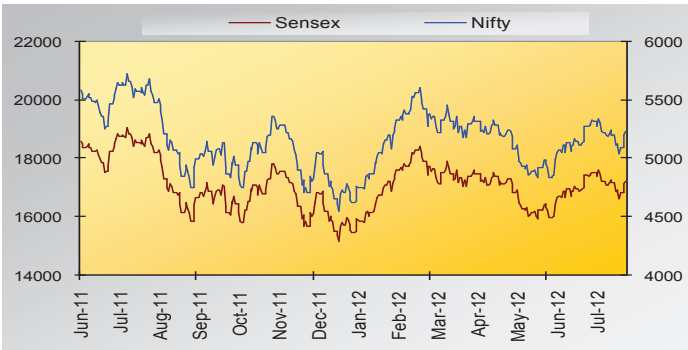
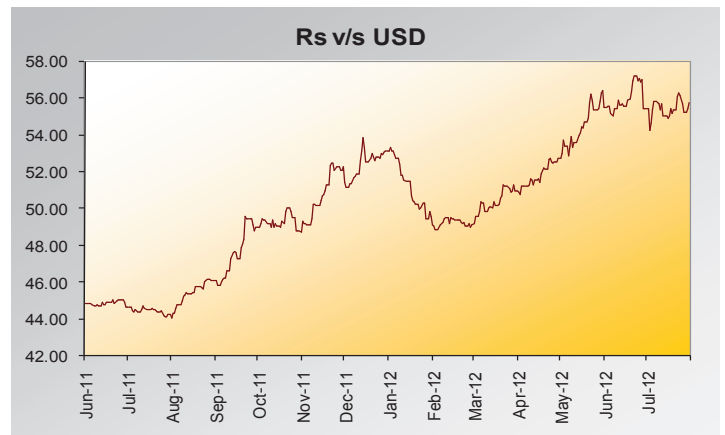
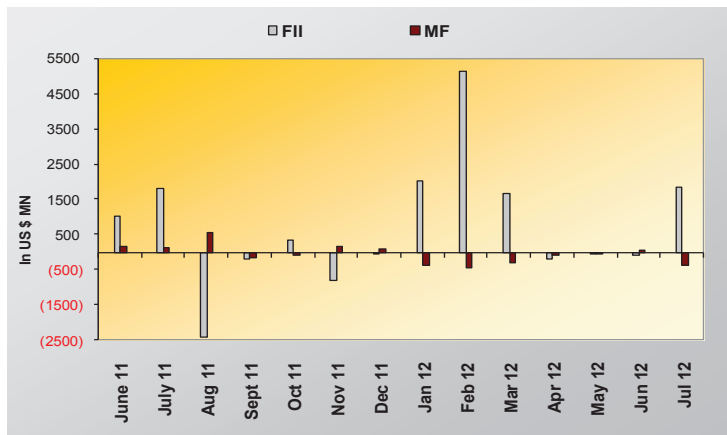


Equity Market Outlook



Key Indices	31-Jul-12	30-Jun-12	% Change
Nifty	5229.00	5278.90	-0.95%
Sensex	17236.18	17429.98	-1.11%
BSE 100	5229.16	5279.22	-0.95%
Dow Jones	13008.68	12880.09	1.00%
Nikkei	8695.06	9006.78	-3.46%
Hang Seng	19796.81	19441.46	1.83%
Nasdaq	2939.52	2935.05	0.15%
KOSPI	1881.99	1854.01	1.51%

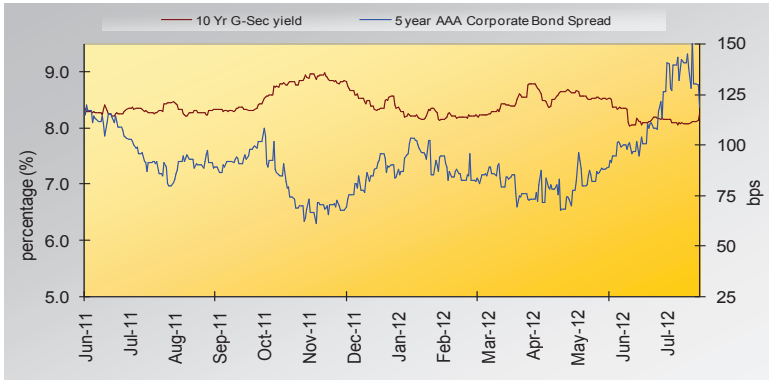
After a strong show in June, Indian equities consolidated gains in July. Global risk-off sentiments and issues of domestic policy inaction kept markets wary. Global sentiments, which had turned favorable post the EU summit, turned negative on concerns of another Spanish bailout. The IMF downgraded its 2012 and 2013 growth projections marginally to 3.5% and 3.9% respectively with India getting downgraded the most amongst emerging market economies. The IMF growth projections for 2012 and 2013 are 6.1% and 6.5% respectively. With the Presidential elections out of the way, there were heightened expectations on the policy front. The market had been expecting a diesel price hike that would pave the way ahead for fiscal consolidation but such an announcement failed to come through in July, disappointing investors. July saw a Cabinet reshuffle finally come through with Chidambaram being named as the new Finance Minister. Parliament is scheduled to commence its monsoon session on the 8th August 2012 and among the key issues expected to be legislated are allowing FDI in multi-brand retail and Aviation. FIIs once again stepped up their investments in Indian equities on hopes of positive policy changes. FIIs were the net buyers of \$1.8bn in July taking their YTD buying to \$11bn. DIIs on the other hand, turned net sellers once again pruning their investments by \$958mn in July. YTD, they have now sold \$4.7bn worth of equity.



The macro situation remained uncertain and did not bring much cheer to the market. May Index of Industrial Production (IIP) came in at 2.4%, marginally higher than consensus expectations. Capital Goods growth contracted 8%, while Consumer Goods was up. The core inflation data for June came in at 5% compared to May. RBI, as widely expected, left policy rates unchanged. RBI indicated that it was looking for some concrete action from the centre on the fiscal front. RBI brought down its FY13 estimates for GDP growth to 6.5% from 7.3%. The weather bureau also confirmed that the monsoon could be below normal this year due to late impact of El Nino effect.

Corporate earnings took centre-stage in this month with many of the big names reporting Q1 results in July. Except for a few names, most of the results were as per expectations with a few positive surprises from large cap names which gave strong support to the otherwise lackluster market. Equity market sentiments strengthened when the PM, in order to revitalize the economy, called for a multi-point agenda focusing on (1) fiscal consolidation, (2) pushing through long-pending legislations, (3) clarity on tax matters, (4) clearing the backlog of foreign investment proposals, (5) boosting infrastructure and (6) reviving domestic mutual fund and insurance industries. We remain positive on equities as market sentiments have improved. The Sensex has been range bound a few months as there have been no positive triggers. It currently trades at a P/E of 13.5x one year forward earnings. As valuations are quite attractive for long term investors, any credible policy action from the government could result in an upward breakout from this range. In the short to medium term the market would also take cues from the trajectory of monsoon and unfolding global events.

