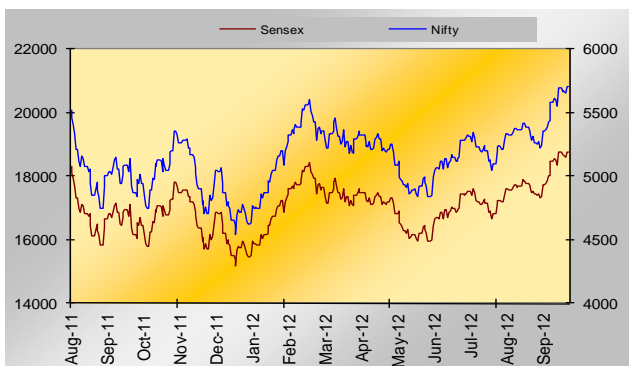
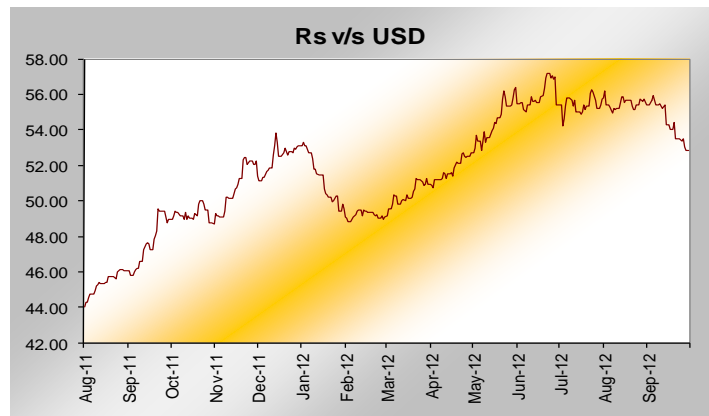
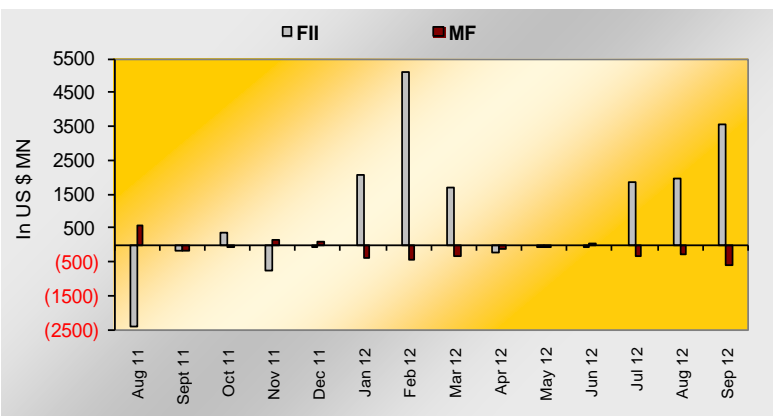


## Market Outlook



| Key Indices | 30-Sep-12 | 31-Aug-12 | % Change |
|-------------|-----------|-----------|----------|
| Nifty       | 5703.30   | 5258.50   | 8.46%    |
| Sensex      | 18762.74  | 17429.56  | 7.65%    |
| BSE 100     | 5701.39   | 5251.07   | 8.58%    |
| Dow Jones   | 13437.13  | 13090.84  | 2.65%    |
| Nikkei      | 8870.16   | 8839.91   | 0.34%    |
| Hang Seng   | 20840.38  | 19482.57  | 6.97%    |
| Nasdaq      | 3116.23   | 3066.97   | 1.61%    |
| KOSPI       | 1996.21   | 1905.12   | 4.78%    |

The Indian Government, after faltering for a couple of years on economic and policy decision-making, has come out and made aggressive policy changes. These include fuel price subsidy adjustments, allowing FDI in retail and aviations, announcing a SEB restructuring plan, reducing withholding tax on FII debt investments and committing to more aggressive PSU divestment. The markets welcomed the political resolve shown by the government even though it faced political opposition from its own allies in the ruling coalition. Continuing with its reform agenda the cabinet also cleared an increase in FDI limits in Insurance from 26% to 49% and allowed a 26% FDI investment in the Pension sector, both of which would require parliament approval. The proposed National Investment Board is another key reform step and would offer a single window of clearance for large infrastructure projects. If all this is accompanied with a lower interest rate regime, it would help push new investments, both in industry and infrastructure, as project level returns would increase. We expect investment cycle to recover in the second half of FY13, largely on improvement in public capex and the stabilising of private corporate capex.



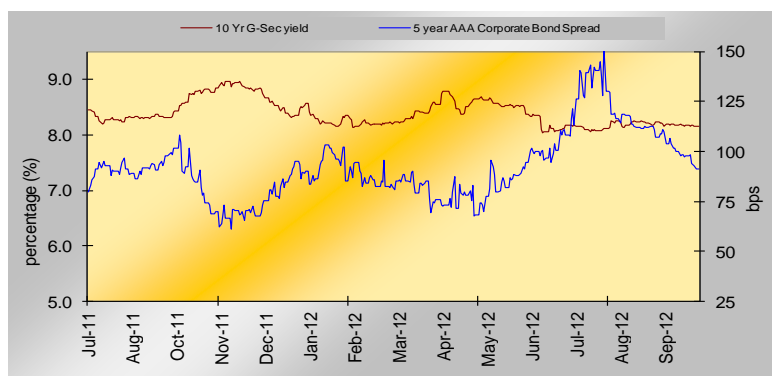
On the macro front, there are signs of improvement. The first quarter current account deficit (CAD) narrowed to 3.9% of GDP from 4.5% in Q4FY12 because of an improved trade balance and steady remittances. The government has maintained its borrowing target at Rs.2 trillion, hoping that the divestment program as well as the telecom spectrum sale goes through. An expected urea price hike could further reduce the subsidy burden and improve the fiscal. Inflation figures of August 2012, however, came as a surprise. At 7.6%, inflation was 70 bps higher than the previous reading of 6.9%. Core inflation, which had been reasonably subdued till now, rose to 5.6%. In spite of this, RBI in its policy meeting on Sep 17th 2012 decided to cut the CRR by 25 bps though it left the benchmark repo rate unchanged. This move will infuse INR.17000 crores of liquidity in the system.

### Outlook for equities:

Indian equities rallied 8% in September and outperformed the developed equity markets (US, Japan, Germany and France), which were down by almost 1%-3%. FIIs continued their equity buying with \$3.8bn net purchases in September, taking the YTD net purchases to \$16.1bn. DIIs continued to be net sellers to the extent of \$7.2bn. Strong inflows become a case for a stronger currency leading to further FII flows due to positive sentiments, which builds up into positive circularity.

The BSE Sensex, which has rallied smartly in the past couple of months, currently trades at a P/E of 14.5x one year forward earnings. For long term investors valuations are still attractive. Credible policy implementation from the government could result in the rally sustaining and gaining momentum. In the short to medium term, the market would also take cues from the upcoming results season and the RBI policy scheduled in this month.

## Market Outlook



| Key Indices    | 30-Sep-12 | 31-Aug-12 | % Change |
|----------------|-----------|-----------|----------|
| 10 year G-Sec  | 8.15%     | 8.24%     | -1.09%   |
| 5 Year G-Sec   | 8.18%     | 8.23%     | -0.61%   |
| 91 Day T Bill  | 8.08%     | 8.21%     | -1.58%   |
| 364 day T-Bill | 7.96%     | 8.09%     | -1.61%   |
| MIBOR          | 8.67%     | 8.66%     | 0.12%    |
| Call Rates     | 7.98%     | 7.94%     | 0.50%    |
| Inflation      | NA        | NA        | NA       |

### Outlook for Debt :

The G-Sec market has seen considerable activity in the last few weeks, with the second half calendar being announced. The government intends to borrow Rs.200,000 crores through dated government bonds in the second half, which is in line with the budgeted borrowing program. The 10 year Gsec benchmark traded in the range of 8.12% to 8.20%. Corporate bonds saw very active trading in the last fortnight, with spreads compressing to 65 bps from a peak of 100 bps. The bond yields are expected to be range bound and bond markets will eagerly wait for the October 30th RBI policy.



