



RELIANCE

Life Insurance



**the analyst**

**monthly Group fund  
factsheet for June 2013**

**investment philosophy**

Reliance Life Insurance seeks consistent and superior long-term returns with a well-defined and disciplined investment approach symbolizing integrity and transparency to benefit all stakeholders.

Economy Indicators	31st May 13	30th April 13	%Change
<sup>1</sup> Rs./\$	56.51	53.81	4.77
<sup>2</sup> WPI Inflation Index	171.6	171.5	0.1
<sup>3</sup> Forex Reserves (\$ bn)	287.89	296.37	-2.95
<sup>1</sup> Brent Crude Price (\$ per Barrel)	91.97	93.46	-1.62
<sup>1</sup> Gold (Rs. per 10gm)	27197	27135	0.23

Investments	31st May 13	30th April 13	Absolute Change
<sup>1</sup> Fills (Rs Crs)	-504	877	274
<sup>1</sup> Mfs (Rs Crs)	203	-347	271

Indices	31st May 13	30th April 13	% Change
<sup>1</sup> BSE Sensex	19760	19504	1
<sup>1</sup> S&P CNX Nifty	5986	5930	1
<sup>1</sup> CNX Mid Cap	7822	7819	0
<sup>1</sup> BSE Small Cap	5943	6021	-1

Global Indices	31st May 13	30th April 13	% Change
<sup>1</sup> Dow Jones	15116	14840	2
<sup>1</sup> FTSE 100	6583	6430	2
<sup>1</sup> Hang Seng	22392	22737	-2
<sup>1</sup> Nikkei	13775	13861	-1

Sectoral Indices	31st May 13	30th April 13	% Change
<sup>1</sup> CNX Infrastructure	2341	2429	-4
<sup>1</sup> CNX Energy	7852	7935	-1
<sup>1</sup> BSE Capital Goods	9407	9719	-3
<sup>1</sup> BSE Bankex	14261	14364	-1
<sup>1</sup> BSE Oil & Gas	8655	8711	-1
<sup>1</sup> BSE IT	6065	5710	6

Fixed Income Indicators (%)	31st May 13	30th April 13	Absolute Change
<sup>1</sup> NSE Mibor	8.36	8.44	-0.96
<sup>1</sup> 91 Day T-Bill	7.31	7.56	-0.25
<sup>1</sup> 182 Day T-Bill	7.28	7.55	-0.27
<sup>1</sup> 1 year GOI Benchmark	7.18	7.49	-0.31
<sup>1</sup> 5 Year GOI Benchmark	7.37	7.62	-3.39
<sup>1</sup> 10 Year GOI Benchmark	7.25	7.73	-6.71
<sup>1</sup> 5 Year Corp Bond Benchmark	8.01	8.40	-4.96
<sup>1</sup> 10 Year AAA Corp Bond Benchmark	8.21	8.52	-3.77
<sup>1</sup> 10 Year US Benchmark	2.13	1.67	21.45

Source: <sup>1</sup>Bloomberg, <sup>2</sup>eaindustry.nic.in, <sup>3</sup>RBI

**Indian Economy**

India is still continuing to get deeper in the vicious circle. GDP growth slowed to a decade's low of 5% as 4QFY13 GDP came in at 4.8% while 3Q was revised up to 4.7% from 4.5%. Sub-par growth in the GDP is amplified by the deceleration in investment in capital goods while subdued consumption. It is well known that current inertia in the government policy formation and poor external demand is further hampering growth.

The silver lining in the economy is Inflation. (WPI) decelerated further to 4.89%. It was the lowest reading since Nov, 09. Core inflation declined further to 2.77% in April from 3.48% in Mar 2013. Retail inflation (CPI) also came in lower at 9.39% from 10.39% in March 2013. Lower inflationary expectations were confirmed by the latest reading in the HSBC- PMI as well.

Trade deficit worsened for the month of April 2103 at USD 17.8bn mainly on account high gold imports which increased by 138% forcing the government to further raise import duty from 6% to 8%. USD/INR was volatile and INR has depreciated against the USD by 5% during the month. It is expected that on account of constrained external sector and consequently demand for USD, INR will be under pressure.

RBI in the Annual Monetary Policy in April 2013 reduced the Repo rate by 25 bps to 7.25% from 7.50%. The CRR and SLR were left unchanged at 4.0% and 23.0% respectively. RBI has projected the GDP growth for 2013-14 to be 5.7% while WPI Inflation for Mar-14 projected at 5.0%. Growth in Money Supply is projected at 13.0% and deposit growth is projected to grow at 14.0% in 2013-14. Non-food credit growth is projected at 15.0% for 2013-14.

Government has also issued inflation indexed bonds (IIB) at a real yield of 1.44%. This is expected to help investors build their inflationary expectations while it would be a good tool to provide real return to retail investors.

Banking liquidity was remained tight during the month as banks were raising deposits while offering higher rates. RBI has also purchased Government bonds to improve the liquidity.

Ben Bernanke, Governor, Federal Reserve, has announced that they may discontinue loose monetary policy in the wake of sustained growth in the US. This was interpreted that by year end Fed will lower it's purchasing program. This has prompted foreign investors to withdraw fixed income investments across the globe. India too has its share of withdrawal and this had adversely impacted yield and currency.

**Fixed Income Outlook:**

It is expected that RBI will be maintaining status quo in the wake of uncertainly associated with volatile currency though all the macro economic data supports continuation of reduction in policy rates to jump start the economy.

**Equity Market**

Equities had a muted return in May 2013 (0.9%) on record high volatility. Markets saw a mixed bag of results as earnings season drew to a close while capital transactions dotted the month as companies launched a flurry of equity sale to meet the SEBI deadline of maximum promoter holding of 25%. Investor sentiments were boosted as bond yields came off sharply with inflation starting to wear off. Among Banks, the PSU banks' results dominated the sector in May 2013 with SBI missing critical performance indicators on all fronts. Other PSU banks too continued to show signs of asset quality stress, while private sector banks saw an improvement.

The month also saw the government notifying the new Pharmaceutical pricing policy which detailed the methodology and implementation timeline for price ceiling on certain pharmaceuticals products. Ranbaxy had a tough time as it agreed to pay a fine of \$500mn to US FDA on felony charges following which the Indian drug regulator was also asked to revisit earlier approvals

In the Energy sector, OMCs were in for a positive surprise as 4Q subsidies remained in line with 9M FY13. There was news of significant gas discovery in RIL's KG - D6 block on the back of which it rallied strongly. On the deregulation front, diesel price hiked by Rs. 0.90p/l which made up for no hike in last month.

Among Metal, Tata Steel results surprised positively as its profits rose on volumes growth and lower costs. In the Autos space, heavyweight Tata Motors reported a strong 4Q quarter driven by its JLR segment while M&M's good quarterly run was marred by challenges in its UV segment. In the Capital goods results, L&T disappointed on the margin front but continued to see healthy order inflows.

Among FMCG companies, ITC reported a good quarter. Though ITC's profits continued to be driven by the cigarette business, non-cigarette segment also turned profitable this quarter.

FII inflows accelerated in May 2013 as net inflows came in at \$3.8bn. This brought the YTD buying to \$15.2bn. Domestic Investors continued to be net sellers with net outflows at \$2.2bn taking the YTD figure to \$9bn.