Debt Market Outlook



Key Indices	31-Jul-12	30-Jun-12	% Change
10 year G-Sec	8.25%	8.18%	0.86%
5 Year G-Sec	8.19%	8.18%	0.12%
91 Day T Bill	8.18%	8.27%	-1.14%
364 day T-Bill	8.00%	8.06%	-0.74%
MIBOR	8.88%	9.30%	-4.52%
Call Rates	8.02%	8.08%	-0.74%
Inflation	NA	NA	NA

The global economy has continued to slow. The ongoing downswing in cyclical momentum is becoming more concerning as the slow path of many economies gets even slower. The room for further fiscal support is limited. The severity of the crisis in the euro-zone is perhaps best measured by the yield on Spanish ten year governments bonds which shot up to 7.25%

The Bond markets in India, however, seem to be driven more by the stressed domestic outlook rather than global issues.

Jun-12 inflation at 7.3% was somewhat lower than expectations. Barring food inflation which remained high solely on account of soaring vegetable prices, inflation moderated for all other groups. While the declining trend in inflation is positive, this relief may be short-lived and risks are emerging. The biggest risk to inflation comes from a weak Monsoon, which remains significantly below normal with a deficiency of 22% on an all-India basis. The distribution in rainfall is also poor with 59% of the country receiving below normal rainfall. These are already reflecting in the decline in area under cultivation. The task of dealing with inflation has turned into a more complicated problem with multiple but related macro imbalances, which is affecting the rupee as well.

In its quarterly monetary policy review, RBI left the repo rate and CRR unchanged while reducing the SLR by 1%. It cut the FY13 growth forecast to 6.5% from 7.3% earlier and raised inflation projections for March 2013 to 7% from 6.5%. RBI's tone was hawkish and highlighted that real interest rates are low and growth moderation is owing to factors beyond monetary policy.

On the liquidity front, RBI will continue to manage liquidity within the comfort range (+/-1% of NDTL). In case, the liquidity pressure builds up, it will respond with easing measures like OMOs.

The 10 yr G-Sec yield is expected at 8.20% levels. Corporate bonds will track G-Sec with a spread of 90 basis points and we expect to see new supply hit the market in the near future.



Learning Curve

Maturity of the Portfolio

While evaluating a bond or a debt portfolio, an important measure to consider is its duration. The measures that contribute towards duration are coupon rate that determines the size of the periodic cash flow, interest rates that determines the present value and maturity that weighs each cash flow. Maturity is directly proportionate to duration where, as maturity increases, duration increases and the bond's price becomes more sensitive to interest rate changes.

Average maturity informs us if the strategy followed by the debt fund is long-term or short-term. At the same time, it also informs us whether the debt fund is in line with its investment objective or not.

The average maturity of a bond determines its volatility. As long-term securities are more prone to interest rate fluctuations, while investing, one should compare the average maturity of the debt funds as this will give an idea about the interest rate sensitivity of the funds. For example, if a fund owns three bonds of 2-year (Rs 50,000), 3-year (Rs 80,000) and 5-year (Rs 40,000) maturities, its weighted average maturity would be 3.18 years.

Funds with several long-term maturity papers in its portfolio are more sensitive to interest rate fluctuations. As shown in the below table BSLI Assure fund with lower average maturity has less volatility in the returns measured by its lower standard deviation when compared to BSLI Income Advantage fund.

Fund	Asset allocation	Objective	Average Maturity	Standard Deviation
Assure Fund	100% Debt	Invests in high quality short term horizon	0.87	0.49%
Income Advantage Fund	100% Debt	Invests in high quality medium term horizon	5.43	1.72%

*Data as on 30th June 2012

A gilt fund which invests in the government securities usually has higher maturity as well as high volatile fund returns. On the other hand, a Liquid fund which invests in short term securities has shortest average maturity & least volatile returns. For example BSLI Group Gilt fund has a maturity of 9.66 years where as BSLI Group Money Market Fund has an average maturity of 0.60 years.

However, since higher risk also means higher returns over a long-term, gilt funds are capable of delivering higher returns than liquid funds. Thus, aggressive investors, who are capable of tolerating volatility, will find gilt funds attractive. Cash funds are suited to those who put stability ahead of returns.

In a nutshell, longer the average maturity, higher the risk associated with a bond fund and, consequently, higher the volatility in expected returns.

Arpita Nanoti

Head – Investment Communication & Advisory



FUND PERFORMANCE AS ON 31st July 2012

GROUP Inception Date	Secure 19-Jun-01		Stable 31-Aug-01		Growth 31-Aug-01		Growth Advantage 18-Feb-08	
	Fund Return	BM	Fund Return	BM	Fund Return	BM	Fund Return	BM
Last 1 year	6.17%	5.16%	4.17%	3.32%	1.87%	1.44%	0.95%	0.17%
Last 2 years	5.18%	4.26%	3.82%	3.02%	2.28%	1.73%	2.45%	0.84%
Last 3 years	6.40%	4.76%	6.34%	4.49%	6.86%	4.15%	7.71%	3.89%
Last 4 year	10.49%	6.41%	10.35%	6.30%	12.12%	6.05%	14.25%	5.80%
Last 5 years	9.24%	5.11%	8.44%	4.91%	10.87%	4.70%	-	-
Since Inception	10.87%		13.88%		15.41%		12.00%	

Asset Held (Rs. In Crores)	716	351	203	19
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GROUP Inception Date	Money Market 30-Mar-05		Bond 28-Jan-07		Fixed Interest 18-Nov-02		Short Term Debt 10-Dec-08		Income Advantage 23-Mar-10	
	Fund Return	BM	Fund Return	BM	Fund Return	BM	Fund Return	BM	Fund Return	BM
Last 1 year	9.45%	7.51%	11.09%	-	12.12%	7.54%	9.98%	7.63%	10.29%	7.54%
Last 2 years	8.98%	6.82%	9.01%	-	9.43%	5.84%	9.08%	6.38%	10.99%	5.84%
Last 3 years	8.17%	5.33%	8.91%	-	9.36%	5.03%	8.15%	5.34%	-	-
Last 4 year	10.45%	5.66%	12.54%	-	14.14%	6.34%	-	-	-	-
Last 5 years	10.57%	-	11.44%	-	12.13%	5.00%	-	-	-	-
Since Inception	9.62%		11.56%	-	8.53%		8.82%		10.03%	

Asset Held (Rs. In Crores)	192	164	129	69	1
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<u>Fund Name</u>	<u>Benchmark Composition</u>	<u>SFIN</u>
Secure	BSE 100 risil Composite Bond Index	ULGF00212/06/01BSLGSECURE109
Stable	BSE 100 risil Composite Bond Index	ULGF00312/06/01BSLGSTABLE109
Growth	BSE 100 risil Composite Bond Index	ULGF00112/06/01BSLGGROWTH109
Growth Advantage	BSE 100 risil Composite Bond Index	ULGF01026/11/07BSLIGGRADV109
Money Market	- Crisil Liquid Fund Index	ULGF00824/08/04BSLIGRMMKT109
Income Advantage	- risil Composite Bond Index	ULGF01425/02/10BSLGINCADV109
Fixed Interest	- risil Composite Bond Index	ULGF00416/07/02BSLGFIXINT109
Short Term Debt Fund	- risil Short Term Bond Index	ULGF01322/09/08BSLGSHTDBT109
Bond Fund	-	ULGF00530/05/03BSLIGRBOND109

