.62	
LUPIN LIMITEDFV-2	0.34	
MAHINDRA & MAHINDRA LTD.-FV5	0.34	
MARUTI UDYOG LTD	0.23	
MOTHERSON SUMI SYSTEMS LTD.	0.06	
NCC LIMITED	0.02	
NTPC LIMITED	0.15	
OIL INDIA LIMITED	0.00	
ONGCFV-5	0.27	
POWER FINANCE CORPORATION	0.05	
RALLIS INDIA LIMITED	0.04	
RANBAXY FV RS 5	0.23	
RELIANCE INDUSTRIES LTD.	1.44	
SANOBI INDIA LIMITED	0.75	
SINTEX INDUSTRIES LTD.FV-1	0.04	
SML ISUZU LIMITED	0.11	
STATE BANK OF INDIA	0.58	
STERILITE INDUSTRIES FV 1	0.33	
STRIDES ARCOLAB LIMITED	0.17	
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.19	
TATA CONSULTANCY SERVICES LTD.	0.50	
TATA IRON & STEEL COMPANY LTD	0.24	
TATA MOTORS LIMITED DVRFV-2	0.19	
TATA MOTORS LTD.FV-2	0.29	
ULTRATECH CEMCO LTD	0.42	
UNITED PHOSPHOROUS LTD	0.04	
UNITED SPIRITS LIMITED	0.27	
WIPRO	0.01	
YES BANK LTD	0.57	
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.02	
total equity	19.10	
total money market	18.64	
total net assets	100.00	

fund characteristics as on Sep 30, 2012

M.Duration of debt portfolio:	3.20 years
YTM of debt portfolio:	8.96%
Beta of equity portfolio:	0.99
S&P CNX Nifty Beta	1.00

asset allocation as on Sep 30, 2012



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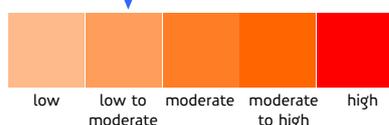
ULGF01213/10/08GCRBOND02121

Inception Date : 13th Oct 2008

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



target asset allocation

Bond Instruments: 100%

benchmark construction

CRISIL Composite Bond Index: 100%

Group Corporate Bond Fund 2

fund performance as on Sep 30, 2012

fund Name	gross return		
	12 month returns	24 month returns	36 month returns
Group Corporate Bond Fund 2	10.32%	8.20%	8.46%
Benchmark	9.55%	7.55%	6.85%

portfolio As on Sep 30, 2012

security	% total rating net assets
----------	---------------------------

bond/ncd

0.00% NOVOINTRUST-LOCOMATIVE PTC 18-10-2013 J	1.37	AAA
10.05% USBNABARD 11-06-2014	0.33	AAA
10.10% SRTRANSFIN NCD 30-07-2014 II	1.31	AA+
11.45% RIL NCD 25-11-2013	1.13	AAA
11.45% RIL NCD 25-11-2013 TRANCHE2	1.99	AAA
2.00% INDIAN HOTELS NCD 09-12-2014	2.13	LAA
2.00% TATA MOTORS NCD 31-03-2014 TRANCHE 3	2.70	AAA
8.42% SHREECEM NCD 22-07-2015	1.65	AA+
8.75% RIL NCD 07-05-2020	1.27	AAA
8.90% PGCIL NCD 25-02-2016 XXXI C	0.48	AAA
8.93% NTPC NCB 19-01-2021 XXXVII	3.22	AAA
8.99% TATA SONS NCD 07-06-2020	2.58	AAA
9.25% PGCIL NCD 26-12-2016 B	1.95	AAA
9.25% REC NCD 27-08-2017 109TH	7.18	AAA
9.27% PFC NCD 21-08-2017 92-B	8.08	AAA
9.50% HDFC NCD 13-09-2017 J-030	3.29	AAA
9.55% HINDALCO NCD 25-04-2022	7.09	AA+
9.57% LICHL NCD 07-09-2017	1.65	AAA
9.66% NABARD NCB 18-10-2014 XII Q	3.14	AAA
9.70% TATA SONS NCD 16-08-2022	5.07	AAA
9.95% ILFS NCD 14-02-2016 VIII	0.48	AAA
total bond/cd	58.10	

gilts

8.15% GOI CG 11-06-2022	5.89
8.19% GOI CG 16-01-2020	1.93
8.28% GOI CG 15-02-2032	1.27
8.28% GOI CG 21-09-2027	1.61
8.33% GOI CG 09-07-2026	4.69
8.97% GOI CG 05-12-2030	6.78
total gilts	22.17