**Equity Outlook:**

Q4FY13 earning season ended on a disappointing note with quite a few key companies reporting disappointing numbers. Key triggers to watch out for in June would be FII inflows and cut in rate by RBI in its mid- term monetary policy.

# fund snapshot

gross return (CAGR\*) (%) As on May 31, 2013

asset allocation	funds	Last 1 Year	Last 2 Year	Last 3 Year	Page No.
100% equity	Group Equity Fund 2	20.70%	4.28%	6.44%	4
100% equity	Group Equity Fund 3	18.71%	15.86%	12.69%	5
100% pure equity	Group Pure Equity Fund 1	13.46%	0.83%	3.33%	6
100% equity	Group Infrastructure Fund 1	0.80%	-11.69%	-9.08%	7
100% equity	Group Energy Fund 1	8.34%	-3.54%	-2.32%	8
100% equity	Group Midcap Fund 1	17.39%	3.28%	1.82%	9
40% equity, 60% debt	Group Growth Fund 1	16.91%	9.35%	8.15%	10
20% equity, 80% debt	Group Balanced Fund 1	15.37%	10.50%	8.68%	11
20% equity, 80% debt	Group Balanced Fund 2	16.00%	11.03%	9.09%	12
100% bond instruments	Group Corporate Bond Fund 2	15.56%	12.24%	9.80%	13
100% debt Instruments	Group Pure Debt Fund 1	15.14%	11.95%	9.62%	14
100% money market	Group Capital Secure Fund 1	9.51%	9.45%	8.94%	15
100% govt. securities	Group Gilt Fund 2	16.43%	12.15%	10.02%	16
100% money market	Group Money Market Fund 2	10.06%	10.04%	9.45%	17

### SFIN :

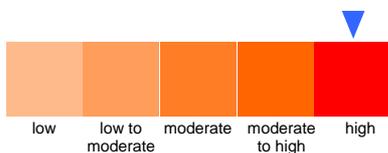
ULGF00724/10/07GEQUITYF01121

Inception Date : 30<sup>th</sup> Oct 2007

### fund objective

Provide high real rate of return in the long-term through high exposure to equity investments, while recognizing that there is significant probability of negative returns in the short term. The risk appetite is 'high'.

### fund risk profile



### target asset allocation

Equity: 100%

### benchmark construction

S&P CNX Nifty: 100%

# Group Equity Fund 2

## fund performance as on May 31, 2013

fund name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Equity Fund 2	20.70%	4.28%	6.44%	10.33%
<b>Benchmark</b>	<b>21.56%</b>	<b>3.76%</b>	<b>5.58%</b>	<b>7.70%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

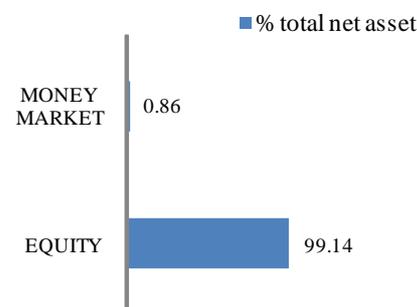
### portfolio As on May 31, 2013

security	% total net assets
<b>equity</b>	
ASSOCIATED CEMENT COMPANIES LTD.	1.29
AUROBINDO PHARMA LTD FV1	1.31
AXIS BANK LIMITED	1.19
BAJAJ AUTO LTD	1.16
BHARAT FORGE	0.81
BHARAT PETROLEUM CORP. LTD.	0.15
BHARTI AIRTEL LIMITED	1.73
CAIRN INDIA LIMITED	1.03
COAL INDIA LIMITED	0.13
CROMPTON GREAVES LTD	0.61
D.B. CORP LIMITED	0.41
DIVIS LABORATORIES LIMITED	5.73
HDFC BANK LTD.FV-2	6.75
HDFC LTD FV 2	2.72
HEXA TRADEX LIMITED	0.04
HINDUSTAN ZINC LIMITEDFV-2	0.93
HT MEDIA LIMITED	0.60
ICICI BANK LTD.	7.98
INDIABULLS HOUSING FINANCE LTD	0.58
INFOSYS LIMITED	6.66
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.68
ITC - FV 1	7.91
JAIPRAKASH ASSOCIATE	1.20
JINDAL SAW LIMITED FV2	0.73
JINDAL STEEL & POWER LTD.	0.59
JSW STEEL LIMITED	0.84
CUMMINS INDIA	2.07
LARSEN&TUBRO	5.82
LUPIN LIMITEDFV-2	1.21
MAHINDRA & MAHINDRA LTD.-FV5	1.78
MARUTI UDYOG LTD	2.19
MOTHERSON SUMI SYSTEMS LTD.	1.47
NMDC LTD	0.87
OIL INDIA LIMITED	0.76
ONGCFV-5	1.20
RANBAXY FV RS 5	0.60
RELIANCE INDUSTRIES LTD.	7.93
SML ISUZU LIMITED	0.51
STATE BANK OF INDIA	2.94
STERLITE INDUSTRIES FV 1	1.69
STRIDES ARCOLAB LIMITED	2.04
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	1.54
TATA CONSULTANCY SERVICES LTD.	3.58
TATA MOTORS LIMITED DVRFV-2	1.16
TATA MOTORS LTD.FV-2	2.08
ULTRATECH CEMCO LTD	0.99
YES BANK LTD	2.52
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.44
<b>total equity</b>	<b>99.14</b>
<b>total money market</b>	<b>0.86</b>
<b>total net assets</b>	<b>100.00</b>

### fund characteristics as on May 31, 2013

Fund Beta 0.99  
S&P CNX Nifty Beta 1.00

### asset allocation as on May 31, 2013



### SFIN :

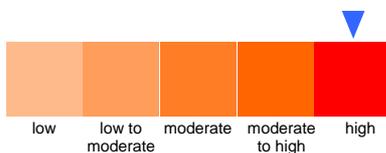
ULGF01808/06/09GEQUITYF03121

Inception Date : 8<sup>th</sup> Jun 2009

### fund objective

Provide high real rate of return in the long-term through high exposure to equity investments, while recognizing that there is significant probability of negative returns in the short term. The risk appetite is 'high'.

### fund risk profile



### target asset allocation

Equity: 100%

### benchmark construction

S&P CNX Nifty: 100%

# Group Equity Fund 3

## fund performance as on May 31, 2013

fund name	gross return		
	12 month returns	24 month returns	36 month returns
Group Equity Fund 3	18.71%	15.86%	12.69%
<b>Benchmark</b>	<b>21.56%</b>	<b>3.76%</b>	<b>5.58%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

### portfolio As on May 31, 2013

security	% total net assets
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#### equity

