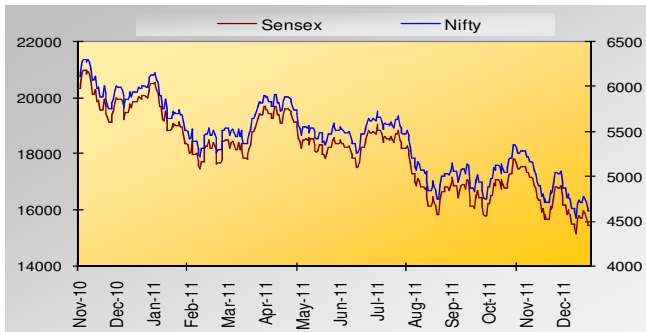
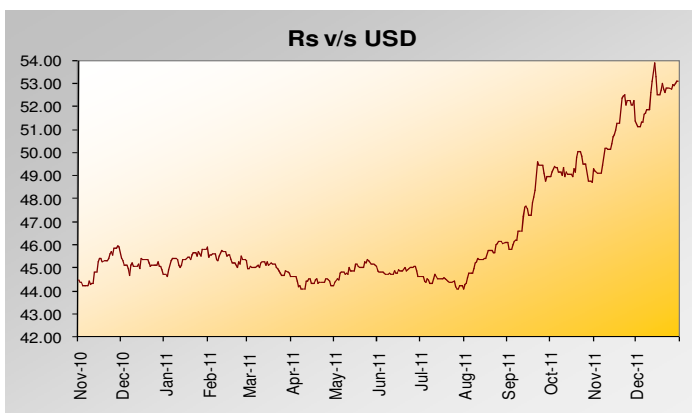
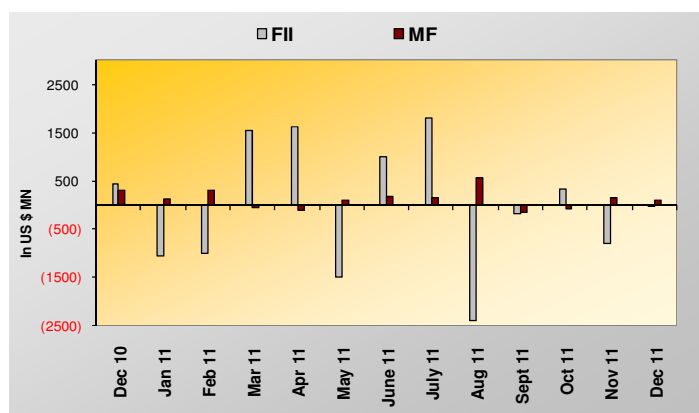


## Equity Market Outlook



Key Indices	31-Dec-11	30-Nov-11	% Change
Nifty	4624.30	4832.05	-4.30%
Sensex	15454.92	16123.46	-4.15%
BSE 100	7927.94	8330.57	-4.83%
Dow Jones	12217.56	12045.68	1.43%
Nikkei	8455.35	8434.61	0.25%
Hang Seng	18434.39	17989.35	2.47%
Nasdaq	2605.15	2620.34	-0.58%
KOSPI	1825.74	1847.51	-1.18%

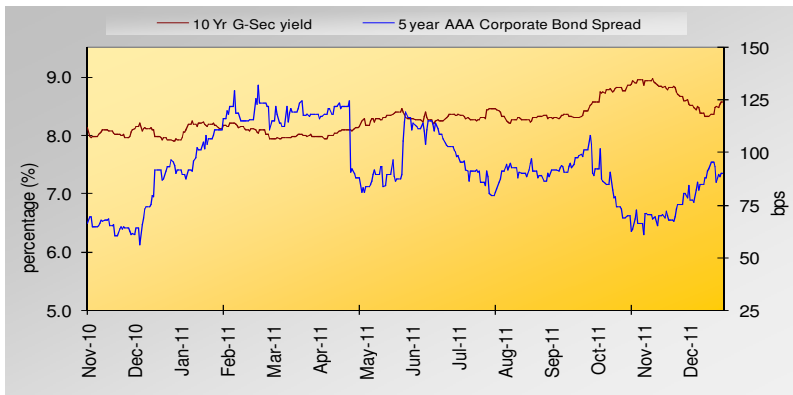
The Indian equity market continued its downward trend in December 2011, with the Sensex losing another 4%. The year ended with investor sentiments moving from one of hope at the beginning of the year to one of gloom and doom as the year went by. Unlike 2008, it has been a slow downward grind for the equity markets. The benchmark indices declined by around 25% in 2011 but the carnage was quite severe in the mid-cap space and the broader market. The value erosion in some of the mid-cap stocks and sectors is as bad as what was seen in the 2008 crash. The Indian Rupee and equity indices were among the worst performers globally. Much of this was self-inflicted. The domestic macro-economic environment deteriorated sharply due to continued monetary tightening by the central bank. There was also a lack of resolute policy response from the government. Global conditions are tough and the European problems worsened the global macro environment, pushing most economies into a somewhat distressing low-growth cycle, which is now in its third year. One big solace for the global economy, however, is the recovery of the US economy which has surprised positively with its improving PMI, retail sales and employment generation.



At home, due to the political logjam, policy decisions have been derailed and the slowdown is quite evident. Recent GDP and IIP data indicates a more subdued FY12. GDP growth is expected to be around 7.25%-7.5%. The growth slowdown has been led by a fall in corporate and government investment. Industrial production has slowed with capital goods registering a 25% de-growth. Business confidence is low and many big Indian Corporates have raised concerns on the government's policy paralysis, regulatory hurdles and lack of reforms. We are witnessing many deferrals of the existing projects and delays in capex plans. If the investment rate, which is now at a 5-year low, is to see a revival, regulatory approvals have to be speeded in 2012 and the government needs to act together and fast track the approval process for project clearances. The consensus earnings estimates for FY2012-13 has been revised downwards by 9-10% and the CAGR growth estimate for FY2012-13 now stands at 12%-13%. Any meaningful revival in the equity market can only be led by a reversal in policy rates. With growth slowing down considerably, a cut in policy rates seems inevitable. Headline inflation remained high mainly on account of imported inflationary pressures led by the rupee's depreciation. A complete breakdown in the rupee was arrested, thanks to the increase in FDI and FII investment in debt. This kept the current account deficit at manageable levels and the BoP positive.

In 2011, emerging market equity, India Included, did not find favour with foreign investors. 2012, however, could be different and surprise us positively. How Indian equity will perform in 2012 will depend greatly on how the government and policymakers respond and provide solutions to the stasis in the economy. As the saying goes, in every large problem there lies an opportunity. What could support a revival is the attractive equity valuations, which are near historic lows. Current valuations appear to be discounting all the negatives. The BSE Market Cap to GDP at around 0.6 times is very close to the 2008 panic bottom level of 0.55 times. The equity earnings yield is at 8%, equivalent to the 10 year G-Sec yield. The one year forward P/E multiple is at 12x, significantly lower than the 15 year average of 15x. In this scenario, any resolution to the growth and investment slowdown, could lead to a spectacular rally in the equity market in 2012. Even if the current inaction persists, the downside for the equity market is limited. RBI has been doing Open Market Operations to infuse liquidity and attempting to attract higher debt capital flows through changes in the regulatory regime. With inflation expected to come down to 7% by March 2012, RBI is expected to focus on growth rather than inflation resulting in substantial monetary easing in 2012. Investor sentiments have already turned positive at the start of the New Year 2012 and we believe that all Indian investors would have a happy and prosperous year ahead.