## Learning Curve:

### Understanding ULIPs

Unit-Linked Insurance Plans (ULIPs) have been one of the most significant innovations in the life insurance industry. ULIPs are the most transparent, long-term & flexible retail life insurance products available today. It provides both, insurance protection and wealth creation opportunities. ULIP premium payments are appropriated partly towards providing you life cover and partly invested in the fund option of your choice – debt or equity.

In ULIPs, the protection element and the savings element are distinguishable. It allows policyholders manage their life insurance policies depending on their changing needs and gives them the flexibility of altering premium amounts or adding top-ups. It also permits them to avail of liquidity, in case of an emergency, by allowing need-based partial withdrawals.

Of the premiums paid, the allocation charges, mortality charges and policy administration charges are deducted. The balance amount is invested in a fund of the policyholder's choice. Units are allocated towards the invested amount. Each allocated unit has a price attached to it called the NAV (Net Asset Value) which is calculated and disclosed by the insurance company on a daily basis. Fund management charges are adjusted from the fund's NAV on a daily basis. The policyholder can track the fund investments and performance.

There is a wide range of funds available under ULIPs which gives policyholders an opportunity to adequately diversify their investments. These funds have different asset allocations ranging from 100% debt to 100% equity to meet the objective and risk appetite of the policyholders. Equity funds have the potential to deliver high returns as they have higher risks as compared to fixed income funds. ULIPs allow for switching between funds and redirect future premiums as the investment objectives may change over time. Insurance companies also offer funds which guarantee the highest NAV for a fixed period of time based on CPPI (Constant proportion portfolio insurance)

ULIPs help create wealth over a longer period of time. During the initial years of the policy, the cost structure is high and hence there are more units deducted. However, overall charges reduce substantially over time thus allowing more amount to be allocated in the chosen funds. This way the investment grows over a period of time leading to a growth in fund value.

Insurance companies have products to offer value to their policyholders with multiple options as mentioned below:

- **Self Managed option** where the policyholder can decide to choose the fund based on his risk taking capacity
- **Lifecycle option** where the portfolio allocation automatically changes the exposure to debt and equity depending upon their life stage and risk profile

- **Systematic Transfer option** that helps safeguarding policyholders' investments from equity market volatility through rupee cost averaging where the premium is initially allocated to the liquid fund and gradually moved to an equity fund in equal monthly installments.

At Birla Sun Life Insurance we offer all these options to our policyholders to choose from and are committed to maximizing policyholders' long-term wealth by consistently generating superior risk-adjusted returns by following a disciplined long-term investment approach.

| PERFORMANCE OF BSLI FUNDS AS ON 30TH SEPTEMBER 2012 |             |           |                     |           |                     |           |
|---|-------------|-----------|---------------------|-----------|---------------------|-----------|
| FUND NAME   | Last 1 Year |           | Last 3 Years (CAGR) |           | Last 5 Years (CAGR) |           |
|   | BSLI        | BENCHMARK | BSLI                | BENCHMARK | BSLI                | BENCHMARK |
| <b>DEBT FUNDS</b>                                   |             |           |                     |           |                     |           |
| ASSURE  | 9.99%       | 7.97%     | 8.14%               | 5.64%     | 10.76%              | -         |
| INCOME ADVANTAGE                                    | 11.26%      | 8.29%     | 8.54%               | 5.55%     | -                   | -         |
|   |             |           |                     |           |                     |           |
| <b>BALANCED FUNDS</b>                               |             |           |                     |           |                     |           |
| PROTECTOR   | 10.31%      | 8.83%     | 6.71%               | 5.37%     | 8.59%               | 5.38%     |
| BUILDER   | 11.35%      | 9.35%     | 6.87%               | 5.16%     | 9.18%               | 5.31%     |
| BALANCER  | 12.17%      | 9.32%     | 6.64%               | 4.78%     | 10.02%              | -         |
| ENHANCER  | 11.45%      | 9.56%     | 5.99%               | 4.66%     | 7.62%               | 4.57%     |
| CREATOR   | 13.15%      | 10.46%    | 5.79%               | 4.11%     | 10.83%              | 4.72%     |
|   |             |           |                     |           |                     |           |
| <b>DIVERSIFIED EQUITY FUNDS</b>                     |             |           |                     |           |                     |           |
| MAGNIFIER   | 15.02%      | 11.65%    | 4.12%               | 2.58%     | 3.85%               | -         |
| MAXIMISER   | 14.26%      | 12.03%    | 1.18%               | 2.18%     | 4.10%               | 2.15%     |
| MULTIPLIER  | 14.75%      | 8.84%     | 5.64%               | 3.64%     | -                   | -         |
| SUPER 20  | 18.14%      | 11.95%    | 6.04%               | 2.53%     | -                   | -         |

**Arpita Nanoti**

Head – Investment Communication & Advisory

## Portfolio as on 30th September 2012

### SECURITIES HOLDING

#### GOVERNMENT SECURITIES 25.60%

|                                |       |
|--------------------------------|-------|
| 7.8% GOVERNMENT OF INDIA 2021  | 4.23% |
| 8.2% GOVERNMENT OF INDIA 2022  | 3.21% |
| 8.79% GOVERNMENT OF INDIA 2021 | 2.31% |
| 8.13% GOVERNMENT OF INDIA 2022 | 2.19% |
| 8.26% GOVERNMENT OF INDIA 2027 | 2.04% |
| 8.15% GOVERNMENT OF INDIA 2022 | 1.81% |
| 8.28% GOVERNMENT OF INDIA 2032 | 1.43% |
| 8.28% GOVERNMENT OF INDIA 2027 | 1.16% |
| 6.35% GOVERNMENT OF INDIA 2020 | 0.95% |
| 8.08% GOVERNMENT OF INDIA 2022 | 0.84% |
| OTHER GOVERNMENT SECURITIES    | 5.42% |

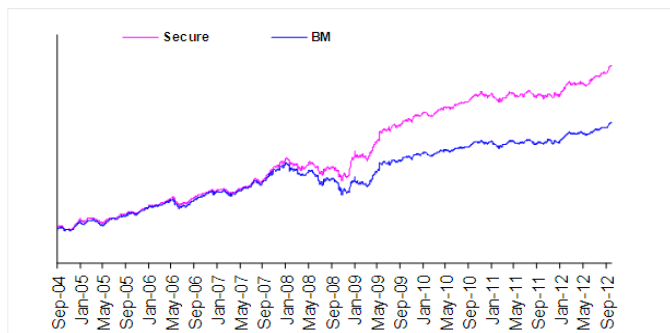
#### CORPORATE DEBT 33.59%

|  |        |
|--|--------|
| 8.9% STEEL AUTHORITY OF INDIA LTD. 2019      | 2.76%  |
| 9.15% LARSEN AND TOUBRO LTD. 2019            | 2.47%  |
| 11.45% RELIANCE INDUSTRIES LTD. 2013         | 1.61%  |
| 10.9% RURAL ELECTRIFICATION CORPN. LTD. 2013 | 1.48%  |
| 9.95% TATA MOTORS LTD. 2020                  | 1.28%  |
| 11.5% RURAL ELECTRIFICATION CORPN. LTD. 2013 | 1.14%  |
| 8.7% POWER FINANCE CORPN. LTD. 2020          | 1.12%  |
| 9.05% RALLIS INDIA LTD. 2013                 | 1.09%  |
| 10.25% TECH MAHINDRA LTD. 2014               | 1.01%  |
| 10.48% SUNDARAM FINANCE LTD. 2013            | 0.89%  |
| OTHER CORPORATE DEBT                         | 18.74% |