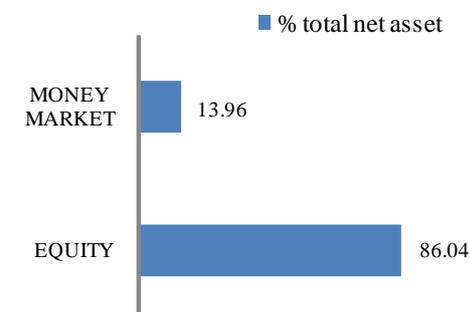
ASSOCIATED CEMENT COMPANIES LTD.	1.00
AUROBINDO PHARMA LTD FV1	0.26
AXIS BANK LIMITED	0.65
BAJAJ AUTO LTD	0.40
BHARAT FORGE	0.32
BHARAT PETROLEUM CORP. LTD.	0.15
BHARTI AIRTEL LIMITED	1.26
CAIRN INDIA LIMITED	0.81
COAL INDIA LIMITED	0.13
CROMPTON GREAVES LTD	0.50
D.B. CORP LIMITED	0.10
DIVIS LABORATORIES LIMITED	6.05
HDFC BANK LTD.FV-2	7.19
HDFC LTD FV 2	1.68
HINDUSTAN ZINC LIMITEDFV-2	0.40
HT MEDIA LIMITED	0.23
ICICI BANK LTD.	6.77
INDIABULLS HOUSING FINANCE LTD	0.48
INFOSYS LIMITED	5.06
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.27
ITC - FV 1	5.37
JAIPRAKASH ASSOCIATE	0.74
JINDAL SAW LIMITED FV2	0.37
JINDAL STEEL & POWER LTD.	0.47
JSW STEEL LIMITED	0.70
CUMMINS INDIA	3.04
LARSEN&TUBRO	7.34
LUPIN LIMITEDFV-2	0.21
MAHINDRA & MAHINDRA LTD.-FV5	1.13
MARUTI UDYOG LTD.	1.73
MOTHERSON SUMI SYSTEMS LTD.	0.09
NMDC LTD	5.87
OIL INDIA LIMITED	0.05
ONGCFV-5	1.47
RANBAXY FV RS 5	0.48
RELIANCE INDUSTRIES LTD.	6.55
SML ISUZU LIMITED	0.20
STATE BANK OF INDIA	2.89
STERLITE INDUSTRIES FV 1	1.27
STRIDES ARCOLAB LIMITED	0.74
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	1.01
TATA CONSULTANCY SERVICES LTD.	6.30
TATA MOTORS LIMITED DVRFV-2	0.35
TATA MOTORS LTD.FV2	0.71
ULTRATECH CEMCO LTD	0.69
YES BANK LTD	2.12
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.44

<b>total equity</b>	<b>86.04</b>
<b>total money market</b>	<b>13.96</b>
<b>total net assets</b>	<b>100.00</b>

### fund characteristics as on May 31, 2013

Fund Beta	0.98
S&P CNX Nifty Beta	1.00

### asset allocation as on May 31, 2013



# RELIANCE

Life Insurance

SFIN :

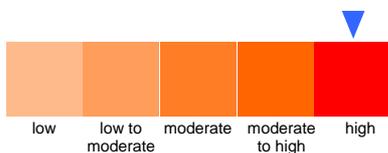
ULGF01528/11/08GPUREEQF01121

Inception Date : 16<sup>th</sup> Dec 2008

## fund objective

Provide high real rate of return in the long-term through high exposure to equity investments, while recognizing that there is significant probability of negative returns in the short term. The risk appetite is 'high'.

## fund risk profile



## target asset allocation

Pure Equity: 100%

(\*Investments only in sectors other than banks and non-banking financial companies, breweries, distilleries, alcohol based chemicals, cigarettes, tobacco, entertainment, leather, sugar and hatcheries.)

## benchmark construction

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

# Group Pure Equity Fund 1

## fund performance as on May 31, 2013

gross return				
Fund name	12 month returns	24 month returns	36 month returns	48 month returns
Group Pure Equity Fund 1	13.46%	0.83%	3.33%	6.62%
<b>Benchmark</b>	<b>14.80%</b>	<b>1.60%</b>	<b>2.25%</b>	<b>4.83%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

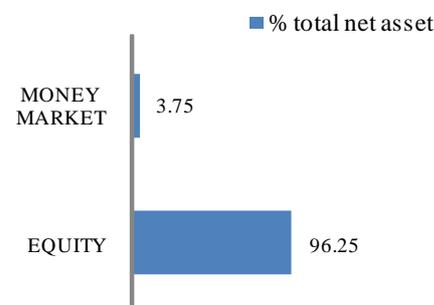
## portfolio As on May 31, 2013

security	% total net assets
<b>equity</b>	
ASSOCIATED CEMENT COMPANIES LTD.	2.56
BAJAJ AUTO LTD	3.90
BHARTI AIRTEL LIMITED	4.44
CAIRN INDIA LIMITED	3.26
COAL INDIA LIMITED	2.92
CROMPTON GREAVES LTD	1.90
DIVIS LABORATORIES LIMITED	3.31
GAS AUTHORITY OF INDIA LTD.	1.39
GRASIM INDUSTRIES LTD.	2.83
HEXA TRADEX LIMITED	0.04
HINDALCO INDUSTRIES LTD FV RE 1	1.60
HINDUSTAN LEVER LTD.	3.65
INFOSYS LIMITED	8.54
JINDAL SAW LIMITED FV2	0.75
JINDAL STEEL & POWER LTD.	1.52
CUMMINS INDIA	1.57
LARSEN&TUBRO	3.74
LUPIN LIMITEDFV-2	1.75
MARUTI UDYOG LTD.	3.54
MOTHERSON SUMI SYSTEMS LTD.	4.09
OIL INDIA LIMITED	0.87
ONGCFV-5	5.93
PETRONET LNG LIMITED	2.07
POWER GRID CORP OF INDIA LTD	1.89
RELIANCE INDUSTRIES LTD.	8.46
SANOFI INDIA LIMITED	2.36
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	4.60
TATA CONSULTANCY SERVICES LTD.	6.89
TATA GLOBAL BEVERAGES LIMITED	1.59
ULTRATECH CEMCO LTD	2.20
VOLTAS LTD	2.09
<b>total equity</b>	<b>96.25</b>
<b>total money market</b>	<b>3.75</b>
<b>total net assets</b>	<b>100.00</b>

## fund characteristics as on May 31, 2013

Fund Beta 0.89  
S&P CNX Nifty Shariah Index Beta 1.00

## asset allocation as on May 31, 2013



### SFIN :

ULGF01908/06/09GINFRASF01121

Inception Date : 8<sup>th</sup> Jun 2009

### fund objective

Provide high rate of return in the long term through high exposure to equity investments in Infrastructure and allied sectors, while recognizing that there is a significant probability of negative returns in the short term. The risk appetite is 'high'

### fund risk profile



### target asset allocation

Equity: 100%

### benchmark construction

CNX Infrastructure Index: 100%

# Group Infrastructure Fund 1

## fund performance as on May 31, 2013

gross return			
fund Name	12 month returns	24 month returns	36 month returns
Group Infrastructure Fund 1	0.80%	-11.69%	-9.08%
<b>Benchmark</b>	<b>7.08%</b>	<b>-11.29%</b>	<b>-10.17%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