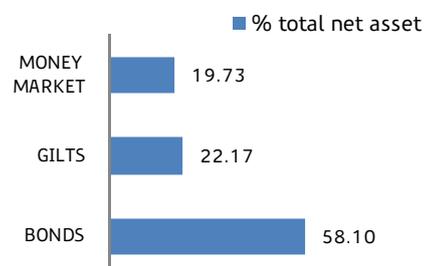
total money market 19.73

total net assets 100.00

fund characteristics as on Sep 30, 2012

M.Duration of debt portfolio: 3.98 years
YTM of debt portfolio: 8.98%

asset allocation as on Sep 30, 2012



SFIN :

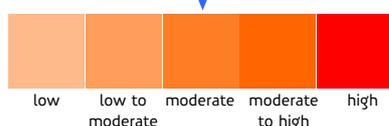
ULGF01030/09/08GPUREDEB01121

Inception Date : 30th Sep 2008

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



Group Pure Debt Fund 1

fund performance as on Sep 30, 2012

fund Name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Pure Debt Fund 1	10.23%	8.22%	8.54%	9.77%
Benchmark	9.55%	7.55%	6.85%	7.63%

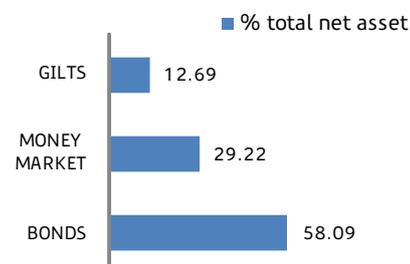
portfolio As on Sep 30, 2012

security	% total rating net assets	
bond/ncd		
10.60% IRFC NCB 11-09-2018	7.36	AAA
11.25% PFC DB 28-11-2018	3.75	AAA
2.00% TATA MOTORS NCD 31-03-2014 TRANCHE 3	8.36	AAA
8.90% PGCIL NCD 25-02-2015 XXXI B	4.24	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	3.39	AAA
8.95% INFOTEL NCD 15-09-2020 PPD 1	3.39	AAA
8.98% NCRPB BS 14-02-2018	3.42	AAA
9.25% REC NCD 27-08-2017 109TH	6.87	AAA
9.27% PFC NCD 21-08-2017 92-B	3.44	AAA
9.50% HDFC NCD 13-09-2017 J-030	3.47	AAA
9.55% HINDALCO NCD 25-04-2022	3.49	AA+
9.57% LICHFL NCD 07-09-2017	3.48	AAA
9.70% UNITEDPHOSPHORUS NCD 09-04-2017 A	3.44	AA+
total bond/cd	58.09	
gilts		
8.19% GOI CG 16-01-2020	1.69	
8.28% GOI CG 15-02-2032	3.34	
8.28% GOI CG 21-09-2027	0.67	
8.33% GOI CG 09-07-2026	3.42	
8.97% GOI CG 05-12-2030	3.57	
total gilts	12.69	
total money market	29.22	
total net assets	100.00	

fund characteristics as on Sep 30, 2012

M.Duration of debt portfolio: 3.24 years
YTM of debt portfolio: 8.86%

asset allocation as on Sep 30, 2012



target asset allocation

Debt Instruments: 100%

benchmark construction

CRISIL Composite Bond Index: 100%

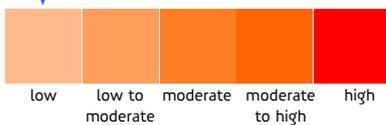
SFIN :
ULGF00431/01/07GCAPISECO1121

Inception Date : 31st Jan 2007

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



target asset allocation

Money market : 100%

benchmark construction

Yield on 182-day T.Bills : 100%

Group Capital Secure Fund 1

fund performance as on Sep 30, 2012

fund Name	gross return				
	12 month returns	24 month returns	36 month returns	48 month returns	60 month returns
Group Capital Secure Fund 1	9.48%	9.07%	8.32%	8.77%	8.94%
Benchmark	8.42%	7.66%	6.80%	6.96%	7.28%