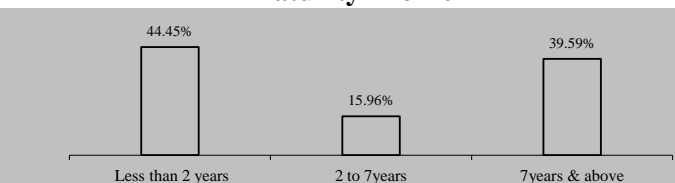
#### EQUITY 19.74%

|   |        |
|---|--------|
| I C I C I BANK LTD.                     | 1.23%  |
| RELIANCE INDUSTRIES LTD.                | 1.19%  |
| I T C LTD.                              | 1.09%  |
| INFOSYS LTD.                            | 0.91%  |
| HOUSING DEVELOPMENT FINANCE CORPN. LTD. | 0.84%  |
| H D F C BANK LTD.                       | 0.82%  |
| LARSEN AND TOUBRO LTD.                  | 0.81%  |
| STATE BANK OF INDIA                     | 0.76%  |
| TATA CONSULTANCY SERVICES LTD.          | 0.64%  |
| OIL AND NATURAL GAS CORPN. LTD.         | 0.51%  |
| OTHER EQUITY                            | 10.94% |

#### MMI 21.08%



### Maturity Profile

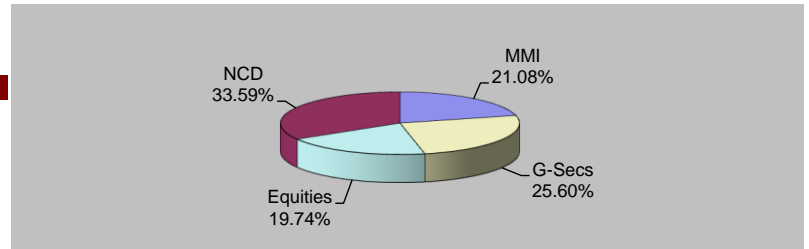


### About the Fund

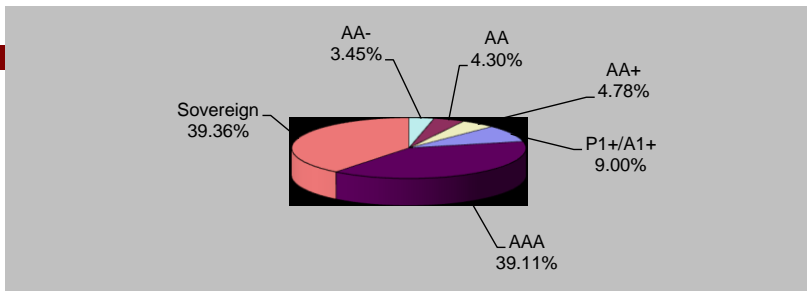
**Objective:** To build capital and generate better returns at moderate level of risk, over a medium or long-term period through a balance of investment in equity and debt.

**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.

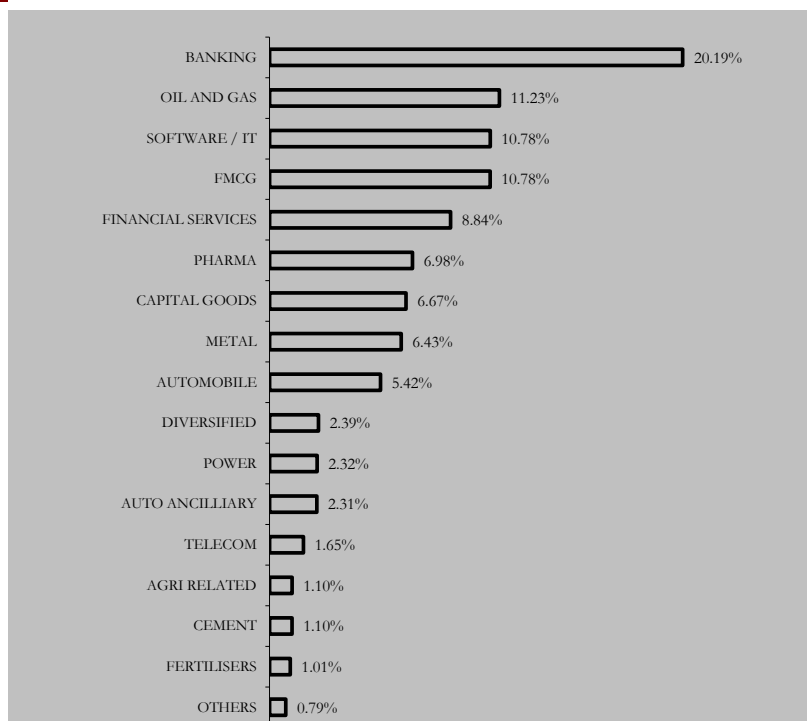
### Asset Allocation



### Rating Profile



### Sectoral Allocation

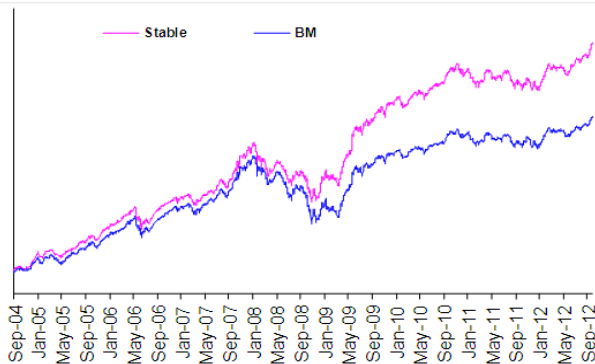


## Portfolio as on 30th September 2012

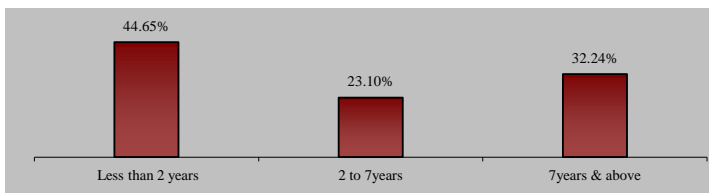
| SECURITIES                                      | HOLDING       |
|---|---------------|
| <b>GOVERNMENT SECURITIES</b>                    | <b>21.46%</b> |
| 8.28% GOVERNMENT OF INDIA 2032                  | 3.03%         |
| 7.8% GOVERNMENT OF INDIA 2021                   | 2.71%         |
| 8.79% GOVERNMENT OF INDIA 2021                  | 2.46%         |
| 8.2% GOVERNMENT OF INDIA 2022                   | 2.16%         |
| 8.08% GOVERNMENT OF INDIA 2022                  | 1.96%         |
| 8.3% GOVERNMENT OF INDIA 2040                   | 1.56%         |
| 7.59% GOVERNMENT OF INDIA 2015                  | 1.35%         |
| 7.5% GOVERNMENT OF INDIA 2034                   | 1.30%         |
| 8.26% GOVERNMENT OF INDIA 2027                  | 1.18%         |
| 7.61% GOVERNMENT OF INDIA 2015                  | 1.00%         |
| OTHER GOVERNMENT SECURITIES                     | 2.75%         |
| <b>CORPORATE DEBT</b>                           | <b>31.66%</b> |
| 8.65% RURAL ELECTRIFICATION CORPN. LTD. 2019    | 3.07%         |
| 9.45% RURAL ELECTRIFICATION CORPN. LTD. 2013    | 2.10%         |
| 11.4% POWER FINANCE CORPN. LTD. 2013            | 1.79%         |
| 10.1% POWER GRID CORPN. OF INDIA LTD. 2017      | 1.66%         |
| 9.4% NATIONAL HOUSING BANK 2013                 | 1.60%         |
| 8.9% POWER FINANCE CORPN. LTD. 2014             | 1.59%         |
| 12.65% CHOLAMANDALAM INVESTMENT AND FINANCE C   | 1.49%         |
| 9.4% POWER FINANCE CORPN. LTD. 2013             | 1.31%         |
| 9.5% NATIONAL BANK FOR AGRI. AND RURAL DEVELOPN | 1.27%         |
| 8.6% POWER FINANCE CORPN. LTD. 2014             | 1.27%         |
| OTHER CORPORATE DEBT                            | 14.52%        |