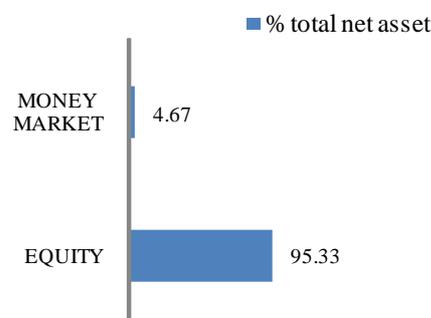
### portfolio As on May 31, 2013

security	% total net assets
<b>equity</b>	
BHARAT FORGE	3.73
BHARAT HEAVY ELECTRICALS LTD.FV-2	6.13
BHARTI AIRTEL LIMITED	8.97
COAL INDIA LIMITED	5.39
CROMPTON GREAVES LTD	1.52
GAS AUTHORITY OF INDIA LTD.	2.07
GRASIM INDUSTRIES LTD.	3.52
HEXA TRADEX LIMITED	0.04
HINDALCO INDUSTRIES LTD FV RE 1	1.20
HINDUSTAN ZINC LIMITEDFV-2	1.21
INDIAN METALS AND FERRO ALLOYS LIMITED	2.55
INFOSYS LIMITED	2.84
IRB INFRASTRUCTURE DEVELOPERS LIMITED	2.63
JAIPRAKASH ASSOCIATE	6.09
JINDAL SAW LIMITED FV2	0.69
JINDAL STEEL & POWER LTD.	1.86
JYOTI STRUCTURES LTD	1.59
LARSEN&TUBRO	8.10
MOTHERSON SUMI SYSTEMS LTD.	1.91
NTPC LIMITED	8.98
PETRONET LNG LIMITED	1.31
POWER GRID CORP OF INDIA LTD	8.54
RELIANCE INDUSTRIES LTD.	3.33
TATA IRON & STEEL COMPANY LTD	2.48
TATA POWER CO. LTD.FV-1	5.89
TD POWER SYSTEMS LIMITED	1.64
VOLTAS LTD	1.13
<b>total equity</b>	<b>95.33</b>
<b>total money market</b>	<b>4.67</b>
<b>total net assets</b>	<b>100.00</b>

### fund characteristics as on May 31, 2013

Fund Beta 0.82  
CNX Infrastructure Index Beta 1.00

### asset allocation as on May 31, 2013



### SFIN :

ULGF01428/11/08GENERGYF01121

Inception Date : 16<sup>th</sup> Dec 2008

### fund objective

Provide high rate of return in the long term through high exposure to equity investments in Energy and allied sectors, while recognizing that there is a significant probability of negative returns in the short term. The risk appetite is 'high'

### fund risk profile



### target asset allocation

Equity: 100%

### benchmark construction

CNX Energy Index: 100%

# Group Energy Fund 1

## fund performance as on May 31, 2013

fund Name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Energy Fund 1	8.34%	-3.54%	-2.32%	-0.60%
<b>Benchmark</b>	<b>11.01%</b>	<b>-5.45%</b>	<b>-5.10%</b>	<b>-3.87%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

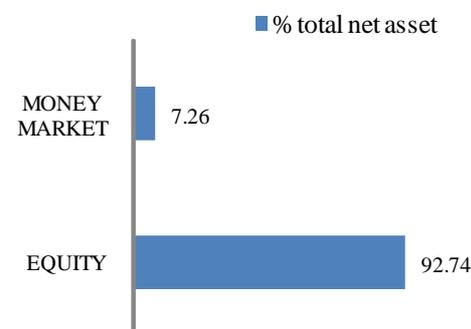
### portfolio As on May 31, 2013

security	% total net assets
<b>equity</b>	
BHARAT PETROLEUM CORP. LTD.	7.16
CAIRN INDIA LIMITED	5.42
COAL INDIA LIMITED	4.62
CROMPTON GREAVES LTD	1.31
GAS AUTHORITY OF INDIA LTD.	4.63
JINDAL STEEL & POWER LTD.	2.03
JYOTI STRUCTURES LTD	2.21
CUMMINS INDIA	5.35
LARSEN&TUBRO	5.97
NTPC LIMITED	9.07
OIL INDIA LIMITED	9.24
ONGCV-5	9.32
PETRONET LNG LIMITED	4.20
POWER GRID CORP OF INDIA LTD	8.57
RELIANCE INDUSTRIES LTD.	8.64
TATA POWER CO. LTD.FV-1	4.97
<b>total equity</b>	<b>92.74</b>
<b>total money market</b>	<b>7.26</b>
<b>total net assets</b>	<b>100.00</b>

### fund characteristics as on May 31, 2013

Fund Beta	0.80
CNX Energy Index Beta	1.00

### asset allocation as on May 31, 2013



### SFIN :

ULGF02008/06/09GMIDCAPF01121

Inception Date : 8<sup>th</sup> Jun 2009

### fund objective

Provide high rate of return in the long term through high exposure to equity investments in Midcap companies while recognizing that there is significant probability of negative returns in the short term. The risk appetite is 'high'

### fund risk profile



### target asset allocation

Equity: 100%

### benchmark construction

Nifty Midcap 50: 100%

# Group Midcap Fund 1

## fund performance as on May 31, 2013

gross return			
fund Name	12 month returns	24 month returns	36 month returns
Group Midcap Fund 1	17.39%	3.28%	1.82%
<b>Benchmark</b>	<b>1.98%</b>	<b>-10.19%</b>	<b>-8.65%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

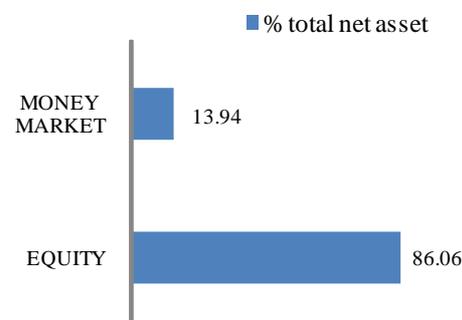
### portfolio As on May 31, 2013

security	% total net assets
<b>equity</b>	
AUROBINDO PHARMA LTD FV1	2.79
AXIS BANK LIMITED	0.67
BHARAT FORGE	0.88
CROMPTON GREAVES LTD	2.00
D.B. CORP LIMITED	3.93
DIVIS LABORATORIES LIMITED	3.75
GUJARAT FLUORO CHEMICALS LTD.	1.03
GUJARAT STATE FERTILIZER COMPANY FV-2	2.53
HEXA TRADEX LIMITED	0.17
HINDUSTAN ZINC LIMITED FV-2	2.17
HT MEDIA LIMITED	2.49
INDIA BULLS HOUSING FINANCE LTD	3.52
INDIAN METALS AND FERRO ALLOYS LIMITED	2.62
IRB INFRASTRUCTURE DEVELOPERS LIMITED	1.06
JINDAL SAW LIMITED FV2	3.24
JSW STEEL LIMITED	1.85
JYOTI STRUCTURES LTD	1.95
CUMMINS INDIA	4.90
PETRONET LNG LIMITED	1.12
PURAVANKARA PROJECTS LIMITED	3.84
RADICO KHAITAN LIMITED	4.24
STRIDES ARCOLAB LIMITED	8.28
TATA CHEMICALS LTD.	3.91
TATA CONSULTANCY SERVICES LTD.	2.22
TATA GLOBAL BEVERAGES LIMITED	4.94
TD POWER SYSTEMS LIMITED	1.42
TITAN INDUSTRIES LTD-FV1	2.54
UNITED PHOSPHOROUS LTD	0.56
UNITED SPIRITS LIMITED	8.41
VOLTAS LTD	1.01
YES BANK LTD	1.16
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.84
<b>total equity</b>	<b>86.06</b>
<b>total money market</b>	<b>13.94</b>
<b>total net assets</b>	<b>100.00</b>

### fund characteristics as on May 31, 2013

Fund Beta	0.73
Nifty Midcap 50 Index Beta	1.00

### asset allocation as on May 31, 2013



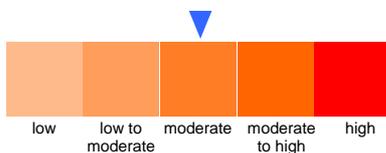
SFIN :  
ULGF00310/10/03GGROWTHF01121

Inception Date : 31<sup>st</sup> Jan 2007

### fund objective

The investment objective of the fund is to provide investment returns that exceed the rate of inflation in the long-term while maintaining moderate probability of negative returns in the short-term. The risk appetite is defined as 'moderate'.