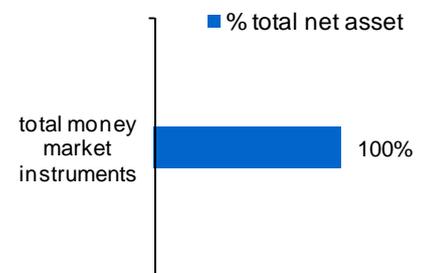
portfolio As on Sep 30, 2012

security	% total net assets
other money market Instrument	100.00
total net assets	100.00

fund characteristics as on Sep 30, 2012

YTM of debt portfolio: 8.89%

asset allocation as on Sep 30, 2012



SFIN :

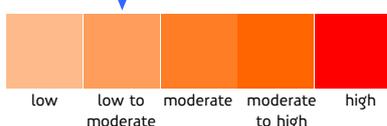
ULGF01610/12/08GGILTFUN02121

Inception Date : 10th Dec 2008

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



target asset allocation

Government Securities: 100%

benchmark construction

I-Sec Composite Sovereign Bond Index:100%

Group Gilt Fund 2

fund performance as on Sep 30, 2012

gross return			
fund Name	12 month returns	24 month returns	36 month returns
Group Gilt Fund 2	9.18%	8.00%	7.69%
Benchmark	9.33%	7.39%	6.40%

portfolio As on Sep 30, 2012

security	% total net assets
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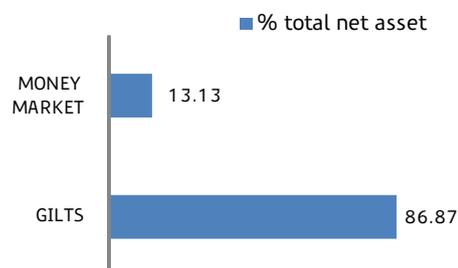
gilts

8.15% GOI CG 11-06-2022	22.99
8.19% GOI CG 16-01-2020	10.27
8.28% GOI CG 15-02-2032	15.59
8.28% GOI CG 21-09-2027	15.74
8.33% GOI CG 09-07-2026	8.38
8.90% SGOM SDL 2022	5.57
8.97% GOI CG 05-12-2030	8.32
total gilts	86.87
total money market	13.13
total net assets	100.00

fund characteristics as on Sep 30, 2012

M.Duration of debt portfolio: 6.66 years
YTM of debt portfolio: 8.19%

asset allocation as on Sep 30, 2012



SFIN :

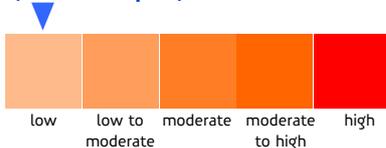
ULGF00930/09/08GMONMRKT02121

Inception Date : 30th Sep 2008

fund objective

To achieve predictable investment return. This will be achieved through 100% investments in money market. The risk appetite is 'low'.

fund risk profile



target asset allocation

Money market : 100%

benchmark construction

CRISIL Liquid Bond Index: 100%

Group Money Market Fund 2

fund performance as on Sep 30, 2012

fund Name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Money Market Fund 2	10.19%	9.65%	8.85%	9.54%
<i>Benchmark</i>	<i>8.69%</i>	<i>8.23%</i>	<i>6.82%</i>	<i>6.82%</i>

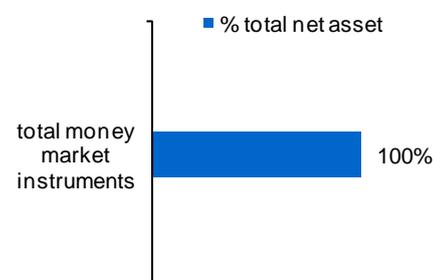
portfolio As on Sep 30, 2012

	% total net assets
security	
other money market Instrument	100.00
total net assets	100.00