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Portfolio as on 31st July 2012

SECURITIES	HOLDING
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GOVERNMENT SECURITIES	24.58%
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7.8% GOVERNMENT OF INDIA 2021	4.15%
8.2% GOVERNMENT OF INDIA 2022	3.14%
8.79% GOVERNMENT OF INDIA 2021	2.26%
8.13% GOVERNMENT OF INDIA 2022	2.14%
8.26% GOVERNMENT OF INDIA 2027	1.99%
8.15% GOVERNMENT OF INDIA 2022	1.39%
8.28% GOVERNMENT OF INDIA 2032	1.36%
8.28% GOVERNMENT OF INDIA 2027	1.13%
6.35% GOVERNMENT OF INDIA 2020	0.93%
8.08% GOVERNMENT OF INDIA 2022	0.82%
OTHER GOVERNMENT SECURITIES	5.27%

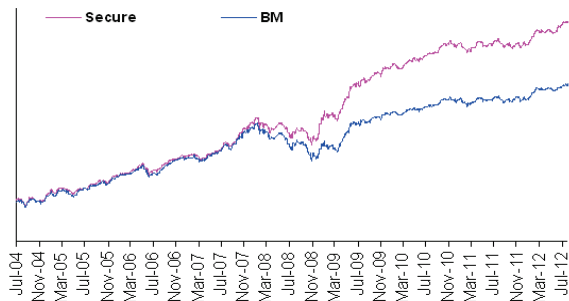
CORPORATE DEBT	32.50%
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8.9% STEEL AUTHORITY OF INDIA LTD. 2019	2.67%
9.15% LARSEN AND TOUBRO LTD. 2019	2.38%
11.45% RELIANCE INDUSTRIES LTD. 2013	1.57%
10.9% RURAL ELECTRIFICATION CORPN. LTD. 2013	1.45%
9.95% TATA MOTORS LTD. 2020	1.23%
11.5% RURAL ELECTRIFICATION CORPN. LTD. 2013	1.12%
8.7% POWER FINANCE CORPN. LTD. 2020	1.08%
9.05% RALLIS INDIA LTD. 2013	1.07%
10.25% TECH MAHINDRA LTD. 2014	0.99%
10.48% SUNDARAM FINANCE LTD. 2013	0.87%
OTHER CORPORATE DEBT	18.06%

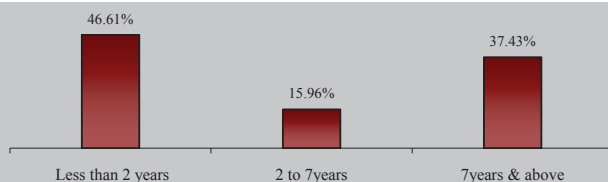
EQUITY	19.46%
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I C I C I BANK LTD.	1.37%
RELIANCE INDUSTRIES LTD.	1.34%
I T C LTD.	1.27%
INFOSYS LTD.	0.98%
LARSEN AND TOUBRO LTD.	0.92%
HOUSING DEVELOPMENT FINANCE CORPN. LTD.	0.86%
H D F C BANK LTD.	0.81%
STATE BANK OF INDIA	0.80%
BHARTI AIRTEL LTD.	0.53%
AXIS BANK LTD.	0.47%
OTHER EQUITY	10.10%

MMI	23.47%
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Maturity Profile

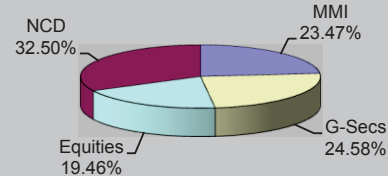


About the Fund

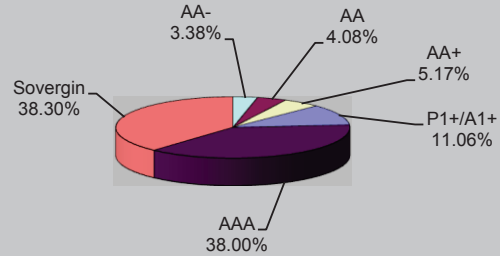
Objective: To build capital and generate better returns at moderate level of risk, over a medium or long-term period through a balance of investment in equity and debt.

Strategy: Generate better returns with moderate risk level through fixed income portfolio and focus on creating long term equity portfolio which will enhance yield of composite portfolio with low level of risk appetite.