### fund risk profile



### target asset allocation

Debt: 60%  
Equity: 40%

### benchmark construction

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

# Group Growth Fund 1

## fund performance as on May 31, 2013

gross return					
fund Name	12 month returns	24 month returns	36 month returns	48 month returns	60 month returns
Group Growth Fund 1	16.91%	9.35%	8.15%	9.09%	8.16%
<b>Benchmark</b>	<b>16.37%</b>	<b>8.31%</b>	<b>7.90%</b>	<b>8.23%</b>	<b>7.57%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

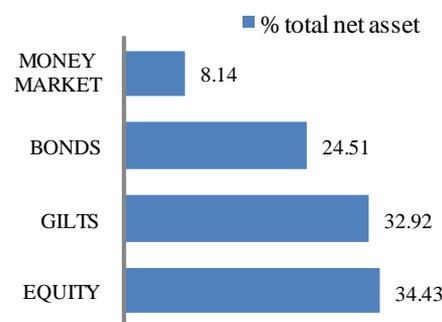
### portfolio As on May 31, 2013

security	% total net assets	rating
<b>bond/ncd</b>		
10.60% IRFC NCB 11-09-2018	2.14	AAA
8.82% REC NCD 12-04-2023 SR-114th	8.05	AAA
8.94% PFC NCD 25-03-2028 SR -103	8.16	AAA
9.55% HINDALCO NCD 27-06-2022	6.16	AA+
<b>total bond/cd</b>	<b>24.51</b>	
<b>gilts</b>		
8.12% GOI CG 10-12-2020	5.63	
8.20% GOI CG 24-09-2025	3.69	
8.32% GOI CG 02-08-2032	7.31	
8.33% GOI CG 09-07-2026	3.73	
8.83% GOI CG 12-12-2041	1.55	
8.97% GOI CG 05-12-2030	11.01	
<b>total gilts</b>	<b>32.92</b>	
<b>equity</b>		
ASSOCIATED CEMENT COMPANIES LTD.	0.22	
AUROBINDO PHARMA LTD FV1	0.71	
AXIS BANK LIMITED	1.17	
BAJAJ AUTO LTD.	0.73	
BHARAT FORGE	0.36	
BHARTI AIRTEL LIMITED	0.40	
CAIRN INDIA LIMITED	0.90	
CROMPTON GREAVES LTD	0.16	
D.B. CORP LIMITED	0.20	
DIVIS LABORATORIES LIMITED	2.82	
HDFC BANK LTD.FV-2	2.03	
HDFC LTD FV2	0.70	
HINDUSTAN ZINC LIMITEDFV-2	0.48	
ICICI BANK LTD.	2.92	
INFOSYS LIMITED	1.68	
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.13	
ITC - FV 1	1.47	
JAIPRAKASH ASSOCIATE	0.32	
JINDAL SAW LIMITED FV2	0.18	
JINDAL STEEL & POWER LTD.	0.07	
JSW STEEL LIMITED	0.27	
CUMMINS INDIA	0.69	
LARSEN&TUBRO	0.84	
LUPIN LIMITEDFV-2	0.46	
MAHINDRA & MAHINDRA LTD.-FV5	0.74	
MARUTI UDYOG LTD.	0.48	
MOTHERSON SUMI SYSTEMS LTD.	0.28	
OIL INDIA LIMITED	0.06	
ONGCFV-5	0.54	
RANBAXY FV RS 5	0.18	
RELIANCE INDUSTRIES LTD.	2.25	
SANOFI INDIA LIMITED	1.69	
SNL ISUZU LIMITED	0.23	
STATE BANK OF INDIA	1.00	
STERLITE INDUSTRIES FV 1	0.32	
STRIDES ARCOLAB LIMITED	0.60	
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.26	
TATA CONSULTANCY SERVICES LTD.	1.26	
TATA MOTORS LIMITED DVRFV-2	0.52	
TATA MOTORS LTD.FV-2	0.46	
ULTRATECH CEMCO LTD	0.39	
UNITED PHOSPHOROUS LTD	0.28	
UNITED SPIRITS LIMITED	2.26	
YES BANK LTD	0.64	
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.07	
<b>total equity</b>	<b>34.43</b>	
<b>total money market</b>	<b>8.14</b>	
<b>total net assets</b>	<b>100.00</b>	

### fund characteristics as on May 31, 2013

M. Duration of debt portfolio: 6.88Years  
YTM of debt portfolio: 7.74%  
Fund Beta: 0.95  
S&P CNX Nifty Beta: 1.00

### asset allocation as on May 31, 2013



### SFIN :

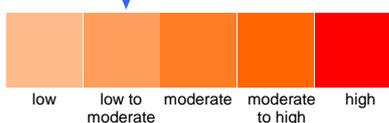
ULGF00110/10/03GBALANCE01121

Inception Date : 29<sup>th</sup> Jan 2007

### fund objective

The investment objective of the fund is to provide investment returns that exceed the rate of inflation in the long-term while maintaining a low probability of negative returns in the short-term. The risk appetite is defined as 'low to moderate'.

### fund risk profile



### target asset allocation

Debt.: 80%  
Equity: 20%

### benchmark construction

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

# Group Balanced Fund 1

## fund performance as on May 31, 2013

fund Name	gross return				
	12 month returns	24 month returns	36 month returns	48 month returns	60 month returns
Group Balanced Fund 1	15.37%	10.50%	8.68%	8.88%	8.92%
<b>Benchmark</b>	<b>14.53%</b>	<b>9.62%</b>	<b>8.43%</b>	<b>8.11%</b>	<b>8.12%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