| EQUITY                                  | 34.30% |
|---|--------|
| I C I C I BANK LTD.                     | 2.08%  |
| RELIANCE INDUSTRIES LTD.                | 2.07%  |
| I T C LTD.                              | 1.90%  |
| INFOSYS LTD.                            | 1.64%  |
| HOUSING DEVELOPMENT FINANCE CORPN. LTD. | 1.47%  |
| LARSEN AND TOUBRO LTD.                  | 1.40%  |
| H D F C BANK LTD.                       | 1.40%  |
| STATE BANK OF INDIA                     | 1.32%  |
| TATA CONSULTANCY SERVICES LTD.          | 1.12%  |
| OIL AND NATURAL GAS CORPN. LTD.         | 0.93%  |
| OTHER EQUITY                            | 18.97% |

| MMI | 12.57% |
|-----|--------|
|-----|--------|

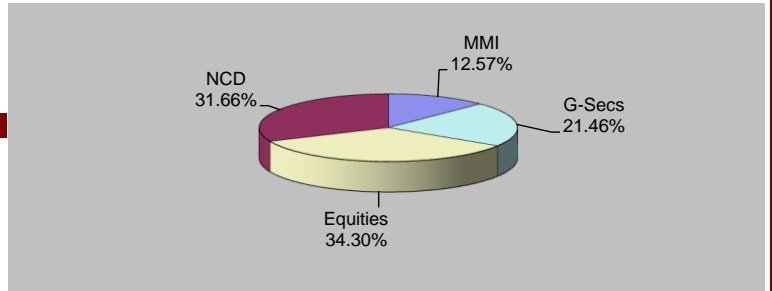


### Maturity Profile

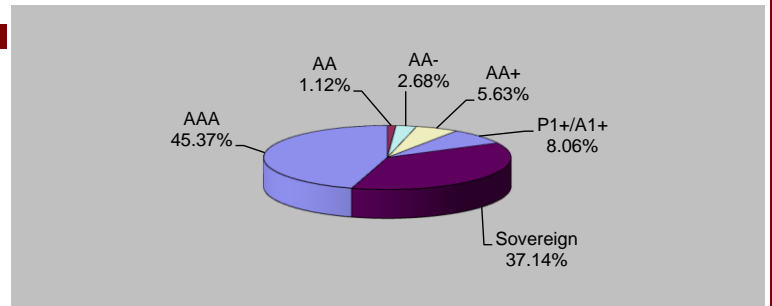


**About the Fund**  
**Objective:** To grow your capital through enhanced returns over a medium to long term period through investments in equity and debt instruments, thereby providing a good balance between risk and return.  
**Strategy:** To earn capital appreciation by maintaining diversified equity portfolio and seek to earn regular return on fixed income portfolio by active management resulting in wealth creation for policyholders.

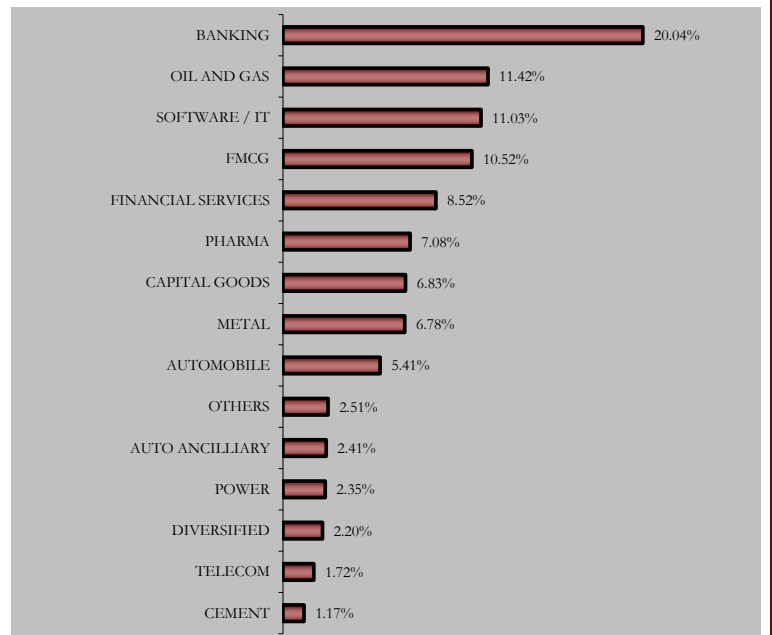
### Asset Allocation



### Rating Profile



### Sectoral Allocation



## Portfolio as on 30th September 2012

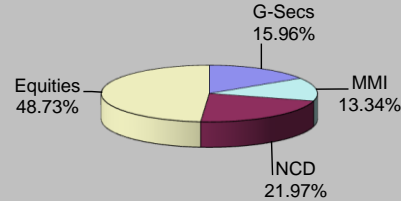
| SECURITIES   | HOLDING       |
|--|---------------|
| <b>GOVERNMENT SECURITIES</b>                       | <b>15.96%</b> |
| 8.2% GOVERNMENT OF INDIA 2022                      | 3.77%         |
| 7.8% GOVERNMENT OF INDIA 2021                      | 3.76%         |
| 8.15% GOVERNMENT OF INDIA 2022                     | 2.12%         |
| 8.79% GOVERNMENT OF INDIA 2021                     | 1.61%         |
| 7.59% GOVERNMENT OF INDIA 2016                     | 1.46%         |
| 8.08% GOVERNMENT OF INDIA 2022                     | 0.97%         |
| 8.3% GOVERNMENT OF INDIA 2040                      | 0.77%         |
| 6.9% GOVERNMENT OF INDIA 2019                      | 0.45%         |
| 8.28% GOVERNMENT OF INDIA 2032                     | 0.44%         |
| 7.02% GOVERNMENT OF INDIA 2016                     | 0.38%         |
| OTHER GOVERNMENT SECURITIES                        | 0.24%         |
| <b>CORPORATE DEBT</b>                              | <b>21.97%</b> |
| 8.7% POWER FINANCE CORPN. LTD. 2020                | 3.69%         |
| 8.48% L I C HOUSING FINANCE LTD. 2013              | 1.96%         |
| 5.9% H D F C BANK LTD. 2014                        | 1.50%         |
| 8.95% POWER FINANCE CORPN. LTD. 2015               | 1.25%         |
| NATIONAL BANK FOR AGRI. AND RURAL DEVELOPMENT 2011 | 1.24%         |
| 7.6% HOUSING DEVELOPMENT FINANCE CORPN. LTD. 2013  | 1.23%         |
| 10.05% MARICO LTD. 2013                            | 1.17%         |
| 9.4% NATIONAL BANK FOR AGRI. AND RURAL DEVELOPMI   | 1.17%         |
| 9.05% STATE BANK OF INDIA 2020                     | 1.16%         |
| 8.5% IDFC LTD 2012                                 | 1.16%         |
| OTHER CORPORATE DEBT                               | 6.45%         |
| <b>EQUITY</b>                                      | <b>48.73%</b> |
| I C I C I BANK LTD.                                | 3.07%         |
| RELIANCE INDUSTRIES LTD.                           | 2.97%         |
| I T C LTD.   | 2.72%         |
| INFOSYS LTD.                                       | 2.31%         |
| HOUSING DEVELOPMENT FINANCE CORPN. LTD.            | 2.10%         |
| H D F C BANK LTD.                                  | 2.03%         |
| LARSEN AND TOUBRO LTD.                             | 2.02%         |
| STATE BANK OF INDIA                                | 1.89%         |
| TATA CONSULTANCY SERVICES LTD.                     | 1.60%         |
| OIL AND NATURAL GAS CORPN. LTD.                    | 1.28%         |
| OTHER EQUITY                                       | 26.74%        |
| <b>MMI</b>   | <b>13.34%</b> |