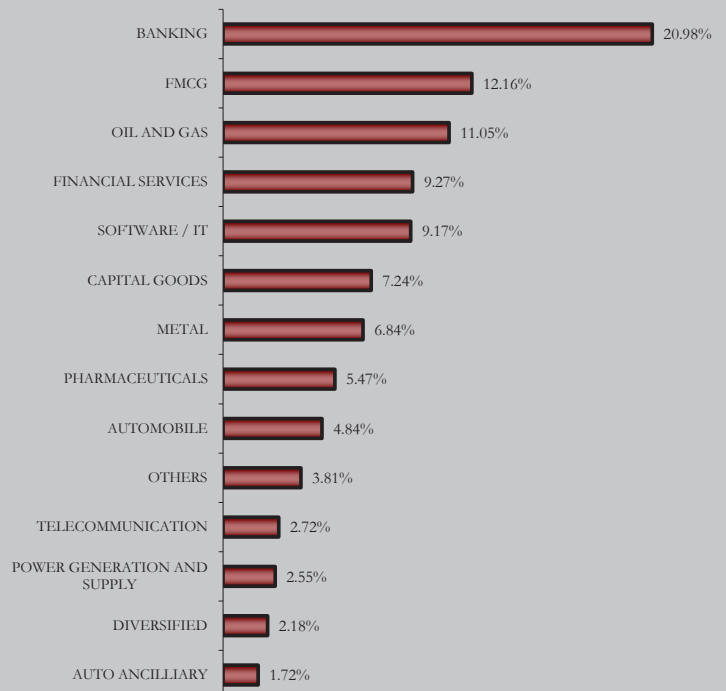
Asset Allocation



Rating Profile



Sectoral Allocation



Portfolio as on 31th July 2012

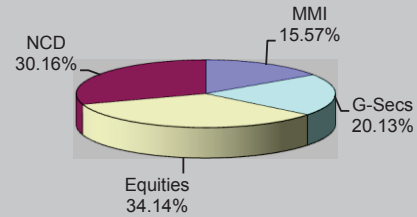
SECURITIES	HOLDING
GOVERNMENT SECURITIES	20.13%
8.79% GOVERNMENT OF INDIA 2021	3.07%
7.8% GOVERNMENT OF INDIA 2021	2.43%
8.28% GOVERNMENT OF INDIA 2032	2.41%
8.2% GOVERNMENT OF INDIA 2022	1.93%
8.08% GOVERNMENT OF INDIA 2022	1.75%
8.3% GOVERNMENT OF INDIA 2040	1.37%
7.59% GOVERNMENT OF INDIA 2015	1.21%
7.46% GOVERNMENT OF INDIA 2017	1.17%
7.5% GOVERNMENT OF INDIA 2034	1.15%
8.26% GOVERNMENT OF INDIA 2027	1.05%
OTHER GOVERNMENT SECURITIES	2.58%
CORPORATE DEBT	30.16%
8.65% RURAL ELECTRIFICATION CORPN. LTD. 2019	2.70%
9.45% RURAL ELECTRIFICATION CORPN. LTD. 2013	2.45%
9.5% NATIONAL BANK FOR AGRI. AND RURAL DEVELOPN	1.99%
11.4% POWER FINANCE CORPN. LTD. 2013	1.61%
10.1% POWER GRID CORPN. OF INDIA LTD. 2017	1.47%
9.4% NATIONAL HOUSING BANK 2013	1.43%
8.9% POWER FINANCE CORPN. LTD. 2014	1.42%
12.65% CHOLAMANDALAM INVESTMENT AND FINANCE C	1.33%
9.4% POWER FINANCE CORPN. LTD. 2013	1.17%
8.78% MAHINDRA AND MAHINDRA FINANCIAL SERVICES	1.14%
OTHER CORPORATE DEBT	13.46%
EQUITY	34.14%
I C I C I BANK LTD.	2.34%
RELIANCE INDUSTRIES LTD.	2.32%
I T C LTD.	2.26%
INFOSYS LTD.	1.74%
LARSEN AND TOUBRO LTD.	1.59%
HOUSING DEVELOPMENT FINANCE CORPN. LTD.	1.50%
H D F C BANK LTD.	1.43%
STATE BANK OF INDIA	1.38%
BHARTI AIRTEL LTD.	0.92%
OIL AND NATURAL GAS CORPN. LTD.	0.86%
OTHER EQUITY	17.80%
MMI	15.57%

About the Fund

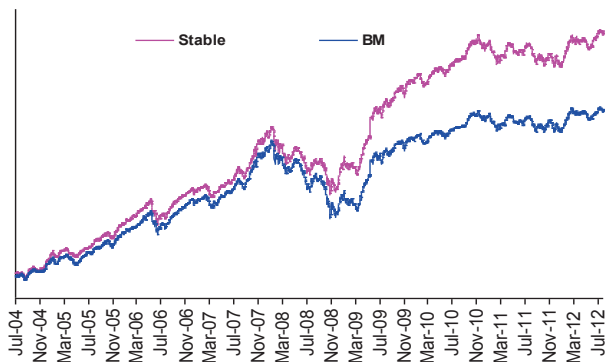
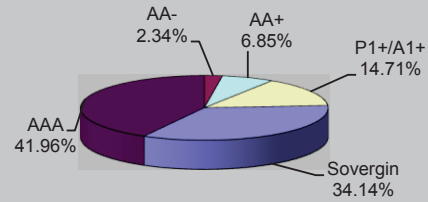
Objective: To grow your capital through enhanced returns over a medium to long term period through investments in equity and debt instruments, thereby providing a good balance between risk and return.

Strategy: To earn capital appreciation by maintaining diversified equity portfolio and seek to earn regular return on fixed income portfolio by active management resulting in wealth creation for policyholders.

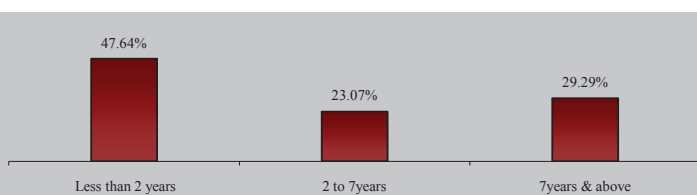
Asset Allocation



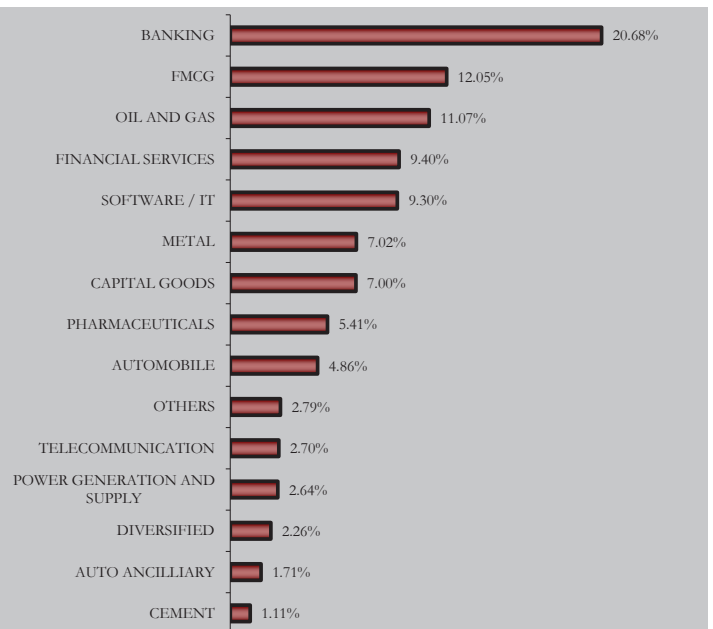
Rating Profile



Maturity Profile



Sectoral Allocation



Portfolio as on 31st July 2012

SECURITIES HOLDING

GOVERNMENT SECURITIES 15.38%

7.8% GOVERNMENT OF INDIA 2021	4.15%
8.2% GOVERNMENT OF INDIA 2022	4.14%
8.79% GOVERNMENT OF INDIA 2021	1.77%
7.59% GOVERNMENT OF INDIA 2016	1.61%
8.08% GOVERNMENT OF INDIA 2022	1.07%
8.3% GOVERNMENT OF INDIA 2040	0.84%
8.15% GOVERNMENT OF INDIA 2022	0.61%
6.9% GOVERNMENT OF INDIA 2019	0.50%
7.02% GOVERNMENT OF INDIA 2016	0.42%
9.15% GOVERNMENT OF INDIA 2024	0.26%

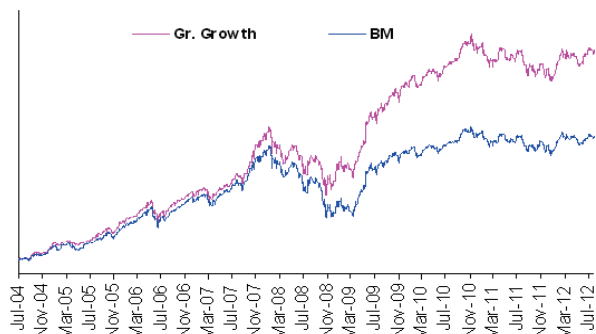
CORPORATE DEBT 21.58%

8.7% POWER FINANCE CORPN. LTD. 2020	4.01%
8.48% L I C HOUSING FINANCE LTD. 2013	2.15%
5.9% H D F C BANK LTD. 2014	1.64%
8.95% POWER FINANCE CORPN. LTD. 2015	1.37%
7.6% HOUSING DEVELOPMENT FINANCE CORPN. LTD. 201	1.34%
10.05% MARICO LTD. 2013	1.29%
9.4% NATIONAL BANK FOR AGRI. AND RURAL DEVELOPMI	1.28%
8.5% INFRASTRUCTURE DEVELOPMENT FINANCE CO. LTD	1.28%
9.05% STATE BANK OF INDIA 2020	1.27%
8.2% ASHOK LEYLAND LTD. 2015	0.94%
OTHER CORPORATE DEBT	5.00%