## Debt Market Outlook



Key Indices	31-Dec-11	30-Nov-11	% Change
10 year G-Sec	8.57%	8.74%	-1.99%
5 Year G-Sec	8.44%	8.71%	-3.09%
91 Day T Bill	8.52%	8.85%	-3.73%
364 day T-Bill	8.43%	8.69%	-2.99%
MIBOR	9.80%	9.31%	5.26%
Call Rates	8.91%	8.58%	3.85%
Inflation	9.10%	9.70%	-6.19%

Global economies are currently going through a recalibration of growth expectations and global growth may moderate in 2012. The European debt situation is still a matter of concern. The U.S. economy is expected to show slow and uneven expansion. Governments no longer enjoy the freedom they had in the credit crisis period to undertake growth boosting stimulus measures. The Middle East risks, which are still underpriced by the market, could create commodity price volatility, adding uncertainty to the inflation outlook. In this adverse macro landscape, we believe that more domestically oriented economies will be more resilient in the medium term.

The Indian economy faces significant headwinds that could result in a deceleration in growth. Increased fiscal constraints, high inflation, the government's policy paralysis and the impact of monetary tightening will take a toll on domestic growth.

Inflation has remained stubbornly high in India due to structurally high primary product inflation. Rising incomes, higher rural wages because of higher support prices of agricultural crops, a deteriorating fiscal situation and the depreciation of the rupee have all been responsible for high inflation. However, there are now signs that inflation will soften. Headline WPI inflation in November eased to 9.1% y-o-y from 9.7% in October. We expect WPI inflation to moderate to around 8% in December and to below 7% by March 2012.

In response to high inflation, the RBI has raised rates 13 times so far (effective tightening at 525bps). In its latest policy, it has stated that "the likelihood of (further) rate action is relatively low". We thus expect the RBI to begin its easing cycle soon and lower cash reserve ratio (CRR) requirements in the next four months. Once it sees a substantial drop in both headline and core inflation, RBI may begin to drop interest rates. We also expect RBI to infuse liquidity by doing more (OMO) buy back of securities.

The yield in G-Sec market is expected to be ~ 8.20/8.40%, given the positive sentiment after the buyback of securities. Corporate bonds will again track G-Sec with a spread of ~ 75 bps.



## Learning Curve

### Rating Profile

In the monthly Factsheet, we provide the Rating Profile of debt portfolio of various funds. Let us understand what it actually signifies.

The rating profile highlights the underlying credit quality of the debt portfolio of a fund and is important as it reflects the credit risks the fund manager is taking. It is important for policyholders, to know the credit quality of their investments to determine the safety of their investment. The larger the percentage of holding is in higher rated papers, the lower is the credit risk.

Each debt security is assigned a credit rating by Credit Rating Agencies like CRISIL, CARE, ICRA, Fitch etc. A credit rating of a particular debt security defines the fundamental credit profile of that company, which helps the fund management team determine the likelihood that the issuer of the security will pay coupon payments in a timely fashion and more importantly the initial investment at maturity.

The Credit rating agency gives a forward-looking opinion about the creditworthiness of the issuer of the security by conducting extensive research before assigning a credit rating to them. This includes analysis and projecting the company's business risk, financial risk and management risk. The credit rating of the debt security affects the interest rate that the issuer will need to pay investors. Hence, stronger the credit rating the lower the interest expense for the issuer.

The securities issued by the government are assigned **Sovereign rating** and carry the highest level of safety. Thus government securities carry almost zero risk of default.

Corporate debt securities are assigned following credit ratings for medium to long term debt instruments:

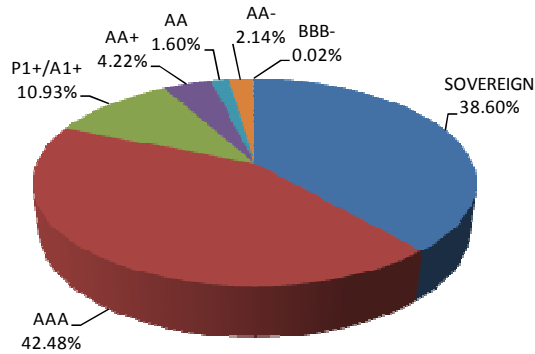
Rating	Meaning	Description
AAA	Highest Safety	Highest degree of safety with regard to timely payment of financial obligations.
AA	High Safety	High degree of safety with regard to timely payment of financial obligations.
BBB	Moderate Safety	Changing circumstances are more likely to lead to a weakened capacity to make payments
BB	Inadequate Safety	Adverse change in circumstances could lead to inadequate capacity to make payments
B	High Risk	Adverse business or economic conditions may lead to lack of ability or willingness to make payments
C	Substantial Risk	Timely payment of financial obligations is possible only if favourable circumstances continue.
D	Default	Are expected to default on scheduled payment dates.

(Note: Ratings from 'AA' to 'C' are often modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.)

Corporate debt instruments rated below BBB- (i.e. BB+ & BELOW) are considered non- investment grade and are termed as "junk bonds" in the market.

The scale for short-term rating differs from long-term scale – where A1+ is the highest credit rating for short term debt (Money Market Instruments).

**Rating profile of BSLI debt portfolio as on 31<sup>st</sup> December 2011:**



It can be observed from the above graph that we maintain a high portfolio quality. We predominantly invest in highest rated instruments i.e. Sovereign, AAA and P1+/A1+ indicating that the fund is taking the least credit risk.

**Arpita Nanoti**

Head – Investment Communication & Advisory



## FUND PERFORMANCE AS ON 31ST DECEMBER 2011

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	-0.97%	-0.71%	-6.19%	-5.35%	-11.58%	-9.84%	-12.93%	-12.74%
Last 2 years	3.39%	2.50%	1.50%	0.78%	-0.04%	-0.97%	-0.45%	-2.16%
Last 3 years	8.91%	6.37%	10.65%	8.10%	12.90%	9.73%	15.41%	10.77%
Last 4 year	7.00%	2.55%	4.70%	1.01%	5.12%	-0.56%	-	-
Last 5 years	9.09%	5.21%	8.24%	5.12%	10.90%	5.09%	-	-
Since Inception	10.73%	-	13.74%	-	15.18%	-	10.71%	-

<b>Asset Held (Rs. In Crores)</b>	<b>595</b>	<b>325</b>	<b>177</b>	<b>19</b>
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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	9.25%	6.95%	8.20%	-	8.28%	5.71%	9.03%	6.65%	12.41%	5.71%
Last 2 years	8.04%	5.44%	8.19%	-	8.30%	4.74%	7.74%	5.08%	-	-
Last 3 years	9.96%	4.86%	9.65%	-	9.99%	3.94%	8.61%	-	-	-
Last 4 year	10.60%	-	11.29%	-	12.33%	4.24%	-	-	-	-
Last 5 years	10.92%	-	-	-	11.47%	4.88%	-	-	-	-
Since Inception	9.62%	-	11.50%	-	8.28%	-	8.44%	-	9.55%	4.90%