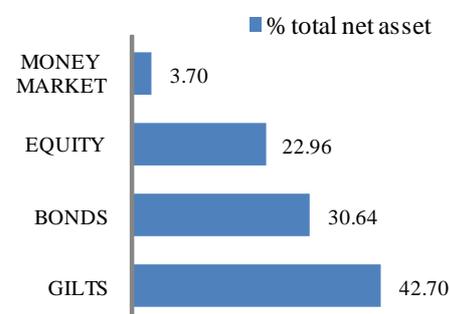
### portfolio As on May 31, 2013

security	% total assets	rating net
<b>bond/ncd</b>		
0.00% HDFC ZCB 23-10-2017 J-041	3.94	AAA
10.35% HDFC NCD 06-06-2017	1.28	AAA
10.60% IRFC NCB 11-09-2018	1.33	AAA
8.68% NCRPB NCB 18-08-2019	3.63	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	4.98	AAA
9.57% LICHL NCD 07-09-2017	5.01	AAA
9.67% TATA SONS NCD 13-09-2022	10.47	AAA
<b>total bond/cd</b>	<b>30.64</b>	
<b>gilts</b>		
8.12% GOI CG 10-12-2020	8.98	
8.20% GOI CG 24-09-2025	16.63	
8.32% GOI CG 02-08-2032	2.59	
8.33% GOI CG 09-07-2026	0.90	
8.83% GOI CG 12-12-2041	7.29	
8.97% GOI CG 05-12-2030	19.38	
<b>total gilts</b>	<b>42.70</b>	
<b>equity</b>		
ASSOCIATED CEMENT COMPANIES LTD.	0.21	
AUROBINDO PHARMA LTD FV1	0.24	
AXIS BANK LIMITED	2.00	
BAJAJ AUTO LTD	0.25	
BHARAT FORGE	0.17	
BHARTI AIRTEL LIMITED	0.33	
CAIRN INDIA LIMITED	0.69	
CROMPTON GREAVES LTD	0.14	
D.B. CORP LIMITED	0.04	
DIVIS LABORATORIES LIMITED	1.25	
HDFC BANK LTD.FV-2	1.46	
HDFC LTD FV 2	0.29	
HEXA TRADEX LIMITED	0.01	
HINDUSTAN ZINC LIMITEDFV-2	0.38	
ICICI BANK LTD.	2.05	
INFOSYS LIMITED	1.58	
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.14	
ITC - FV 1	0.70	
JAIPRAKASH ASSOCIATE	0.29	
JINDAL SAW LIMITED FV2	0.10	
JINDAL STEEL & POWER LTD.	0.06	
JSW STEEL LIMITED	0.20	
CUMMINS INDIA	0.46	
LARSEN&TUBRO	0.73	
LUPIN LIMITEDFV-2	0.58	
MAHINDRA & MAHINDRA LTD.-FV5	0.51	
MARUTI UDYOG LTD.	0.36	
MOTHERSON SUMI SYSTEMS LTD.	0.13	
OIL INDIA LIMITED	0.01	
ONGCFV-5	0.43	
RANBAXY FV RS 5	0.18	
RELIANCE INDUSTRIES LTD.	1.51	
SANOFI INDIA LIMITED	0.57	
SNIL ISUZU LIMITED	0.11	
STATE BANK OF INDIA	0.76	
STERLITE INDUSTRIES FV 1	0.36	
STRIDES ARCOLAB LIMITED	0.10	
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.36	
TATA CONSULTANCY SERVICES LTD.	0.96	
TATA MOTORS LIMITED DVRFV-2	0.30	
TATA MOTORS LTD.FV-2	0.38	
ULTRATECH CEMCO LTD	0.31	
UNITED PHOSPHOROUS LTD	0.13	
UNITED SPIRITS LIMITED	0.67	
YES BANK LTD	0.48	
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.02	
<b>total equity</b>	<b>22.96</b>	
<b>total money market</b>	<b>3.70</b>	
<b>total net assets</b>	<b>100.00</b>	

### fund characteristics as on May 31, 2013

M. Duration of debt portfolio: 6.66Years  
YTM of debt portfolio: 7.66%  
Fund Beta: 1.00  
S&P CNX Nifty Beta: 1.00

### asset allocation as on May 31, 2013



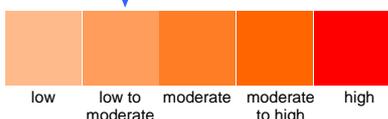
SFIN :  
ULGF00210/10/03GBALANCE02121

Inception Date : 31<sup>th</sup> Jan 2007

### fund objective

The investment objective of the fund is to provide investment returns that exceed the rate of inflation in the long-term while maintaining a low probability of negative returns in the short-term. The risk appetite is defined as 'low to moderate'.

### fund risk profile



# Group Balanced Fund 2

## fund performance as on May 31, 2013

fund Name	gross return				
	12 month returns	24 month returns	36 month returns	48 month returns	60 month returns
Group Balanced Fund 2	16.00%	11.03%	9.09%	9.23%	9.26%
<b>Benchmark</b>	<b>14.53%</b>	<b>9.62%</b>	<b>8.43%</b>	<b>8.11%</b>	<b>8.12%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

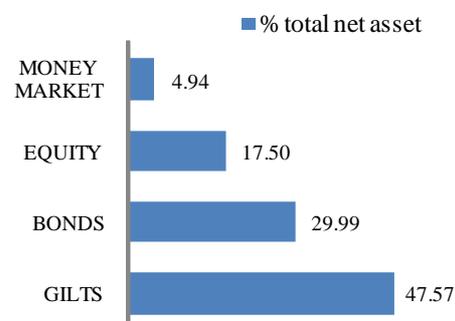
### portfolio As on May 31, 2013

security	% total net assets	rating
<b>bond/ncd</b>		
0.00% HDFC ZCB 06-02-2017 I-032	0.54	AAA
0.00% HDFC ZCB 23-10-2017 J-041	3.10	AAA
10.35% NCD (B)HDFC 16-05-2017	0.48	AAA
10.60% IRFC NCB 11-09-2018	0.63	AAA
11.15% HDFC NCD 06-08-2018	1.90	AAA
8.68% NCRPB NCB 18-08-2019	0.23	AAA
8.70% REC NCD 01-02-2018 112	3.45	AAA
8.80% PSOL NCD 13-03-2023 XLII	1.29	AAA
8.93% NTPC NCB 19-01-2021 XXXVII	0.71	AAA
8.94% PFC NCD 25-03-2028 SR -103	4.18	AAA
8.97% TATA SONS NCD 15-07-2020	1.29	AAA
8.99% TATA SONS NCD 07-06-2020	3.53	AAA
9.34% SBOT NCB 31-10-2016 I	0.58	AAA
9.70% TATA SONS NCD 25-07-2022	3.09	AAA
9.70% UNITEDPHOSPHORUS NCD 09-04-2017 A	0.46	AA+
9.75% SRTRANSFIN NCD 01-06-2015	4.53	AA
<b>total bond/cd</b>	<b>29.99</b>	
<b>gilts</b>		
8.12% GOI CG 10-12-2020	5.98	
8.20% GOI CG 24-09-2025	8.79	
8.33% GOI CG 09-07-2026	4.33	
8.83% GOI CG 12-12-2041	4.99	
8.97% GOI CG 05-12-2030	23.49	
<b>total gilts</b>	<b>47.57</b>	
<b>equity</b>		
ASSOCIATED CEMENT COMPANIES LTD.	0.13	
AUROBINDO PHARMA LTD FV1	0.22	
AXIS BANK LIMITED	0.54	
BAJAJ AUTO LTD	2.00	
BHARAT FORGE	0.05	
BHARTI AIRTEL LIMITED	0.25	
CAIRN INDIA LIMITED	0.45	
CROMPTON GREAVES LTD	0.10	
D. B. CORP LIMITED	0.08	
DIVIS LABORATORIES LIMITED	0.94	
HDFC BANK LTD.FV-2	0.93	
HDFC LTD FV 2	0.19	
HEXA TRADEX LIMITED	0.01	
ICICI BANK LTD.	1.38	
INFOSYS LIMITED	1.10	
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.15	
ITC - FV 1	0.62	
JAIPRAKASH ASSOCIATE	0.20	
JINDAL SAW LIMITED FV2	0.13	
JINDAL STEEL & POWER LTD.	0.04	
JSW STEEL LIMITED	0.15	
CUMMINS INDIA	0.57	
LARSEN&TUBRO	0.37	
LUPIN LIMITEDFV-2	0.41	
MAHINDRA & MAHINDRA LTD.-FV5	0.34	
MARUTI UDYOG LTD.	0.25	
MOTHERSON SUMI SYSTEMS LTD.	0.08	
OIL INDIA LIMITED	0.01	
ONGCFV-5	0.28	
RANBAXY FV RS 5	0.15	
RELIANCE INDUSTRIES LTD.	1.14	
SANOFI INDIA LIMITED	0.66	
SML ISUZU LIMITED	0.09	
STATE BANK OF INDIA	0.48	
STERLITE INDUSTRIES FV 1	0.28	
STRIDES ARCOLAB LIMITED	0.16	
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.24	
TATA CONSULTANCY SERVICES LTD.	0.52	
TATA MOTORS LIMITED DVFV-2	0.23	
TATA MOTORS LTD.FV-2	0.30	
ULTRATECH CEMCO LTD	0.36	
UNITED PHOSPHOROUS LTD	0.10	
UNITED SPIRITS LIMITED	0.54	
YES BANK LTD	0.27	
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.02	
<b>total equity</b>	<b>17.50</b>	
<b>total money market</b>	<b>4.94</b>	
<b>total net assets</b>	<b>100.00</b>	