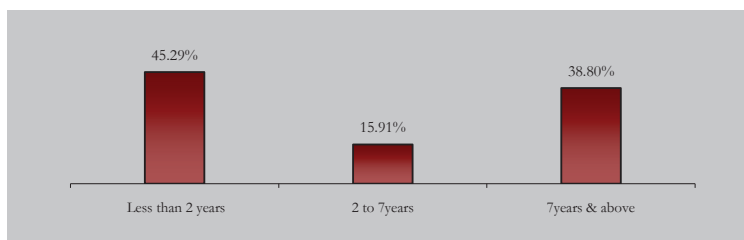
EQUITY 48.09%

I C I C I BANK LTD.	3.40%
RELIANCE INDUSTRIES LTD.	3.26%
I T C LTD.	3.13%
INFOSYS LTD.	2.44%
LARSEN AND TOUBRO LTD.	2.22%
HOUSING DEVELOPMENT FINANCE CORPN. LTD.	2.15%
H D F C BANK LTD.	1.98%
STATE BANK OF INDIA	1.94%
BHARTI AIRTEL LTD.	1.28%
OIL AND NATURAL GAS CORPN. LTD.	1.19%
OTHER EQUITY	25.11%

MMI 14.95%



Maturity Profile

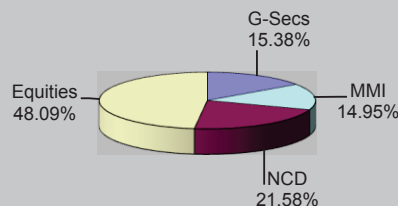


About the Fund

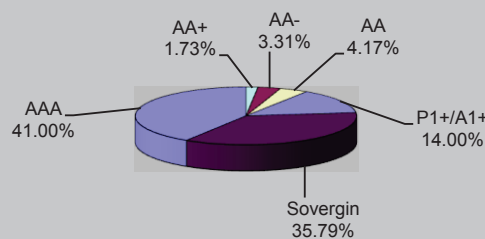
Objective: To achieve optimum balance between growth and stability to provide long-term capital appreciation with balanced level of risk by investing in fixed income securities and high quality equity security.

Strategy: To ensure capital appreciation by simultaneously investing into fixed income securities and maintaining diversified equity portfolio. Active fund management is carried out to enhance policyholder's wealth in long run.

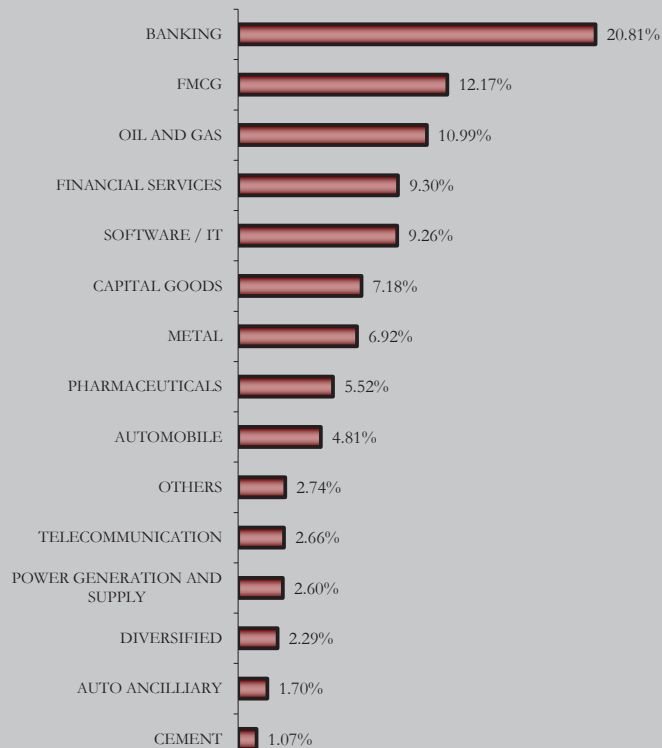
Asset Allocation



Rating Profile



Sectoral Allocation



Portfolio as on 31th July 2012

SECURITIES

HOLDING

GOVERNMENT SECURITIES

13.73%

7.8%	GOVERNMENT OF INDIA 2021	3.33%
8.97%	GOVERNMENT OF INDIA 2030	2.74%
8.2%	GOVERNMENT OF INDIA 2022	1.41%
8.15%	GOVERNMENT OF INDIA 2022	1.32%
7.49%	GOVERNMENT OF INDIA 2017	1.29%
8.3%	GOVERNMENT OF INDIA 2040	1.28%
8.79%	GOVERNMENT OF INDIA 2021	0.54%
7.59%	GOVERNMENT OF INDIA 2016	0.52%
8.08%	GOVERNMENT OF INDIA 2022	0.52%
7.46%	GOVERNMENT OF INDIA 2017	0.51%
	OTHER GOVERNMENT SECURITIES	0.26%

CORPORATE DEBT

15.57%

11.5%	RURAL ELECTRIFICATION CORPN. LTD. 201	3.26%
10.9%	RURAL ELECTRIFICATION CORPN. LTD. 201	2.69%
6.1%	NUCLEAR POWER CORPN. OF INDIA LTD. 20	2.52%
9.47%	POWER GRID CORPN. OF INDIA LTD. 2013	1.98%
2%	INDIAN HOTELS CO. LTD. 2014	1.27%
7.75%	RURAL ELECTRIFICATION CORPN. LTD. 201	1.05%
8.7%	POWER FINANCE CORPN. LTD. 2020	1.02%
8.8%	POWER GRID CORPN. OF INDIA LTD. 2019	0.64%
11.95%	HOUSING DEVELOPMENT FINANCE CORP	0.59%
10.48%	ULTRATECH CEMENT LTD. 2013	0.54%

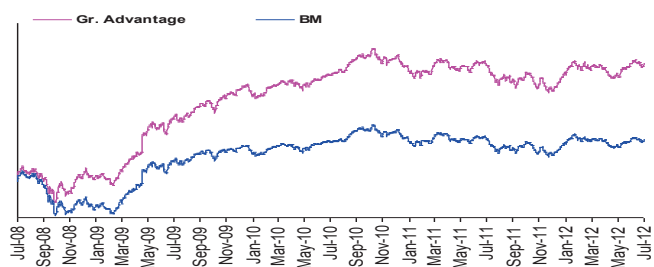
EQUITY

57.61%

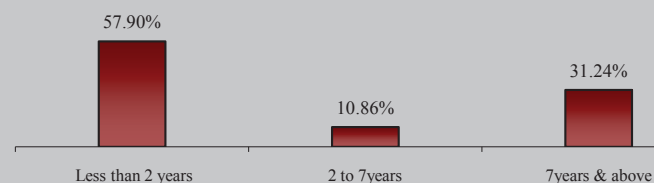
	I C I C I BANK LTD.	4.16%
	RELIANCE INDUSTRIES LTD.	3.98%
	I T C LTD.	3.85%
	INFOSYS LTD.	2.97%
	LARSEN AND TOUBRO LTD.	2.72%
	HOUSING DEVELOPMENT FINANCE CORPN. LTD.	2.63%
	H D F C BANK LTD.	2.60%
	STATE BANK OF INDIA	2.34%
	BHARTI AIRTEL LTD.	1.58%
	OIL AND NATURAL GAS CORPN. LTD.	1.46%
	OTHER EQUITY	29.31%