<b>Asset Held (Rs. In Crores)</b>	<b>171</b>	<b>159</b>	<b>98</b>	<b>62</b>	<b>1</b>
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<u>Fund Name</u>	<u>Benchmark Composition</u>		<u>SFIN</u>
Secure	BSE 100	Crisil Composite Bond Index	ULGF00212/06/01BSLGSECURE109
Stable	BSE 100	Crisil Composite Bond Index	ULGF00312/06/01BSLGSTABLE109
Growth	BSE 100	Crisil Composite Bond Index	ULGF00112/06/01BSLGGROWTH109
Growth Advantage	BSE 100	Crisil Composite Bond Index	ULGF01026/11/07BSLIGGRADV109
Money Market	-	Crisil Liquid Fund Index	ULGF00824/08/04BSLIGRMMKT109
Income Advantage	-	Crisil Composite Bond Index	ULGF01425/02/10BSLGINCADV109
Fixed Interest	-	Crisil Composite Bond Index	ULGF00416/07/02BSLGFIXINT109
Short Term Debt Fund	-	Crisil Short Term Bond Index	ULGF01322/09/08BSLGSHTDBT109
Bond Fund	-	-	ULGF00530/05/03BSLIGRBOND109

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## Portfolio as on 31st December 2011

### SECURITIES HOLDING

#### GOVERNMENT SECURITIES 23.84%

7.8%	GOVERNMENT OF INDIA 2021	3.86%
8.26%	GOVERNMENT OF INDIA 2027	2.91%
8.13%	GOVERNMENT OF INDIA 2022	2.44%
8.2%	GOVERNMENT OF INDIA 2022	2.31%
8.79%	GOVERNMENT OF INDIA 2021	1.71%
8.28%	GOVERNMENT OF INDIA 2032	1.54%
6.35%	GOVERNMENT OF INDIA 2020	1.05%
8.08%	GOVERNMENT OF INDIA 2022	0.94%
8.32%	GOVERNMENT OF INDIA 2032	0.85%
7.59%	GOVERNMENT OF INDIA 2016	0.78%
	OTHER GOVERNMENT SECURITIES	5.46%

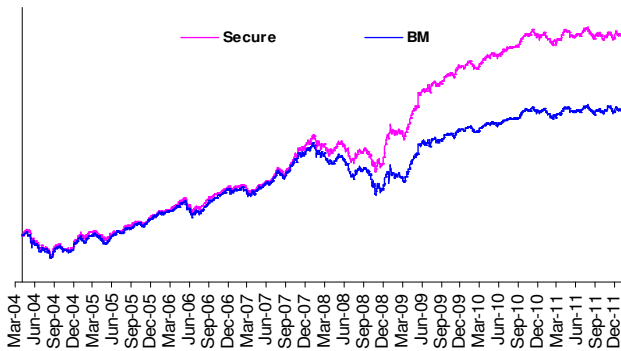
#### CORPORATE DEBT 38.12%

8.9%	STEEL AUTHORITY OF INDIA LTD. 2019	3.04%
9.15%	LARSEN AND TOUBRO LTD. 2019	2.71%
11.45%	RELIANCE INDUSTRIES LTD. 2013	1.82%
10.9%	RURAL ELECTRIFICATION CORPN. LTD. 2013	1.68%
	HOUSING DEVELOPMENT FINANCE CORPN. LTD. 201	1.34%
11.5%	RURAL ELECTRIFICATION CORPN. LTD. 2013	1.30%
9.47%	POWER GRID CORPN. OF INDIA LTD. 2012	1.28%
9.05%	RALLIS INDIA LTD. 2013	1.23%
10.25%	TECH MAHINDRA LTD. 2014	1.14%
10.48%	SUNDARAM FINANCE LTD. 2013	1.05%
	OTHER CORPORATE DEBT	21.52%

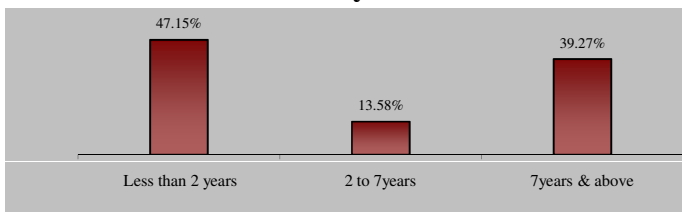
#### EQUITY 17.45%

	RELIANCE INDUSTRIES LTD.	1.41%
	INFOSYS LTD.	1.37%
	ITC LTD.	1.06%
	ICICI BANK LTD.	1.03%
	STATE BANK OF INDIA	0.74%
	HDFC BANK LTD.	0.63%
	LARSEN AND TOUBRO LTD.	0.62%
	BHARTI AIRTEL LTD.	0.57%
	OIL AND NATURAL GAS CORPN. LTD.	0.54%
	TATA CONSULTANCY SERVICES LTD.	0.52%
	OTHER EQUITY	8.96%

#### MMI 20.60%



### Maturity Profile

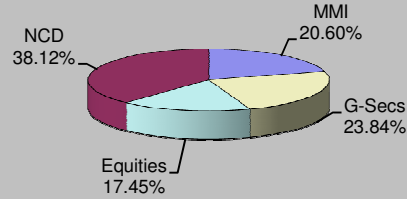


### About the Fund

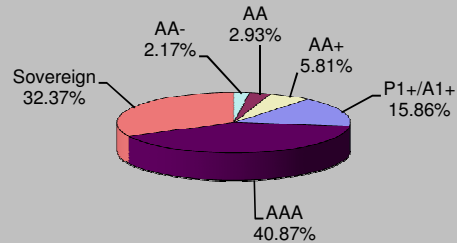
**Objective:** To build capital and generate better returns at moderate level of risk, over a medium or long-term period through a balance of investment in equity and debt.