### fund characteristics as on May 31, 2013

M. Duration of debt portfolio:	6.70Years
YTM of debt portfolio:	7.84%
Fund Beta:	0.94
S&P CNX Nifty Beta:	1.00

### asset allocation as on May 31, 2013



### target asset allocation

Debt:	80%
Equity:	20%

### benchmark construction

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

### SFIN :

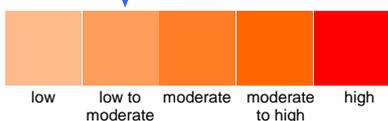
ULGF01213/10/08GCORBOND02121

Inception Date : 13<sup>th</sup> Oct 2008

### fund objective

Provide returns that exceed the inflation rate, while taking some credit risk (through investments in corporate debt instruments) and maintaining a moderate probability of negative return in the short-term. The risk appetite is 'low to moderate'.

### fund risk profile



### target asset allocation

Bond Instruments: 100%

### benchmark construction

CRISIL Composite Bond Index: 100%

# Group Corporate Bond Fund 2

## fund performance as on May 31, 2013

gross return				
fund Name	12 month returns	24 month returns	36 month returns	48 month returns
Group Corporate Bond Fund 2	15.56%	12.24%	9.80%	9.72%
<b>Benchmark</b>	<b>12.64%</b>	<b>10.76%</b>	<b>8.49%</b>	<b>7.54%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

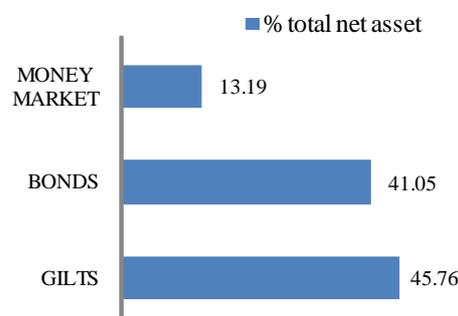
### portfolio As on May 31, 2013

security	% total net assets	rating
<b>bond/ncd</b>		
0.00% HDFC ZCB 23-10-2017 J-041	3.40	AAA
11.50% REC NCB 26-11-2013	0.03	AAA
11.95% HDFC DB 26-11-2018	0.35	AAA
8.70% REC NCD 01-02-2018 112	4.45	AAA
8.75% RIL NCD 07-05-2020	0.61	AAA
8.80% PGCIL NCD 13-03-2023 XLII	0.93	AAA
8.87% PFC NCD 18-03-2023 102-B	1.88	AAA
8.93% NTPC NCB 19-01-2021 XXXVII	1.55	AAA
8.94% PFC NCD 25-03-2028 SR -103	7.33	AAA
8.99% TATA SONS NCD 07-06-2020	1.33	AAA
9.11% LICHL NCD 09-04-2018	1.54	AAA
9.25% PGCIL NCD 26-12-2016 B	0.92	AAA
9.30% HDFC NCD 04-10-2017 J-033	3.09	AAA
9.40% REC NCD 20-07-2017	1.55	AAA
9.55% HINDALCO NCD 25-04-2022	1.58	AA+
9.55% HINDALCO NCD 27-06-2022	6.40	AA+
9.57% LICHL NCD 07-09-2017	0.84	AAA
9.70% LICHL NCD 11-06-2017	1.56	AAA
9.70% TATA SONS NCD 16-08-2022	1.63	AAA
9.90% TATA SONS NCD 18-03-2016	0.09	AAA
<b>total bond/cd</b>	<b>41.05</b>	
<b>Gilts</b>		
8.12% GOI CG 10-12-2020	5.91	
8.20% GOI CG 24-09-2025	5.42	
8.32% GOI CG 02-08-2032	3.38	
8.33% GOI CG 09-07-2026	9.66	
8.83% GOI CG 12-12-2041	6.50	
8.97% GOI CG 05-12-2030	13.22	
9.15% GOI CG 14-11-2024	1.67	
<b>total gilts</b>	<b>45.76</b>	
<b>total money market</b>	<b>13.19</b>	
<b>total net assets</b>	<b>100.00</b>	

### fund characteristics as on May 31, 2013

M. Duration of debt portfolio: 6.38Years  
YTM of debt portfolio: 7.81%

### asset allocation as on May 31, 2013



### SFIN :

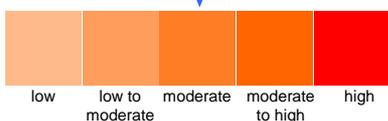
ULGF01030/09/08GPUREDEB01121

Inception Date : 30<sup>th</sup> Sep 2008

### fund objective

Provide steady investment returns achieved through 100% investment in debt securities, while maintaining moderate probability of negative returns in the short-term. The risk appetite is defined as 'moderate'.

### fund risk profile



### target asset allocation

Debt Instruments: 100%

### benchmark construction

CRISIL Composite Bond Index: 100%

# Group Pure Debt Fund 1

## fund performance as on May 31, 2013

fund Name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Pure Debt Fund 1	15.14%	11.95%	9.62%	9.51%
<b>Benchmark</b>	<b>12.64%</b>	<b>10.76%</b>	<b>8.49%</b>	<b>7.54%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

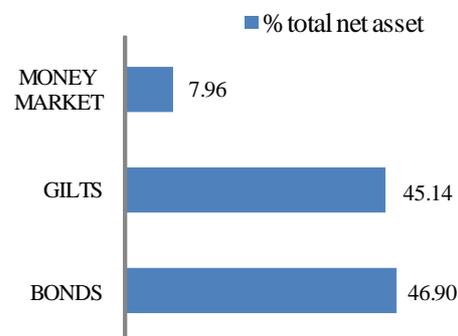
### portfolio As on May 31, 2013

security	% total bond/ncd	rating
<b>bond/ncd</b>		
0.00% HDFC ZCB 23-10-2017 J-041	4.82	AAA
8.37% LICHL NCD 21-05-2023	4.45	AAA
8.70% REC NCD 01-02-2018 112	8.94	AAA
8.85% PGCIL NCD 19-10-2017 STRPP B	5.61	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	4.57	AAA
8.94% PFC NCD 25-03-2028 SR -103	4.64	AAA
8.98% NCRPB BS 14-02-2018	4.43	AAA
9.09% IRFC NCD 29-03-2026 SR 74	4.77	AAA
9.55% HINDALCO NCD 27-06-2022	4.67	AA+
<b>total bond/cd</b>	<b>46.90</b>	
<b>gilts</b>		
8.20% GOI CG 24-09-2025	16.30	
8.32% GOI CG 02-08-2032	15.68	
8.33% GOI CG 09-07-2026	6.60	
8.83% GOI CG 12-12-2041	6.57	
<b>total gilts</b>	<b>45.14</b>	
<b>total money market</b>	<b>7.96</b>	
<b>total net assets</b>	<b>100.00</b>	