### About the Fund

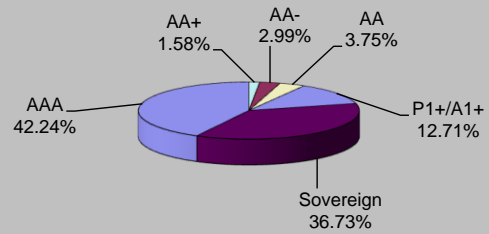
**Objective:** To achieve optimum balance between growth and stability to provide long-term capital appreciation with balanced level of risk by investing in fixed income securities and high quality equity security.

**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.

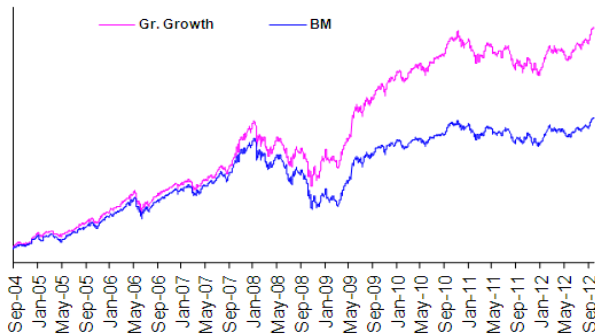
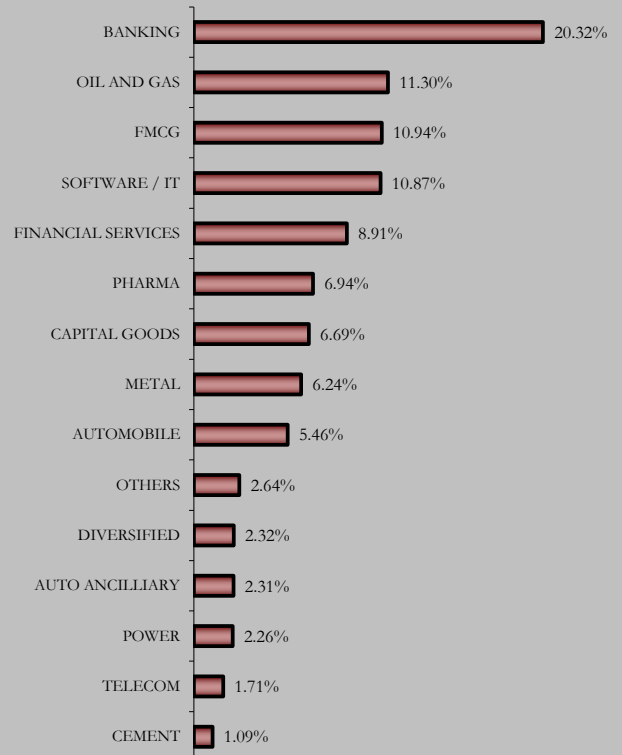
### Asset Allocation



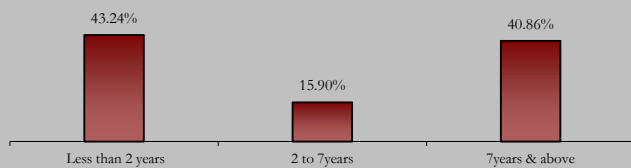
### Rating Profile



### Sectoral Allocation



### Maturity Profile



## Portfolio as on 30th September 2012

### SECURITIES

### HOLDING

#### GOVERNMENT SECURITIES

14.43%

|       |                             |       |
|-------|-----------------------------|-------|
| 7.8%  | GOVERNMENT OF INDIA 2021    | 3.63% |
| 8.97% | GOVERNMENT OF INDIA 2030    | 3.02% |
| 8.2%  | GOVERNMENT OF INDIA 2022    | 1.54% |
| 8.3%  | GOVERNMENT OF INDIA 2040    | 1.41% |
| 7.49% | GOVERNMENT OF INDIA 2017    | 1.40% |
| 8.15% | GOVERNMENT OF INDIA 2022    | 0.86% |
| 8.79% | GOVERNMENT OF INDIA 2021    | 0.59% |
| 7.59% | GOVERNMENT OF INDIA 2016    | 0.57% |
| 8.08% | GOVERNMENT OF INDIA 2022    | 0.57% |
| 7.46% | GOVERNMENT OF INDIA 2017    | 0.56% |
|       | OTHER GOVERNMENT SECURITIES | 0.29% |

#### CORPORATE DEBT

17.03%

|        |                                       |       |
|--------|---------------------------------------|-------|
| 11.5%  | RURAL ELECTRIFICATION CORPN. LTD. 201 | 3.54% |
| 10.9%  | RURAL ELECTRIFICATION CORPN. LTD. 201 | 2.92% |
| 6.1%   | NUCLEAR POWER CORPN. OF INDIA LTD. 20 | 2.77% |
| 9.47%  | POWER GRID CORPN. OF INDIA LTD. 2013  | 2.16% |
| 2%     | INDIAN HOTELS CO. LTD. 2014           | 1.41% |
| 7.75%  | RURAL ELECTRIFICATION CORPN. LTD. 201 | 1.15% |
| 8.7%   | POWER FINANCE CORPN. LTD. 2020        | 1.13% |
| 8.8%   | POWER GRID CORPN. OF INDIA LTD. 2019  | 0.71% |
| 11.95% | HOUSING DEVELOPMENT FINANCE CORP      | 0.65% |
| 10.48% | ULTRATECH CEMENT LTD. 2013            | 0.58% |