**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.

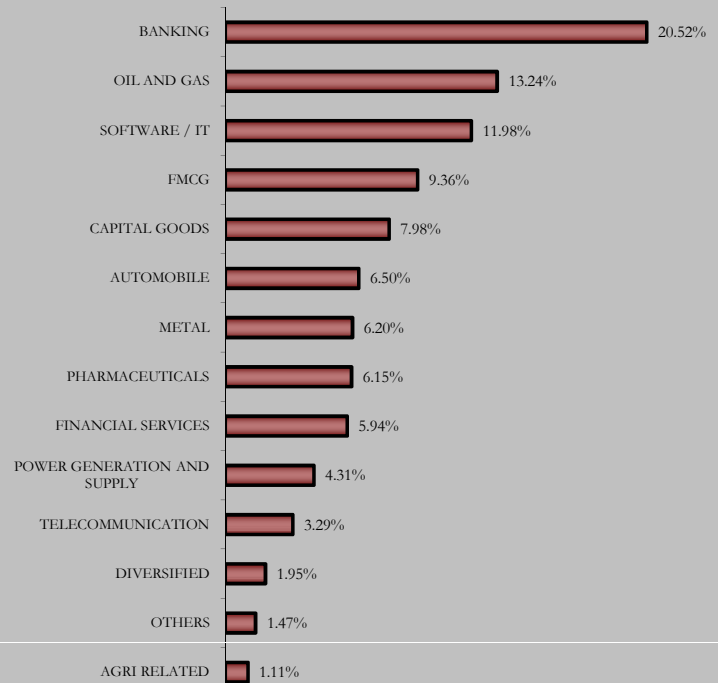
### Asset Allocation



### Rating Profile



### Sectoral Allocation

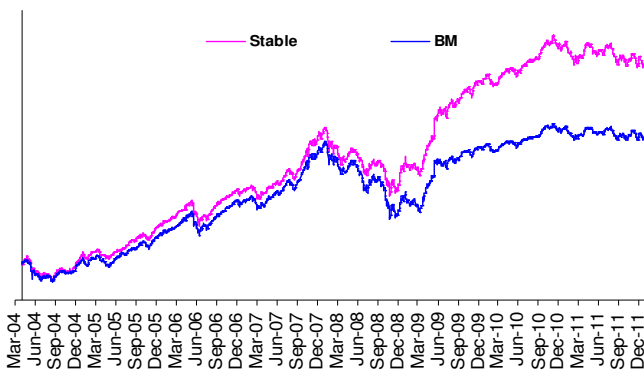


## Portfolio as on 31st December 2011

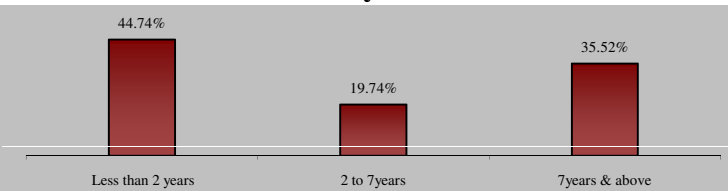
SECURITIES	HOLDING
<b>GOVERNMENT SECURITIES</b>	<b>21.68%</b>
7.8% GOVERNMENT OF INDIA 2021	3.87%
8.28% GOVERNMENT OF INDIA 2032	2.47%
8.26% GOVERNMENT OF INDIA 2027	2.27%
8.2% GOVERNMENT OF INDIA 2022	1.99%
7.44% GOVERNMENT OF INDIA 2012	1.90%
8.08% GOVERNMENT OF INDIA 2022	1.81%
8.79% GOVERNMENT OF INDIA 2021	1.56%
8.3% GOVERNMENT OF INDIA 2040	1.41%
7.59% GOVERNMENT OF INDIA 2015	1.30%
7.5% GOVERNMENT OF INDIA 2034	1.17%
OTHER GOVERNMENT SECURITIES	1.92%
<b>CORPORATE DEBT</b>	<b>33.08%</b>
8.65% RURAL ELECTRIFICATION CORPN. LTD. 2019	2.79%
9.45% RURAL ELECTRIFICATION CORPN. LTD. 2013	2.55%
9.5% NATIONAL BANK FOR AGRI. AND RURAL DEVELOPM	2.09%
8.7% POWER FINANCE CORPN. LTD. 2020	1.71%
11.4% POWER FINANCE CORPN. LTD. 2013	1.68%
10.1% POWER GRID CORPN. OF INDIA LTD. 2017	1.53%
9.4% NATIONAL HOUSING BANK 2013	1.47%
8.9% POWER FINANCE CORPN. LTD. 2014	1.46%
12.65% CHOLAMANDALAM INVESTMENT AND FINANCE C	1.44%
8.55% TATA MOTORS FINANCE LTD. 2012	1.43%
OTHER CORPORATE DEBT	14.93%

EQUITY	31.14%
INFOSYS LTD.	2.50%
RELIANCE INDUSTRIES LTD.	2.48%
I T C LTD.	1.90%
I C I C I BANK LTD.	1.81%
STATE BANK OF INDIA	1.28%
LARSEN AND TOUBRO LTD.	1.10%
H D F C BANK LTD.	1.09%
BHARTI AIRTEL LTD.	1.04%
TATA CONSULTANCY SERVICES LTD.	0.95%
OIL AND NATURAL GAS CORPN. LTD.	0.93%
OTHER EQUITY	16.06%

MMI	14.10%
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### Maturity Profile

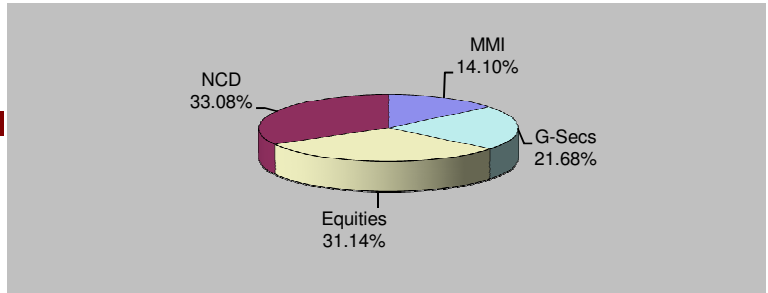


### About the Fund

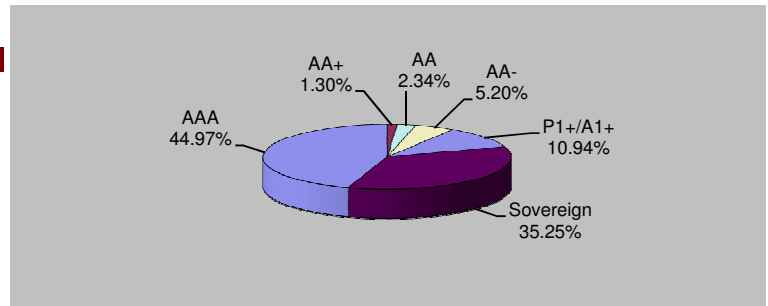
**Objective:** To grow your capital through enhanced returns over a medium to long term period through investments in equity and debt instruments, thereby providing a good balance between risk and return.