MMI

13.09%



Maturity Profile

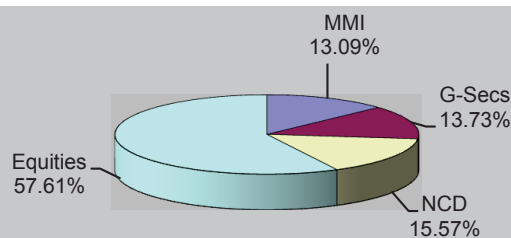


About the Fund

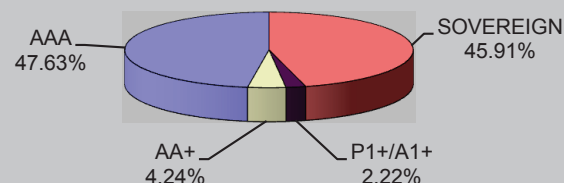
Objective: To provide blend of fixed return by investing in debt & money market instruments and capital appreciation by predominantly investing in equities of fundamentally strong and large blue chip companies.

Strategy: To build and actively manage a well-diversified equity portfolio of value & growth driven stocks by following a research-focused investment approach. While appreciating the high risk associated with equities, the fund would attempt to maximize the risk-return pay-off for the long-term advantage of the policyholders. The non-equity portion of the fund will be invested in high rated debt and money market instruments and fixed deposits.

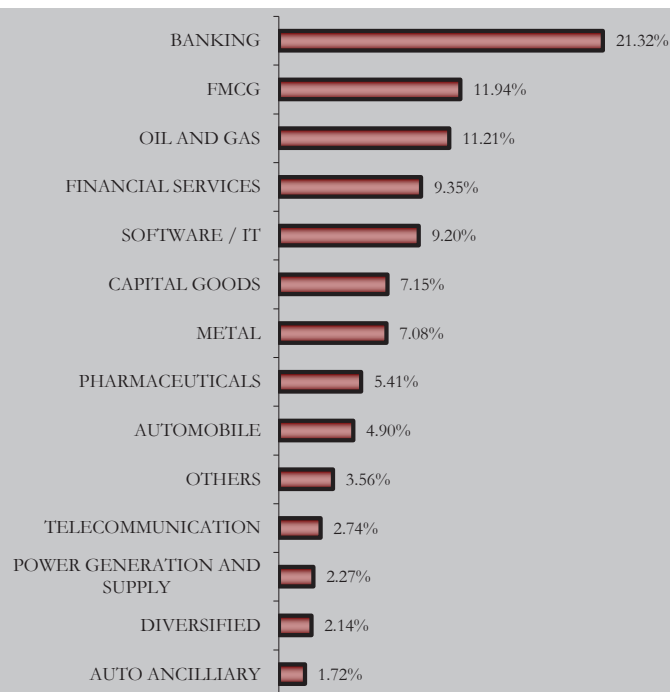
Asset Allocation



Rating Profile



Sectoral Allocation



Portfolio as on 31th July 2012

SECURITIES	HOLDING
GOVERNMENT SECURITIES	0.00%
CORPORATE DEBT	0.00%
EQUITY	0.00%
MMI	100.00%

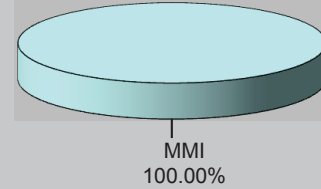
10.90% CANARA BANK FD QUARTERLY COMP (MD	10.42%
ORIENTAL BANK OF COMMERCE CD (MD 20/03/20	8.92%
10.51% BANK OF BARODA FD QUARTERLY COMP (7.82%
AFCONS INFRASTRUCTURE LTD. CP (MD 09/11/201	7.60%
ADITYA BIRLA NUVO LTD CP (MD 07/08/2012)	6.68%
INFRASTRUCTURE DEVELOPMENT FINANCE CO. I	6.43%
INDIAN OVERSEAS BANK CD (MD 21/03/2013)	5.76%
10.90 PUNJAB AND NATIONAL BANK FD QTR (MD :	5.22%
10.40% CORPORATION BANK FD QTR COMP (MD 0:	5.21%
10.50% STATE BANK OF HYDERABAD FD QUARTE	5.21%
Others	30.74%

About the Fund

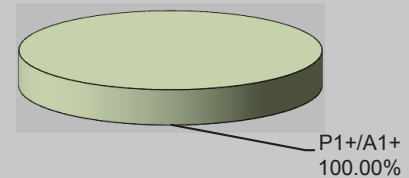
Objective: To provide reasonable returns, at a high level of safety and liquidity for capital conservation for the Policyholder

Strategy: To make judicious investments in high quality debt and money market instruments to protect capital of the Policyholder with very low level of risk

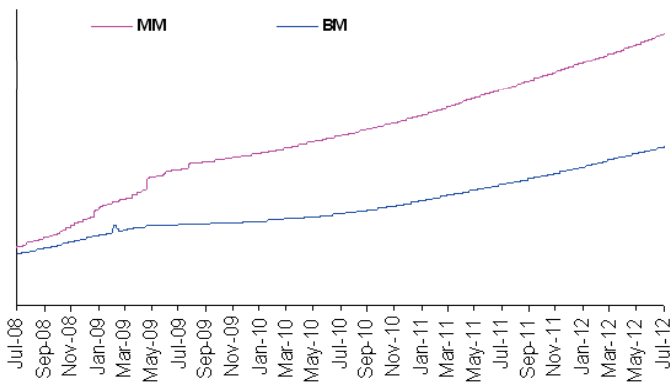
Asset Allocation



Rating Profile



Maturity Profile



Portfolio as on 31th July 2012

SECURITIES	HOLDING
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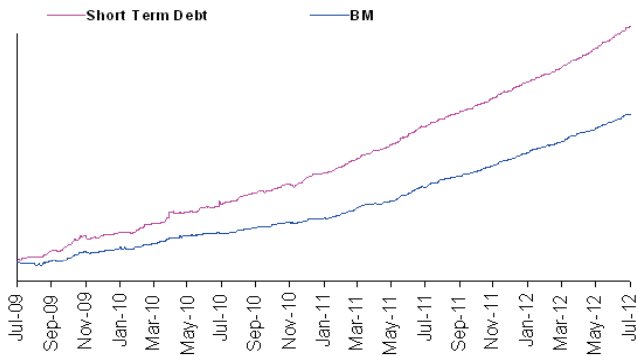
GOVERNMENT SECURITIES	0.00%
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CORPORATE DEBT	42.67%
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9.65% NATIONAL BANK FOR AGRI. AND RURAL DE'	4.46%
8.5% INFRASTRUCTURE DEVELOPMENT FINANCE C	4.03%
8% MAHINDRA VEHICLE MANUFACTURERS LIMITE	3.96%
10.6499% CHOLAMANDALAM INVESTMENT AND FI	3.79%
9.63% POWER FINANCE CORPN. LTD. 2014	3.62%
9.72% INFRASTRUCTURE DEVELOPMENT FINANCE	3.62%
9.62% L I C HOUSING FINANCE LTD. 2015	3.19%
9.7% TATA SONS LTD. 2022	2.96%
9.7% HOUSING DEVELOPMENT FINANCE CORPN. I	2.91%
9.5% HOUSING DEVELOPMENT FINANCE CORPN. I	2.90%
OTHER CORPORATE DEBT	7.24%