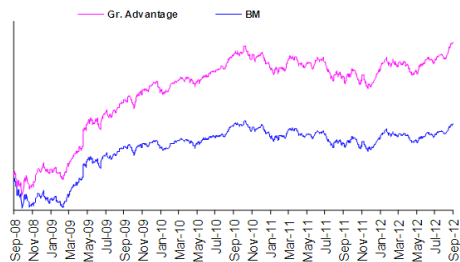
#### EQUITY

58.60%

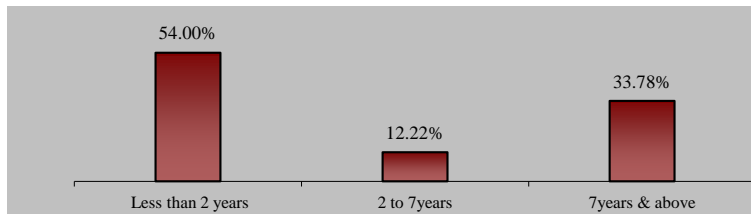
|  |   |        |
|--|---|--------|
|  | I C I C I BANK LTD.                     | 3.69%  |
|  | RELIANCE INDUSTRIES LTD.                | 3.57%  |
|  | I T C LTD.                              | 3.26%  |
|  | INFOSYS LTD.                            | 2.78%  |
|  | HOUSING DEVELOPMENT FINANCE CORPN. LTD. | 2.52%  |
|  | H D F C BANK LTD.                       | 2.45%  |
|  | LARSEN AND TOUBRO LTD.                  | 2.44%  |
|  | STATE BANK OF INDIA                     | 2.27%  |
|  | TATA CONSULTANCY SERVICES LTD.          | 1.94%  |
|  | OIL AND NATURAL GAS CORPN. LTD.         | 1.57%  |
|  | OTHER EQUITY                            | 32.12% |

#### MMI

9.94%



### Maturity Profile

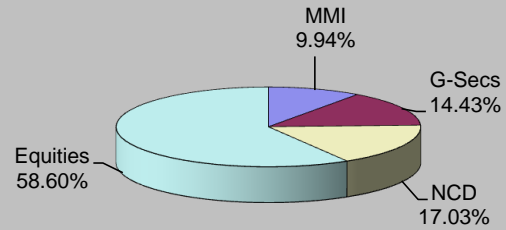


### About the Fund

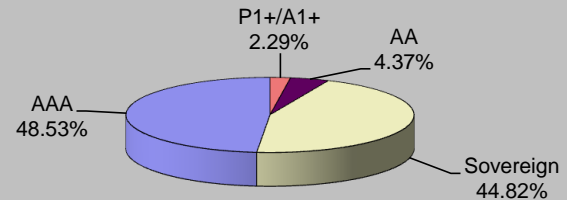
**Objective:** To provide blend of fixed return by investing in debt & money market instruments and capital appreciation by predominantly investing in equities of fundamentally strong and large blue chip companies.

**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.

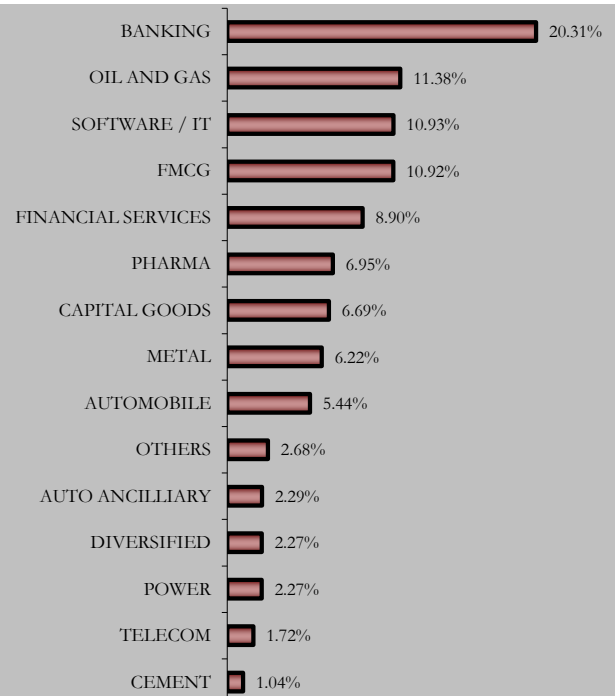
### Asset Allocation



### Rating Profile



### Sectoral Allocation





## Portfolio as on 30th September 2012

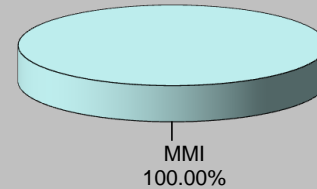
| SECURITIES                                  | HOLDING        |
|---|----------------|
| <b>GOVERNMENT SECURITIES</b>                | <b>0.00%</b>   |
| <b>CORPORATE DEBT</b>                       | <b>0.00%</b>   |
| <b>EQUITY</b>                               | <b>0.00%</b>   |
| <b>MMI</b>                                  | <b>100.00%</b> |
| 10.51% BANK OF BARODA FD QUARTERLY COMP (1  | 9.17%          |
| AFCONS INFRASTRUCTURE LTD. CP (MD 09/11/201 | 9.07%          |
| ORIENTAL BANK OF COMMERCE CD (MD 20/03/20   | 8.88%          |
| INDIAN OVERSEAS BANK CD ( MD 21/03/2013)    | 6.94%          |
| VIJAYA BANK CD ( MD 15/03/2013)             | 6.77%          |
| INFRASTRUCTURE DEVELOPMENT FINANCE CO. L    | 6.49%          |
| 10.90 PUNJAB AND NATIONAL BANK FD QTR (MD : | 6.12%          |
| 10.40% CORPORATION BANK FD QTR COMP (MD 0:  | 6.11%          |
| 10.50% STATE BANK OF HYDERABAD FD QUARTE    | 6.11%          |
| 10.90% CANARA BANK FD QUARTERLY COMP (MD    | 6.11%          |
| Others                                      | 28.25%         |

### About the Fund

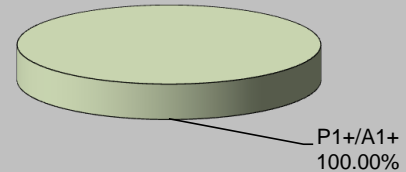
**Objective:** To provide reasonable returns, at a high level of safety and liquidity for capital conservation for the Policyholder

**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

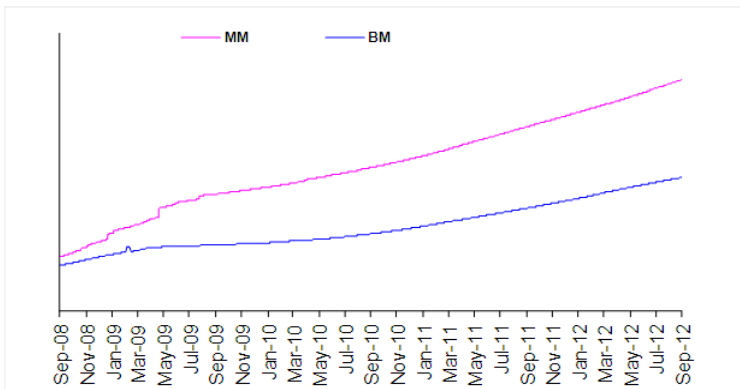
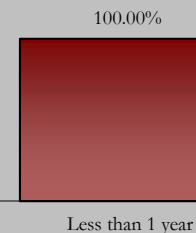
### Asset Allocation



### Rating Profile



### Maturity Profile



## Portfolio as on 30th September 2012

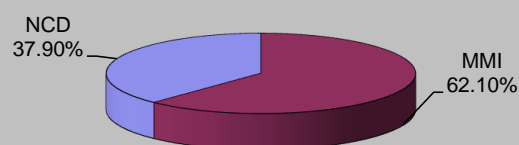
| SECURITIES                                | HOLDING       |
|---|---------------|
| <b>GOVERNMENT SECURITIES</b>              | <b>0.00%</b>  |
| <b>CORPORATE DEBT</b>                     | <b>37.90%</b> |
| 9.63% POWER FINANCE CORPN. LTD. 2014      | 4.98%         |
| 9.72% IDFC LTD 2013                       | 4.95%         |
| 9.62% L I C HOUSING FINANCE LTD. 2015     | 4.38%         |
| 9.7% HOUSING DEVELOPMENT FINANCE CORPN. I | 3.99%         |
| 9.9% MAHINDRA AND MAHINDRA FINANCIAL SERV | 3.98%         |
| 10.48% SUNDARAM FINANCE LTD. 2013         | 3.56%         |
| 9.62% L I C HOUSING FINANCE LTD. 2015     | 3.19%         |
| 8.5% IDFC LTD 2012                        | 2.55%         |
| 10.75% KOTAK MAHINDRA PRIME LTD. 2013     | 1.78%         |
| 9.9% HOUSING DEVELOPMENT FINANCE CORPN. I | 1.59%         |
| OTHER CORPORATE DEBT                      | 2.94%         |
| <b>SECURITISED DEBT</b>                   | <b>0.00%</b>  |
| <b>MMI</b>                                | <b>62.10%</b> |