**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.

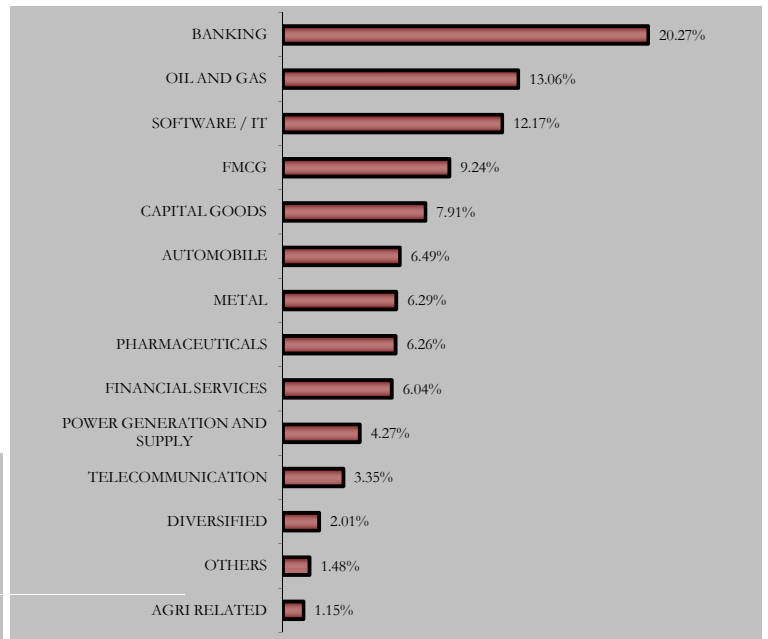
### Asset Allocation



### Rating Profile



### Sectoral Allocation

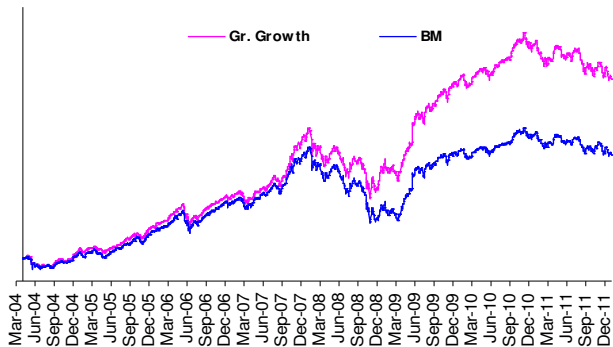


## Portfolio as on 31st December 2011

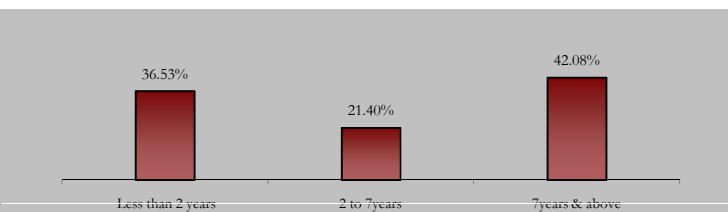
SECURITIES	HOLDING
<b>GOVERNMENT SECURITIES</b>	<b>17.75%</b>
7.8% GOVERNMENT OF INDIA 2021	4.68%
8.2% GOVERNMENT OF INDIA 2022	4.15%
8.79% GOVERNMENT OF INDIA 2021	2.87%
7.59% GOVERNMENT OF INDIA 2016	1.82%
6.9% GOVERNMENT OF INDIA 2019	1.59%
8.08% GOVERNMENT OF INDIA 2022	1.21%
8.3% GOVERNMENT OF INDIA 2040	0.95%
7.02% GOVERNMENT OF INDIA 2016	0.47%
<b>CORPORATE DEBT</b>	<b>24.74%</b>
8.7% POWER FINANCE CORPN. LTD. 2020	4.56%
8.48% L I C HOUSING FINANCE LTD. 2013	2.45%
5.9% H D F C BANK LTD. 2014	1.84%
8.95% POWER FINANCE CORPN. LTD. 2015	1.56%
10.05% MARICO LTD. 2013	1.48%
9.4% NATIONAL BANK FOR AGRI. AND RURAL DEVELOPM	1.47%
8.5% INFRASTRUCTURE DEVELOPMENT FINANCE CO. LTD	1.46%
9.05% STATE BANK OF INDIA 2020	1.43%
9.25% DR. REDDYS LABORATORIES LTD. 2014	1.09%
8.2% ASHOK LEYLAND LTD. 2015	1.06%
OTHER CORPORATE DEBT	6.35%

EQUITY	45.02%
INFOSYS LTD.	3.62%
RELIANCE INDUSTRIES LTD.	3.58%
I T C LTD.	2.79%
I C I C I BANK LTD.	2.59%
STATE BANK OF INDIA	1.82%
LARSEN AND TOUBRO LTD.	1.59%
H D F C BANK LTD.	1.58%
BHARTI AIRTEL LTD.	1.51%
OIL AND NATURAL GAS CORPN. LTD.	1.31%
TATA CONSULTANCY SERVICES LTD.	1.31%
OTHER EQUITY	23.32%

MMI	12.49%
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### Maturity Profile

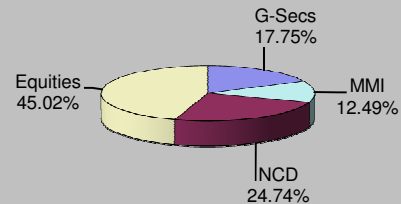


### About the Fund

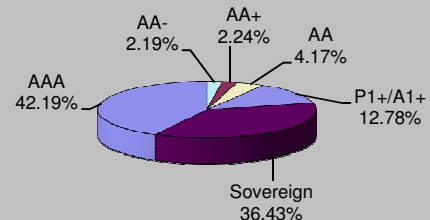
**Objective:** To achieve optimum balance between growth and stability to provide long-term capital appreciation with balanced level of risk by investing in fixed income securities and high quality equity security.

**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.

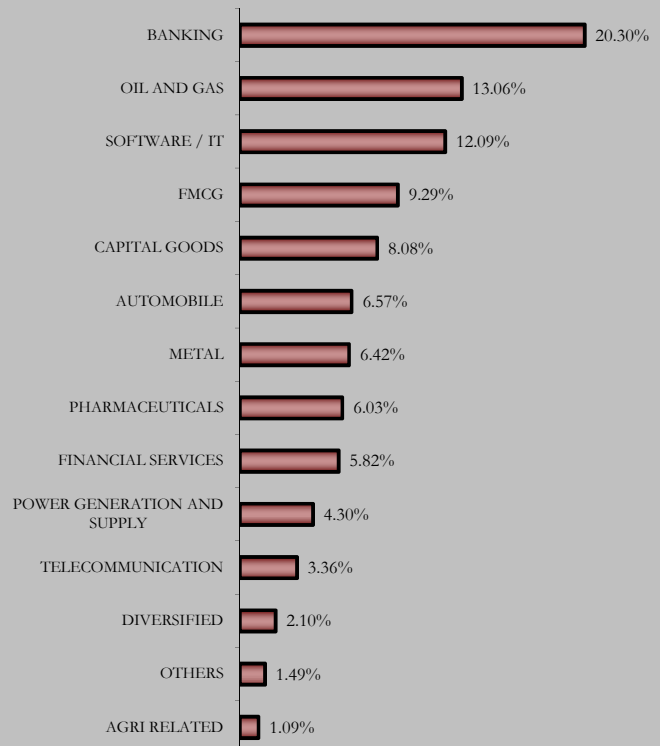
### Asset Allocation



### Rating Profile



### Sectoral Allocation





## Portfolio as on 31st December 2011

### SECURITIES HOLDING

#### GOVERNMENT SECURITIES 13.97%

7.8%	GOVERNMENT OF INDIA 2021	3.21%
8.79%	GOVERNMENT OF INDIA 2021	2.63%
8.13%	GOVERNMENT OF INDIA 2022	2.53%
8.2%	GOVERNMENT OF INDIA 2022	1.37%
7.49%	GOVERNMENT OF INDIA 2017	1.24%
8.3%	GOVERNMENT OF INDIA 2040	1.23%
8.08%	GOVERNMENT OF INDIA 2022	0.50%
7.59%	GOVERNMENT OF INDIA 2016	0.50%
7.46%	GOVERNMENT OF INDIA 2017	0.49%
7.99%	GOVERNMENT OF INDIA 2017	0.25%

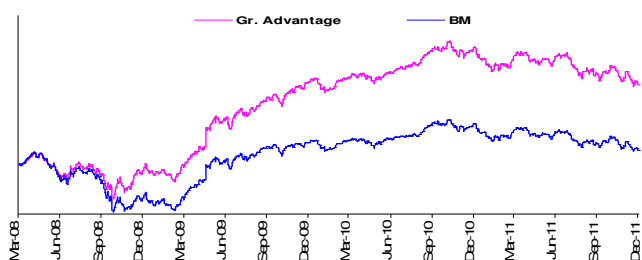
#### CORPORATE DEBT 15.15%

11.5%	RURAL ELECTRIFICATION CORPN. LTD. 201	3.21%
10.9%	RURAL ELECTRIFICATION CORPN. LTD. 201	2.64%
6.1%	NUCLEAR POWER CORPN. OF INDIA LTD. 20	2.42%
9.47%	POWER GRID CORPN. OF INDIA LTD. 2013	1.94%
2%	INDIAN HOTELS CO. LTD. 2014	1.18%
7.75%	RURAL ELECTRIFICATION CORPN. LTD. 201	1.02%
8.7%	POWER FINANCE CORPN. LTD. 2020	0.99%
8.8%	POWER GRID CORPN. OF INDIA LTD. 2019	0.63%
11.95%	HOUSING DEVELOPMENT FINANCE CORP	0.58%
10.48%	ULTRATECH CEMENT LTD. 2013	0.53%