SECURITISED DEBT	0.00%
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MMI	57.33%
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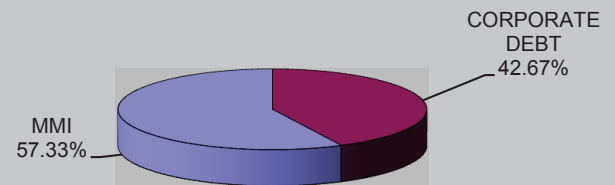


About the Fund

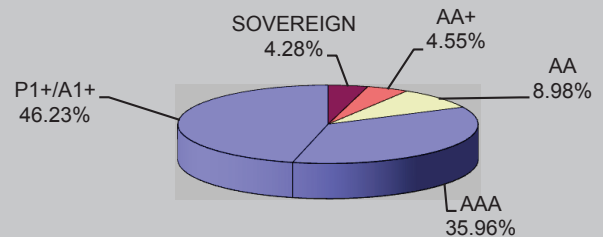
Objective: To provide capital preservation at a high level of safety & liquidity through judicious investments in high quality short-term debt instruments

Strategy: To actively manage the fund by building a portfolio of fixed income instruments with short term duration. The fund will invest in government securities, high rated corporate bonds, good quality money market instruments and other fixed income securities. The quality & duration of the assets purchased would aim to minimize the credit risk and liquidity risk of the portfolio. The fund will maintain reasonable level of liquidity.

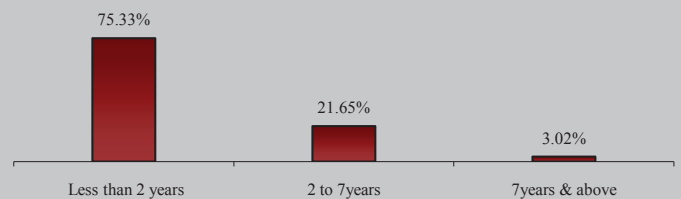
Asset Allocation



Rating Profile



Maturity Profile



Portfolio as on 31th July 2012

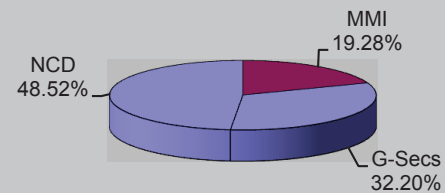
SECURITIES	HOLDING
GOVERNMENT SECURITIES	32.20%
8.08% GOVERNMENT OF INDIA 2022	12.52%
8.2% GOVERNMENT OF INDIA 2022	10.93%
8.79% GOVERNMENT OF INDIA 2021	8.75%
CORPORATE DEBT	48.52%
10.6% INDIAN RAILWAY FINANCE CORPN. LTD. 201	9.10%
10.1% HDB FINANCIAL SERVICES LTD 2017	8.76%
9.9% HOUSING DEVELOPMENT FINANCE CORPN. I	8.74%
10.48% ULTRATECH CEMENT LTD. 2013	8.63%
7.75% RURAL ELECTRIFICATION CORPN. LTD. 2012	8.47%
NATIONAL BANK FOR AGRI. AND RURAL DEVELOP	4.81%
SECURITISED DEBT	0.00%
MMI	19.28%

About the Fund

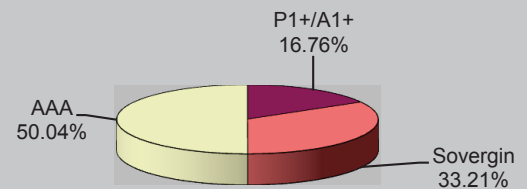
Objective: To provide capital preservation and regular income, at a high level of safety over a medium term horizon by investing in high quality debt instruments

Strategy: To actively manage the fund by building a portfolio of fixed income instruments with medium term duration. The fund will invest in government securities, high rated corporate bonds, high quality money market instruments and other fixed income securities. The quality of the assets purchased would aim to minimize the credit risk and liquidity risk of the portfolio. The fund will maintain reasonable level of liquidity.

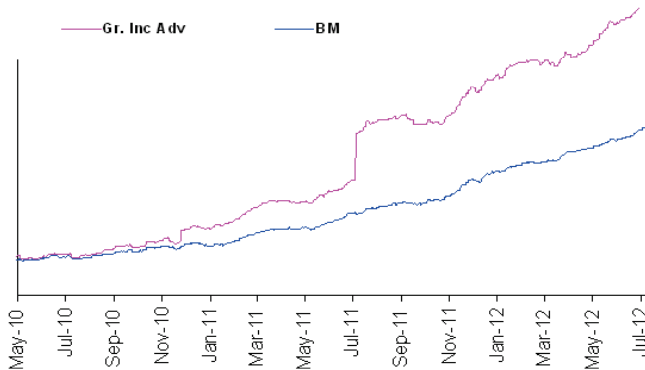
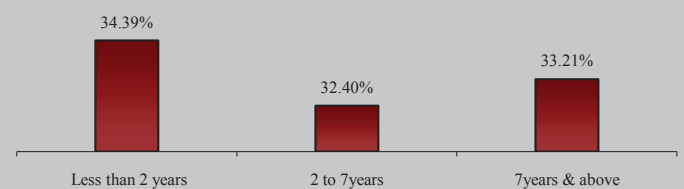
Asset Allocation



Rating Profile



Maturity Profile



Portfolio as on 31th July 2012

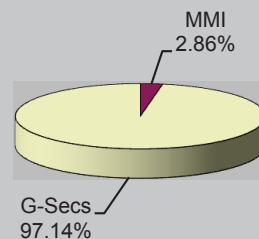
SECURITIES	HOLDING
GOVERNMENT SECURITIES	97.14%
8.97% GOVERNMENT OF INDIA 2030	13.36%
5.64% GOVERNMENT OF INDIA 2019	13.27%
8.79% GOVERNMENT OF INDIA 2021	13.23%
8.35% GOVERNMENT OF INDIA 2022	12.78%
7.46% GOVERNMENT OF INDIA 2017	12.43%
8.15% GOVERNMENT OF INDIA 2022	9.60%
9.15% GOVERNMENT OF INDIA 2024	6.80%
8.2% GOVERNMENT OF INDIA 2022	6.42%
8.28% GOVERNMENT OF INDIA 2027	6.34%
7.61% GOVERNMENT OF INDIA 2015	2.54%
OTHER GOVERNMENT SECURITIES	0.36%
CORPORATE DEBT	0.00%
EQUITY	0.00%
MMI	2.86%

About the Fund

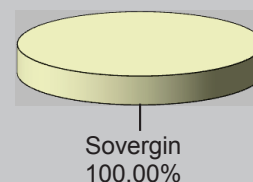
Objective: To deliver safe and consistent returns over a long-term period by investing in Government Securities.