### About the Fund

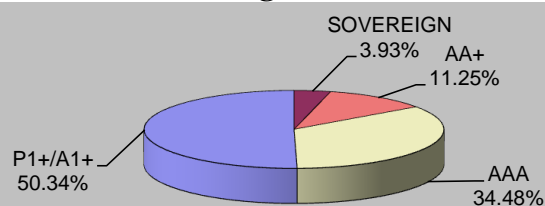
**Objective:** To provide capital preservation at a high level of safety & liquidity through judicious investments in high quality short-term debt instruments

**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.

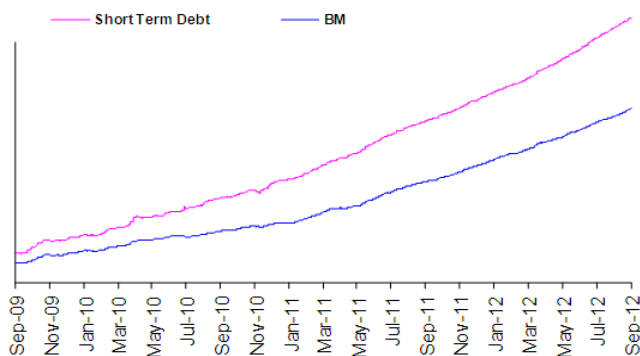
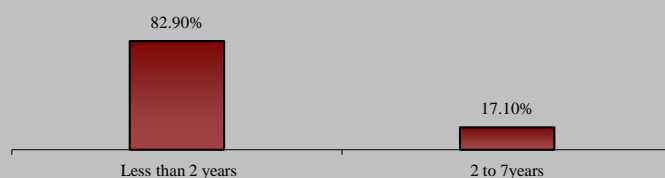
### Asset Allocation



### Rating Profile



### Maturity Profile



## Portfolio as on 30th September 2012

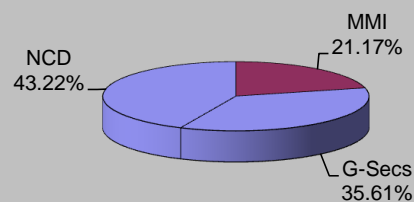
| SECURITIES                                   | HOLDING       |
|--|---------------|
| <b>GOVERNMENT SECURITIES</b>                 | <b>35.61%</b> |
| 8.08% GOVERNMENT OF INDIA 2022               | 12.33%        |
| 8.2% GOVERNMENT OF INDIA 2022                | 10.77%        |
| 8.79% GOVERNMENT OF INDIA 2021               | 8.42%         |
| 8.28% GOVERNMENT OF INDIA 2032               | 4.10%         |
| <b>CORPORATE DEBT</b>                        | <b>43.22%</b> |
| 10.6% INDIAN RAILWAY FINANCE CORPN. LTD. 201 | 9.04%         |
| 9.9% HOUSING DEVELOPMENT FINANCE CORPN. I    | 8.70%         |
| 10.1% HDB FINANCIAL SERVICES LTD 2017        | 8.68%         |
| 10.48% ULTRATECH CEMENT LTD. 2013            | 8.48%         |
| 7.75% RURAL ELECTRIFICATION CORPN. LTD. 2012 | 8.32%         |
| <b>SECURITISED DEBT</b>                      | <b>0.00%</b>  |
| <b>MMI</b>                                   | <b>21.17%</b> |

### About the Fund

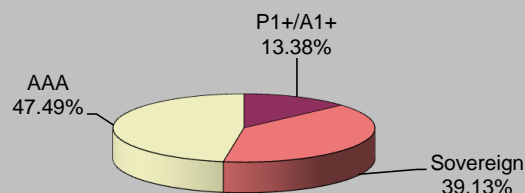
**Objective:** To provide capital preservation and regular income, at a high level of safety over a medium term horizon by investing in high quality debt instruments

**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.

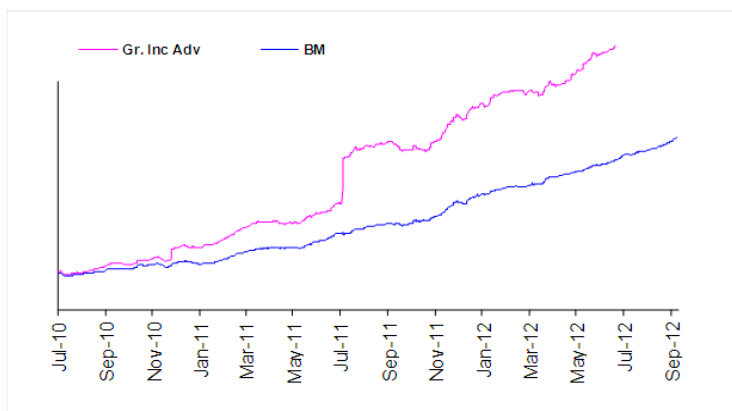
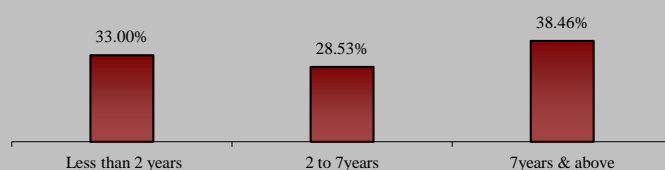
### Asset Allocation



### Rating Profile



### Maturity Profile



**Portfolio as on 30th September 2012**

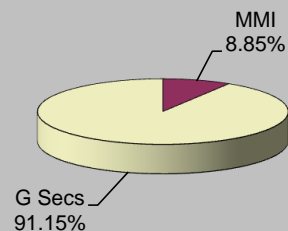
| SECURITIES                     | HOLDING       |
|--------------------------------|---------------|
| <b>GOVERNMENT SECURITIES</b>   | <b>91.15%</b> |
| 8.97% GOVERNMENT OF INDIA 2030 | 21.21%        |
| 8.35% GOVERNMENT OF INDIA 2022 | 20.17%        |
| 9.15% GOVERNMENT OF INDIA 2024 | 17.13%        |
| 8.79% GOVERNMENT OF INDIA 2021 | 12.49%        |
| 8.28% GOVERNMENT OF INDIA 2027 | 10.03%        |
| 8.28% GOVERNMENT OF INDIA 2032 | 9.93%         |
| 7.8% GOVERNMENT OF INDIA 2021  | 0.20%         |
| <b>CORPORATE DEBT</b>          | <b>0.00%</b>  |
| <b>EQUITY</b>                  | <b>0.00%</b>  |
| <b>MMI</b>                     | <b>8.85%</b>  |

**About the Fund**

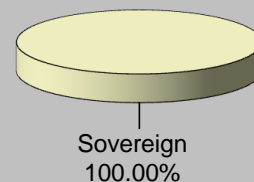
**Objective:** To deliver safe and consistent returns over a long-term period by investing in Government Securities.