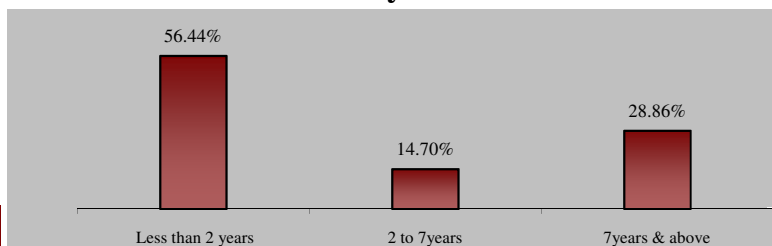
#### EQUITY 53.49%

	INFOSYS LTD.	4.31%
	RELIANCE INDUSTRIES LTD.	4.24%
	I T C LTD.	3.26%
	I C I C I BANK LTD.	3.11%
	STATE BANK OF INDIA	2.32%
	H D F C BANK LTD.	2.02%
	LARSEN AND TOUBRO LTD.	1.95%
	BHARTI AIRTEL LTD.	1.85%
	OIL AND NATURAL GAS CORPN. LTD.	1.59%
	HINDUSTAN UNILEVER LTD.	1.56%
	OTHER EQUITY	27.27%

#### MMI 17.39%



### Maturity Profile

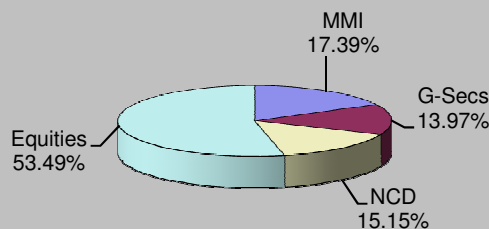


### About the Fund

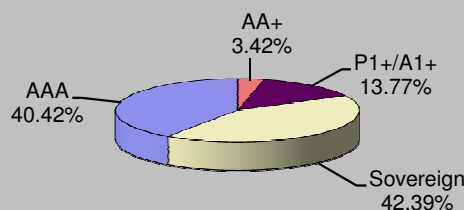
**Objective:** To provide blend of fixed return by investing in debt & money market instruments and capital appreciation by predominantly investing in equities of fundamentally strong and large blue chip companies.

**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.

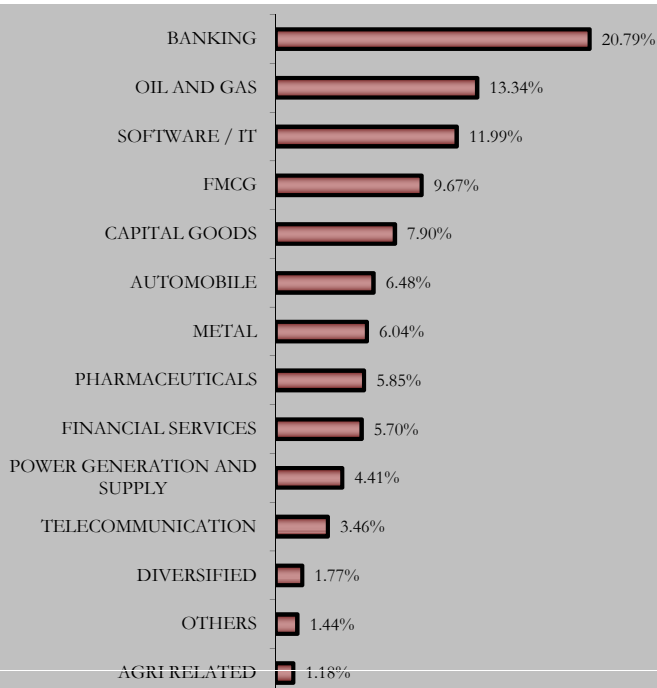
### Asset Allocation



### Rating Profile



### Sectoral Allocation



## Portfolio as on 31st December 2011

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>

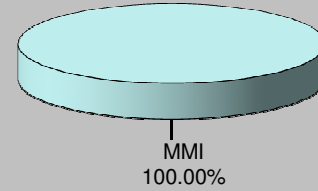
RANBAXY LABORATORIES LTD CP (MD 22/10/12)	9.77%
PUNJAB NATIONAL BANK CD (MD 29/11/2012)	8.56%
CHOLAMANDALAM INVST AND FINANCE CP (MD	7.45%
NRB BEARINGS LIMITED CP (MD 22/02/12)	5.68%
BAJAJ ELECTRICALS LTD CPM (MD 20/04/12)	5.57%
KOTAK MAHINDRA PRIME LTD CP (MD 08/06/2012)	5.52%
BLUE STAR Ltd. CP (MD 19/07/2012)	5.48%
NABARD CD (MD 25/10/12)	5.43%
ADITYA BIRLA FINANCE LIMITED CPM (MD 14/09/	5.37%
G I C HOUSING FINANCE LTD. CPM (MD 21/09/201	5.36%
OTHER MMI	35.81%

### About the Fund

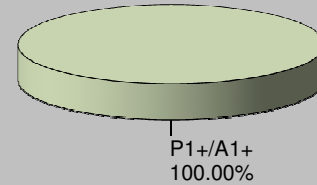
**Objective:** To provide reasonable returns, at a high level of safety and liquidity for capital conservation for the Policyholder

**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

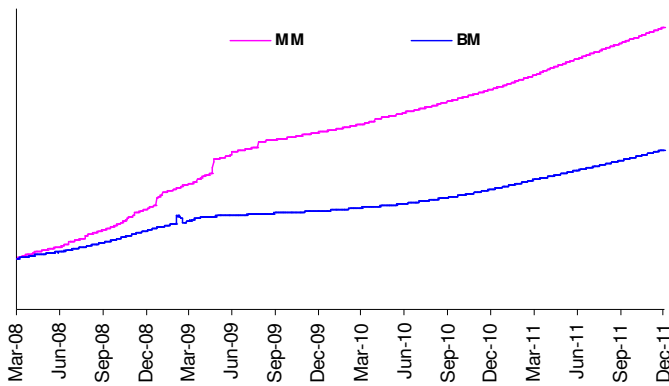
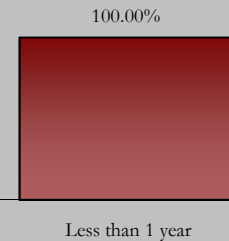
### Asset Allocation