fund characteristics as on Sep 30, 2012

YTM of debt portfolio: 9.51%

asset allocation as on Sep 30, 2012



SFIN	Plan Name	Fund Name	NAV
ULGF00431/01/07GCAPISEC01121	Reliance Group Gratuity Plan	Group Capital Secure Fund 1	15.5418
ULGF00210/10/03GBALANCE02121	Reliance Group Gratuity Plan	Group Balanced Fund 2	15.3162
ULGF00110/10/03GBALANCE01121	Reliance Group Gratuity Plan	Group Balanced Fund 1	18.6563
ULGF01213/10/08GCORBOND02121	Reliance Group Gratuity Plan	Group Corporate Bond Fund 2	14.1813
ULGF01808/06/09GEQUITYF03121	Reliance Group Gratuity Plan	Group Equity Fund 3	16.8563
ULGF01610/12/08GGILTFUN02121	Reliance Group Gratuity Plan	Group Gilt Fund 2	12.3814
ULGF00930/09/08GMONMRKT02121	Reliance Group Gratuity Plan	Group Money Market Fund 2	14.0058
ULGF00310/10/03GGROWTHF01121	Reliance Group Gratuity Plan	Group Growth Fund 1	14.4980
ULGF01908/06/09GINFRASF01121	Reliance Group Gratuity Plan	Group Infrastructure Fund 1	8.0737
ULGF02008/06/09GMIDCAPF01121	Reliance Group Gratuity Plan	Group Midcap Fund 1	13.1677
ULGF01030/09/08GPUREDEB01121	Reliance Group Gratuity Plan	Group Pure Debt Fund 1	14.1248
ULGF00110/10/03GBALANCE01121	Reliance Group Superannuation Plan	Group Balanced Fund 1	18.6563
ULGF00431/01/07GCAPISEC01121	Reliance Group Superannuation Plan	Group Capital Secure Fund 1	15.5418
ULGF01213/10/08GCORBOND02121	Reliance Group Superannuation Plan	Group Corporate Bond Fund 2	14.1813
ULGF01808/06/09GEQUITYF03121	Reliance Group Superannuation Plan	Group Equity Fund 3	16.8563
ULGF01610/12/08GGILTFUN02121	Reliance Group Superannuation Plan	Group Gilt Fund 2	12.3814
ULGF00310/10/03GGROWTHF01121	Reliance Group Superannuation Plan	Group Growth Fund 1	14.4980
ULGF00930/09/08GMONMRKT02121	Reliance Group Superannuation Plan	Group Money Market Fund 2	14.0058
ULGF01030/09/08GPUREDEB01121	Reliance Group Superannuation Plan	Group Pure Debt Fund 1	14.1248
ULGF01718/05/09GBALANCE03121	Reliance Group Leave Encashment Plan	Group Balanced Fund 3	15.0592
ULGF00210/10/03GBALANCE02121	Reliance Group Savings Linked Insurance Plan	Group Balanced Fund 2	15.3162
ULGF01213/10/08GCORBOND02121	Reliance Group Savings Linked Insurance Plan	Group Corporate Bond Fund 2	14.1813
ULGF01428/11/08GENERGYF01121	Reliance Group Savings Linked Insurance Plan	Group Energy Fund 1	14.5323
ULGF01328/11/08GEQUITYF02121	Reliance Group Savings Linked Insurance Plan	Group Equity Fund 2	20.1707
ULGF01610/12/08GGILTFUN02121	Reliance Group Savings Linked Insurance Plan	Group Gilt Fund 2	12.3814
ULGF01908/06/09GINFRASF01121	Reliance Group Savings Linked Insurance Plan	Group Infrastructure Fund 1	8.0737
ULGF02008/06/09GMIDCAPF01121	Reliance Group Savings Linked Insurance Plan	Group Midcap Fund 1	13.1677
ULGF00930/09/08GMONMRKT02121	Reliance Group Savings Linked Insurance Plan	Group Money Market Fund 2	14.0058
ULGF01030/09/08GPUREDEB01121	Reliance Group Savings Linked Insurance Plan	Group Pure Debt Fund 1	14.1248
ULGF01528/11/08GPUREEQF01121	Reliance Group Savings Linked Insurance Plan	Group Pure Equity Fund 1	18.7958
ULGF00210/10/03GBALANCE02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Balanced Fund 2	15.3162
ULGF00930/09/08GMONMRKT02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Money Market Fund 2	14.0058
ULGF01213/10/08GCORBOND02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Corporate Bond Fund 2	14.1813
ULGF01610/12/08GGILTFUN02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Gilt Fund 2	12.3814
ULGF01808/06/09GEQUITYF03121	Reliance Life Insurance Group Gratuity Plus Plan	Group Equity Fund 3	16.8563
ULGF00930/09/08GMONMRKT02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Money Market Fund 2	14.0058
ULGF01213/10/08GCORBOND02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Corporate Bond Fund 2	14.1813
ULGF01610/12/08GGILTFUN02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Gilt Fund 2	12.3814
ULGF01808/06/09GEQUITYF03121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Equity Fund 3	16.8563
ULGF00210/10/03GBALANCE02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Balanced Fund 2	15.3162

- ✓ 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

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

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%.

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

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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