**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.

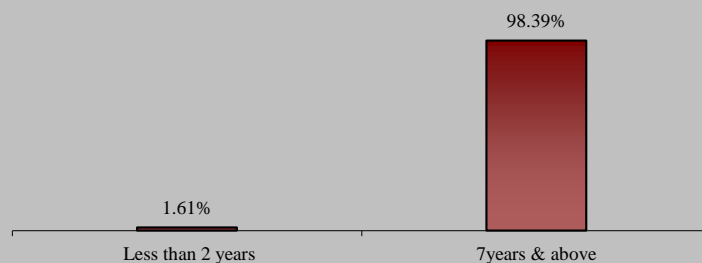
**Asset Allocation**



**Rating Profile**



**Maturity Profile**





## Portfolio as on 30th September 2012

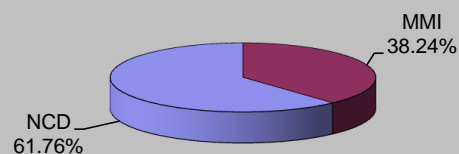
| SECURITIES                                      | HOLDING       |
|---|---------------|
| <b>GOVERNMENT SECURITIES</b>                    | <b>0.00%</b>  |
| <b>CORPORATE DEBT</b>                           | <b>61.76%</b> |
| 2% TATA STEEL LTD. 2022                         | 4.56%         |
| 9.8% L I C HOUSING FINANCE LTD. 2014            | 3.13%         |
| 9.35% RURAL ELECTRIFICATION CORPN. LTD. 2022    | 3.10%         |
| 9.57% L I C HOUSING FINANCE LTD. 2017           | 2.81%         |
| 8.73% POWER GRID CORPN. OF INDIA LTD. 2015      | 2.74%         |
| 9.75% TATA MOTORS LTD. 2020                     | 2.62%         |
| 9.45% L I C HOUSING FINANCE LTD. 2022           | 2.26%         |
| 9.5% HOUSING DEVELOPMENT FINANCE CORPN. LTD. 20 | 2.24%         |
| 12.65% CHOLAMANDALAM INVESTMENT AND FINANCE C   | 2.22%         |
| 11.3% A C C LTD. 2013                           | 2.14%         |
| OTHER CORPORATE DEBT                            | 33.93%        |
| <b>SECURITISED DEBT</b>                         | <b>0.00%</b>  |
| <b>EQUITY</b>                                   | <b>0.00%</b>  |
| <b>MMI</b>                                      | <b>38.24%</b> |

### About the Fund

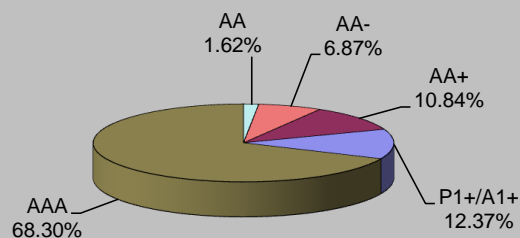
**Objective:** To achieve capital preservation along with stable returns by investing in corporate bonds over medium-term period.

**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.

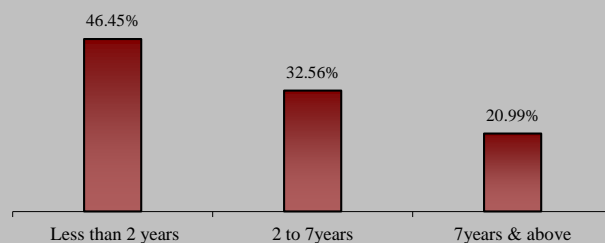
### Asset Allocation



### Rating Profile



### Maturity Profile



## Portfolio as on 30th September 2012

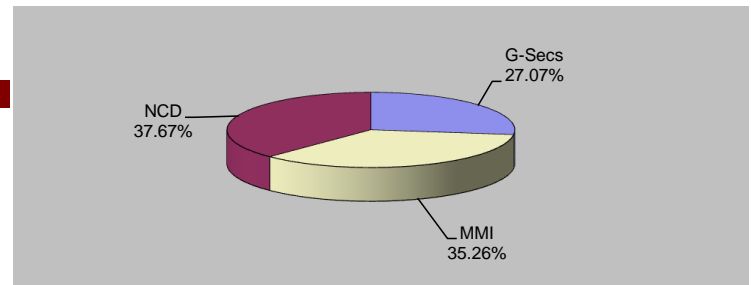
| SECURITIES                                     | HOLDING       |
|--|---------------|
| <b>GOVERNMENT SECURITIES</b>                   | <b>27.07%</b> |
| 9.15% GOVERNMENT OF INDIA 2024                 | 8.34%         |
| 8.15% GOVERNMENT OF INDIA 2022                 | 3.74%         |
| 8.79% GOVERNMENT OF INDIA 2021                 | 1.82%         |
| 8.08% GOVERNMENT OF INDIA 2022                 | 1.75%         |
| 7.8% GOVERNMENT OF INDIA 2021                  | 1.55%         |
| 7.8% GOVERNMENT OF INDIA 2020                  | 1.38%         |
| 8.97% GOVERNMENT OF INDIA 2030                 | 1.24%         |
| 8.2% GOVERNMENT OF INDIA 2022                  | 1.22%         |
| 7.99% GOVERNMENT OF INDIA 2017                 | 1.06%         |
| 8.28% GOVERNMENT OF INDIA 2032                 | 1.04%         |
| OTHER GOVERNMENT SECURITIES                    | 3.92%         |
| <b>CORPORATE DEBT</b>                          | <b>37.67%</b> |
| NATIONAL HOUSING BANK 2018                     | 4.70%         |
| NATIONAL BANK FOR AGRI. AND RURAL DEVELOPMEN   | 4.21%         |
| 8.84% POWER GRID CORPN. OF INDIA LTD. 2019     | 3.91%         |
| RURAL ELECTRIFICATION CORPN. LTD. 2020         | 2.23%         |
| 9.57% LIC HOUSING FINANCE LTD. 2017            | 2.01%         |
| 9.25% POWER GRID CORPN. OF INDIA LTD. 2020     | 2.00%         |
| 2% TATA STEEL LTD. 2022                        | 1.45%         |
| 9.5% HOUSING DEVELOPMENT FINANCE CORPN. LTD. : | 1.41%         |
| 10.2% SUNDARAM FINANCE LTD. 2014               | 1.40%         |
| 9.61% POWER FINANCE CORPN. LTD. 2021           | 1.35%         |
| OTHER CORPORATE DEBT                           | 13.00%        |
| <b>EQUITY</b>                                  | <b>0.00%</b>  |
| <b>MMI</b>                                     | <b>35.26%</b> |

### About the Fund

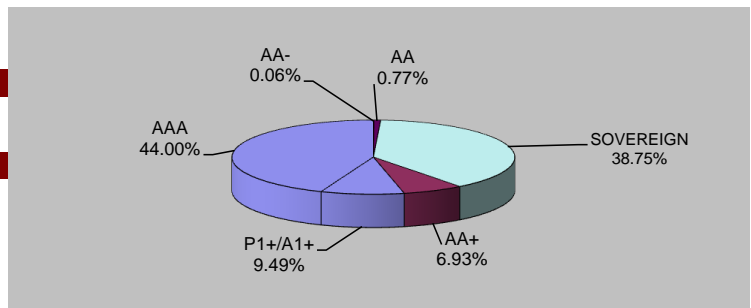
**Objective:** To achieve value creation at low risk over a long-term horizon by investing into high quality fixed interest securities.

**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