### Rating Profile



### Maturity Profile



## Portfolio as on 31st December 2011

SECURITIES	HOLDING
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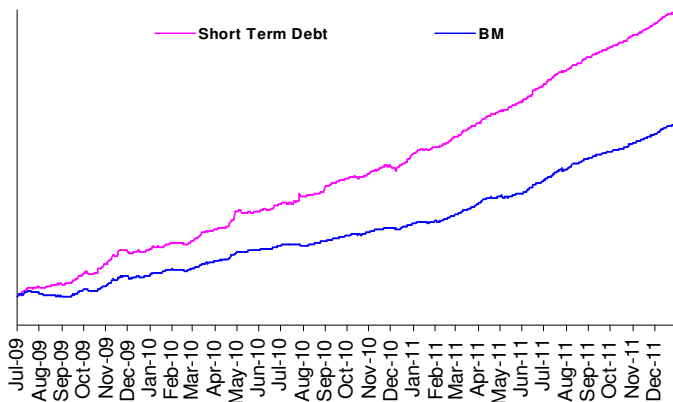
<b>GOVERNMENT SECURITIES</b>	<b>0.00%</b>
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<b>CORPORATE DEBT</b>	<b>59.72%</b>
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7.73% BHARAT PETROLEUM CORPN. LTD. 2012	6.97%
9.65% NATIONAL BANK FOR AGRI. AND RURAL DE	4.97%
HOUSING DEVELOPMENT FINANCE CORPN. LTD. 2	4.55%
8.5% INFRASTRUCTURE DEVELOPMENT FINANCE C	4.45%
9.72% INFRASTRUCTURE DEVELOPMENT FINANCE	4.03%
9.63% POWER FINANCE CORPN. LTD. 2014	4.02%
9.65% HOUSING DEVELOPMENT FINANCE CORPN.	4.01%
7.35% HINDUSTAN PETROLEUM CORPN. LTD. 2012	3.47%
10.4% I C I C I SECURITIES PRIMARY DEALERSHIP L	3.24%
10.25% ASHOK LEYLAND LTD. 2016	3.23%
OTHER CORPORATE DEBT	16.78%

<b>SECURITISED DEBT</b>	<b>0.00%</b>
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<b>MMI</b>	<b>40.28%</b>
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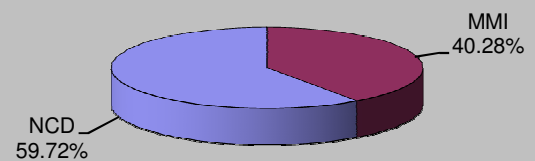


### About the Fund

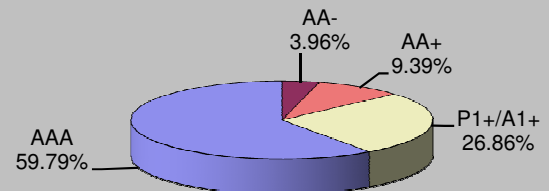
**Objective:** To provide capital preservation at a high level of safety & liquidity through judicious investments in high quality short-term debt instruments

**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.

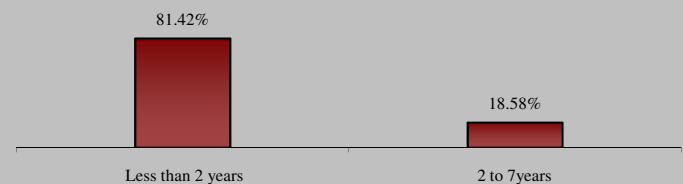
### Asset Allocation



### Rating Profile



### Maturity Profile



## Portfolio as on 31st December 2011

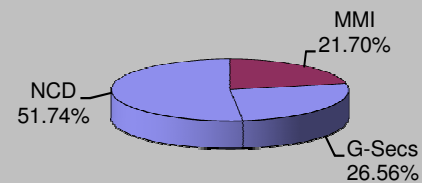
SECURITIES	HOLDING
<b>GOVERNMENT SECURITIES</b>	<b>26.56%</b>
8.2% GOVERNMENT OF INDIA 2022	13.32%
8.08% GOVERNMENT OF INDIA 2022	13.24%
<b>CORPORATE DEBT</b>	<b>51.74%</b>
NATIONAL BANK FOR AGRI. AND RURAL DEVELOP	9.67%
10.6% INDIAN RAILWAY FINANCE CORPN. LTD. 201	9.66%
9.9% HOUSING DEVELOPMENT FINANCE CORPN. I	9.25%
10.48% ULTRATECH CEMENT LTD. 2013	9.22%
9.2% LARSEN AND TOUBRO LTD. 2012	9.08%
NATIONAL HOUSING BANK 2018	4.85%
<b>SECURITISED DEBT</b>	<b>0.00%</b>
<b>MMI</b>	<b>21.70%</b>

### About the Fund

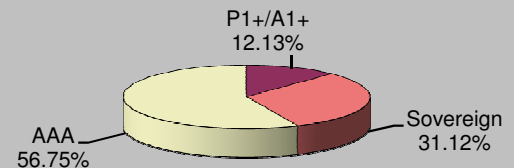
**Objective:** To provide capital preservation and regular income, at a high level of safety over a medium term horizon by investing in high quality debt instruments

**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.

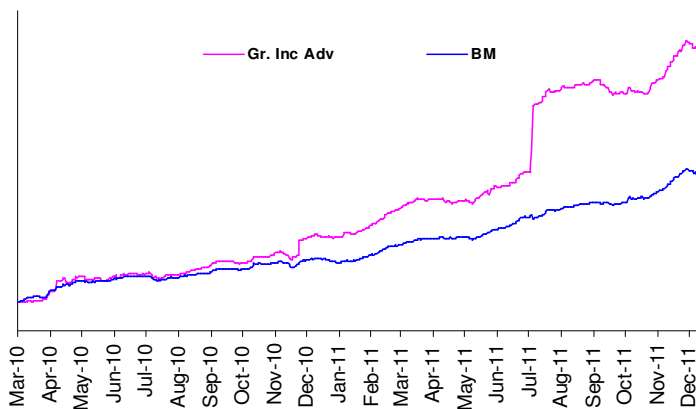
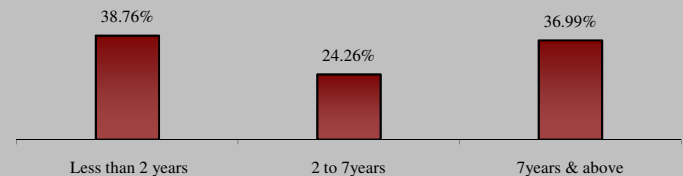
### Asset Allocation



### Rating Profile



### Maturity Profile



## Portfolio as on 31st December 2011

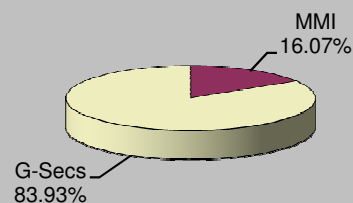
SECURITIES	HOLDING
<b>GOVERNMENT SECURITIES</b>	<b>83.93%</b>
7.59% GOVERNMENT OF INDIA 2016	40.24%
7.44% GOVERNMENT OF INDIA 2012	22.34%
7.8% GOVERNMENT OF INDIA 2021	21.35%
<b>CORPORATE DEBT</b>	<b>0.00%</b>
<b>EQUITY</b>	<b>0.00%</b>
<b>MMI</b>	<b>16.07%</b>

### About the Fund

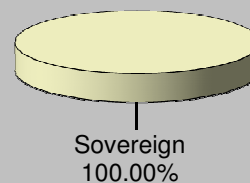
**Objective:** To deliver safe and consistent returns over a long-term period by investing in Government Securities.