Strategy: Active fund management at very low level of risk by having entire exposure to government securities & money market instruments, maintaining medium term duration of the portfolio to achieve capital conservation.

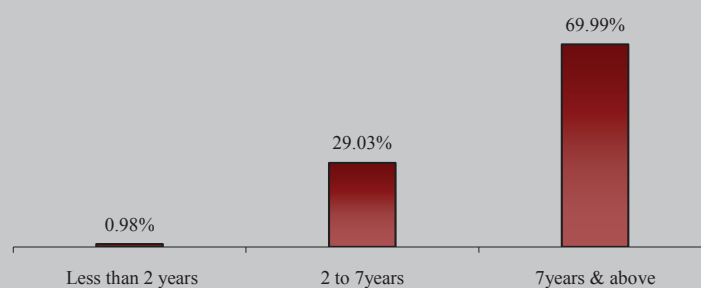
Asset Allocation



Rating Profile



Maturity Profile





Portfolio as on 31th July 2012

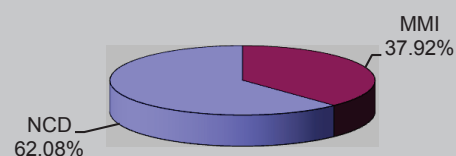
SECURITIES	HOLDING
GOVERNMENT SECURITIES	0.00%
CORPORATE DEBT	62.08%
2% TATA STEEL LTD. 2022	4.84%
9.8% L I C HOUSING FINANCE LTD. 2014	3.43%
9.35% RURAL ELECTRIFICATION CORPN. LTD. 2022	3.35%
8.73% POWER GRID CORPN. OF INDIA LTD. 2015	2.99%
9.75% TATA MOTORS LTD. 2020	2.85%
9.45% L I C HOUSING FINANCE LTD. 2022	2.45%
9.5% HOUSING DEVELOPMENT FINANCE CORPN. LTD. 20	2.45%
12.65% CHOLAMANDALAM INVESTMENT AND FINANCE C	2.44%
NATIONAL BANK FOR AGRI. AND RURAL DEVELOPMENT	2.41%
11.3% A C C LTD. 2013	2.36%
OTHER CORPORATE DEBT	32.49%
SECURITISED DEBT	0.00%
EQUITY	0.00%
MMI	37.92%

About the Fund

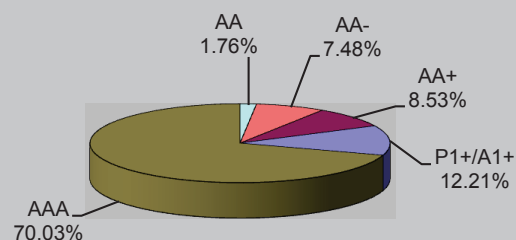
Objective: To achieve capital preservation along with stable returns by investing in corporate bonds over medium-term period.

Strategy: To invest in high credit rated corporate bonds, maintaining a short-term duration of the portfolio at a medium level of risk to achieve capital conservation.

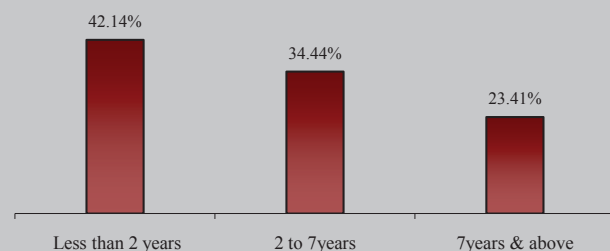
Asset Allocation



Rating Profile



Maturity Profile



Portfolio as on 31th July 2012

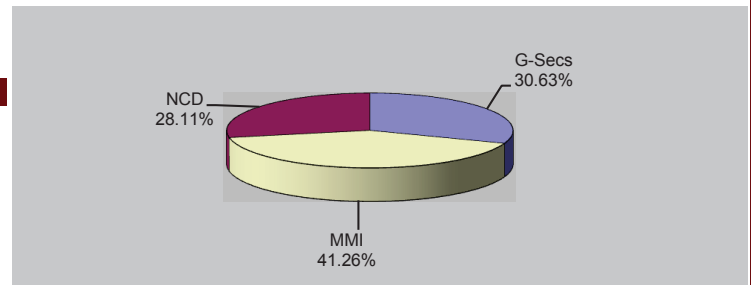
SECURITIES	HOLDING
GOVERNMENT SECURITIES	30.63%
9.15% GOVERNMENT OF INDIA 2024	4.09%
8.08% GOVERNMENT OF INDIA 2022	3.42%
7.8% GOVERNMENT OF INDIA 2021	3.04%
7.8% GOVERNMENT OF INDIA 2020	2.71%
8.2% GOVERNMENT OF INDIA 2022	2.39%
8.79% GOVERNMENT OF INDIA 2021	2.38%
7.99% GOVERNMENT OF INDIA 2017	2.08%
8.13% GOVERNMENT OF INDIA 2022	1.80%
8.15% GOVERNMENT OF INDIA 2022	1.73%
8.2% GOVERNMENT OF INDIA 2023	1.70%
OTHER GOVERNMENT SECURITIES	5.30%
CORPORATE DEBT	28.11%
NATIONAL BANK FOR AGRI. AND RURAL DEVELOPMEN	5.47%
9.61% POWER FINANCE CORPN. LTD. 2021	2.92%
2% TATA STEEL LTD. 2022	2.74%
10.1% HDB FINANCIAL SERVICES LTD 2017	2.39%
9.7% TATA SONS LTD. 2022	2.38%
8.84% POWER GRID CORPN. OF INDIA LTD. 2016	2.09%
9.5% HOUSING DEVELOPMENT FINANCE CORPN. LTD. :	1.57%
9.5% HOUSING DEVELOPMENT FINANCE CORPN. LTD. :	1.56%
NATIONAL HOUSING BANK 2018	1.53%
9.7% NATIONAL BANK FOR AGRI. AND RURAL DEVELOP	1.41%
OTHER CORPORATE DEBT	4.05%
EQUITY	0.00%
MMI	41.26%

About the Fund

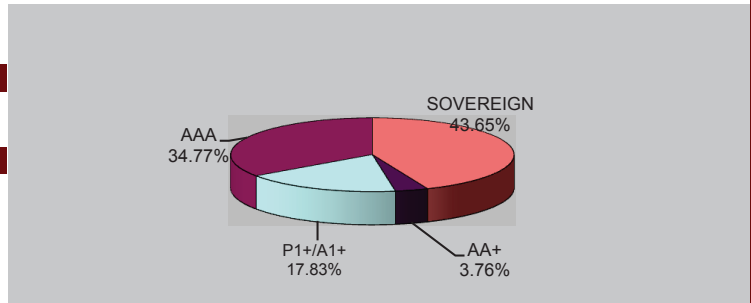
Objective: To achieve value creation at low risk over a long-term horizon by investing into high quality fixed interest securities.

Strategy: To actively manage the fund at a medium level of risk by having entire exposure to government securities, corporate bonds maintaining medium to long-term duration of the portfolio to achieve capital conservation.

Asset Allocation



Rating Profile



Maturity Profile