**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.

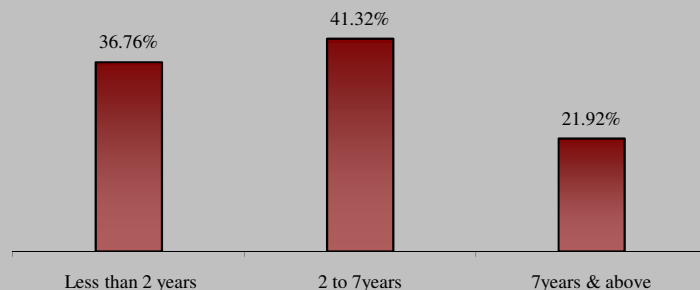
### Asset Allocation



### Rating Profile



### Maturity Profile





## Portfolio as on 31st December 2011

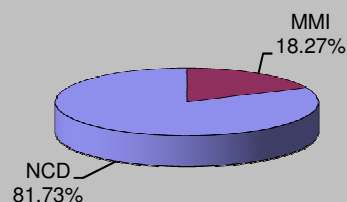
SECURITIES	HOLDING
<b>GOVERNMENT SECURITIES</b>	<b>0.00%</b>
<b>CORPORATE DEBT</b>	<b>81.73%</b>
9.8% LIC HOUSING FINANCE LTD. 2014	6.04%
9.8% NATIONAL BANK FOR AGRI. AND RURAL DEVELOP	6.02%
9.57% INDIAN RAILWAY FINANCE CORPN. LTD. 2021	5.26%
9.65% HOUSING DEVELOPMENT FINANCE CORPN. LTD.	4.65%
NATIONAL HOUSING BANK 2019	3.13%
8.73% POWER GRID CORPN. OF INDIA LTD. 2015	3.05%
7.7% N H P C LTD. 2014	3.01%
9.75% TATA MOTORS LTD. 2020	2.93%
9.25% POWER GRID CORPN. OF INDIA LTD. 2012	2.81%
12.65% CHOLAMANDALAM INVESTMENT AND FINANCE	2.54%
OTHER CORPORATE DEBT	42.28%
<b>SECURITISED DEBT</b>	<b>0.00%</b>
<b>EQUITY</b>	<b>0.00%</b>
<b>MMI</b>	<b>18.27%</b>

### About the Fund

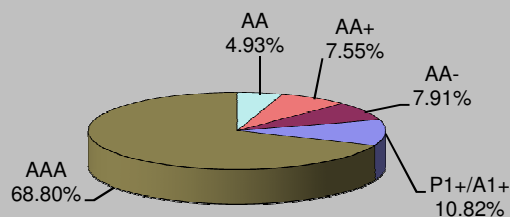
**Objective:** To achieve capital preservation along with stable returns by investing in corporate bonds over medium-term period.

**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.

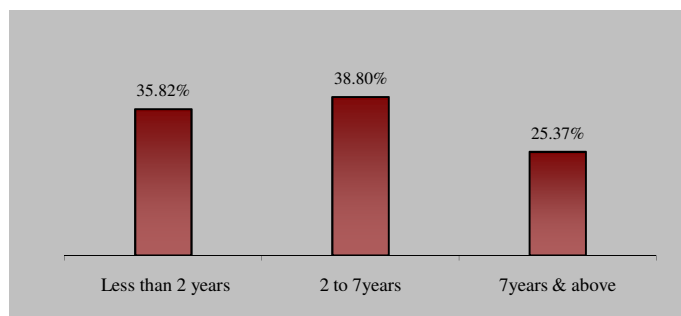
### Asset Allocation



### Rating Profile



### Maturity Profile



## Portfolio as on 31st December 2011

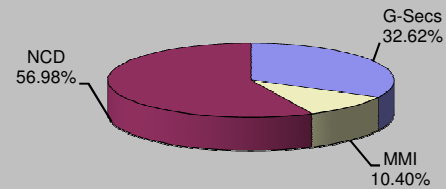
SECURITIES	HOLDING
<b>GOVERNMENT SECURITIES</b>	<b>32.62%</b>
8.79% GOVERNMENT OF INDIA 2021	5.19%
8.08% GOVERNMENT OF INDIA 2022	4.49%
7.8% GOVERNMENT OF INDIA 2021	3.95%
6.13% GOVERNMENT OF INDIA 2028	3.54%
7.8% GOVERNMENT OF INDIA 2020	3.52%
7.99% GOVERNMENT OF INDIA 2017	2.70%
6.9% GOVERNMENT OF INDIA 2019	2.66%
8.13% GOVERNMENT OF INDIA 2022	2.36%
8.2% GOVERNMENT OF INDIA 2023	2.21%
8.2% GOVERNMENT OF INDIA 2022	1.13%
OTHER GOVERNMENT SECURITIES	0.87%
<b>CORPORATE DEBT</b>	<b>56.98%</b>
9.75% HOUSING DEVELOPMENT FINANCE CORPN. LTD	5.76%
10.48% ULTRATECH CEMENT LTD. 2013	5.61%
7.63% INDIAN RAILWAY FINANCE CORPN. LTD. 2013	4.47%
NATIONAL BANK FOR AGRI. AND RURAL DEVELOPMENT	4.05%
9.05% RALLIS INDIA LTD. 2013	3.23%
10.25% ASHOK LEYLAND LTD. 2016	3.09%
8.84% POWER GRID CORPN. OF INDIA LTD. 2016	2.74%
NATIONAL HOUSING BANK 2018	2.62%
12.65% CHOLAMANDALAM INVESTMENT AND FINANCE	2.50%
RURAL ELECTRIFICATION CORPN. LTD. 2020	2.38%
OTHER CORPORATE DEBT	20.54%
<b>EQUITY</b>	<b>0.00%</b>
<b>MMI</b>	<b>10.40%</b>

### About the Fund

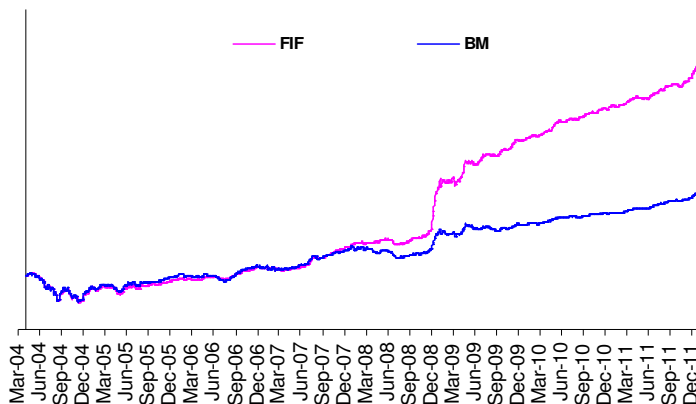
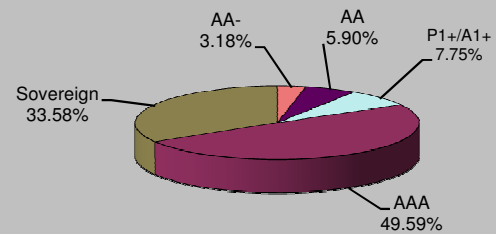
**Objective:** To achieve value creation at low risk over a long-term horizon by investing into high quality fixed interest securities.

**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