### fund characteristics as on May 31, 2013

M .Duration of debt portfolio: 6.49Years  
YTM of debt portfolio: 7.79%

### asset allocation as on May 31, 2013



### SFIN :

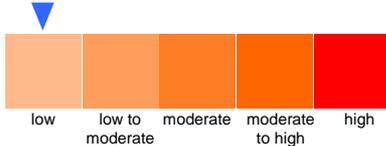
ULGF00431/01/07GCAPISEC01121

Inception Date : 31<sup>st</sup> Jan 2007

### fund objective

Maintain the capital value of all contributions (net of charges) and all interest additions, at all times. The risk appetite is 'extremely low'.

### fund risk profile



### target asset allocation

Money market : 100%

### benchmark construction

Yield on 182-day T.Bills : 100%

# Group Capital Secure Fund 1

## fund performance as on May 31, 2013

fund Name	gross return				
	12 month returns	24 month returns	36 month returns	48 month returns	60 month returns
Group Capital Secure Fund 1	9.51%	9.45%	8.94%	8.53%	8.96%
<b>Benchmark</b>	<b>8.39%</b>	<b>8.35%</b>	<b>7.56%</b>	<b>6.83%</b>	<b>7.34%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

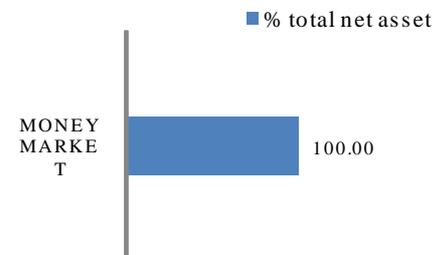
### portfolio As on May 31, 2013

security	% total net assets
other money market Instrument	100.00
<b>total net assets</b>	<b>100.00</b>

### fund characteristics as on May 31, 2013

YTM of debt portfolio: 8.00%

### asset allocation as on May 31, 2013



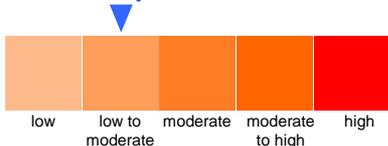
SFIN :  
ULGF01610/12/08GGILTFUN02121

Inception Date : 10<sup>th</sup> Dec 2008

### fund objective

Provide returns that exceed the inflation rate, without taking any credit risk (sovereign risk only) and maintaining a low probability of negative return in the short- term. The risk appetite is 'low to moderate'.

### fund risk profile



### target asset allocation

Government Securities: 100%

### benchmark construction

I-Sec Composite Sovereign Bond Index:100%

# Group Gilt Fund 2

## fund performance as on May 31, 2013

fund Name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Gilt Fund 2	16.43%	12.15%	10.02%	8.89%
<b>Benchmark</b>	<b>15.36%</b>	<b>11.95%</b>	<b>8.89%</b>	<b>7.32%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

### portfolio As on May 31, 2013

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

#### gilts

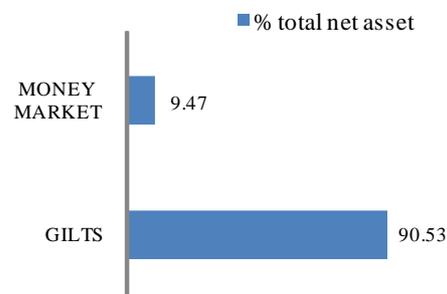
8.12% GOI CG 10-12-2020	12.76
8.20% GOI CG 24-09-2025	18.06
8.32% GOI CG 02-08-2032	24.76
8.33% GOI CG 09-07-2026	15.99
8.83% GOI CG 12-12-2041	15.92
8.97% GOI CG 05-12-2030	3.04

<b>total gilts</b>	<b>90.53</b>
<b>total money market</b>	<b>9.47</b>
<b>total net assets</b>	<b>100.00</b>

### fund characteristics as on May 31, 2013

M. Duration of debt portfolio: 8.02Years  
YTM of debt portfolio: 7.37%

### asset allocation as on May 31, 2013



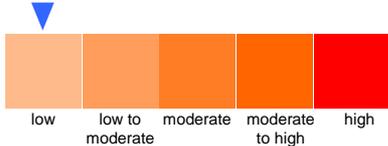
SFIN :  
ULGF00930/09/08GMONMRKT02121

Inception Date : 30<sup>th</sup> Sep 2008

### fund objective

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

### fund risk profile



### target asset allocation

Money market : 100%

### benchmark construction

CRISIL Liquid Bond Index: 100%

# Group Money Market Fund 2

## fund performance as on May 31, 2013

fund Name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Money Market Fund 2	10.06%	10.04%	9.45%	9.07%
<b>Benchmark</b>	<b>8.14%</b>	<b>8.42%</b>	<b>7.91%</b>	<b>6.70%</b>

\*Returns above 12 months are CAGR ( Compounded Annual Growth Rate ) returns.

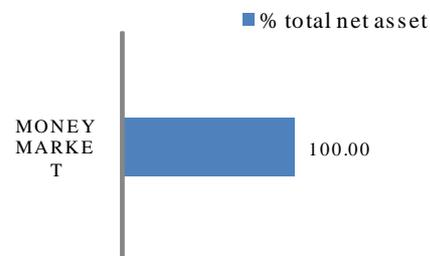
### portfolio As on May 31, 2013

security	% total net assets
other money market Instrument	100.00
<b>total net assets</b>	<b>100.00</b>

### fund characteristics as on May 31, 2013

YTM of debt portfolio: 9.20%

### asset allocation as on May 31, 2013



SFIN	Plan Name	Fund Name	NAV
ULGF00431/01/07GCAPISEC01121	Reliance Group Gratuity Plan	Group Capital Secure Fund 1	16.4311
ULGF00210/10/03GBALANCE02121	Reliance Group Gratuity Plan	Group Balanced Fund 2	16.5372
ULGF00110/10/03GBALANCE01121	Reliance Group Gratuity Plan	Group Balanced Fund 1	19.9897
ULGF01213/10/08GCORBOND02121	Reliance Group Gratuity Plan	Group Corporate Bond Fund 2	15.6309
ULGF01808/06/09GEQUITYF03121	Reliance Group Gratuity Plan	Group Equity Fund 3	17.1958
ULGF01610/12/08GGILTFUN02121	Reliance Group Gratuity Plan	Group Gilt Fund 2	13.8716
ULGF00930/09/08GMONMRKT02121	Reliance Group Gratuity Plan	Group Money Market Fund 2	14.8511
ULGF00310/10/03GGROWTHF01121	Reliance Group Gratuity Plan	Group Growth Fund 1	15.4464
ULGF01908/06/09GINFRASF01121	Reliance Group Gratuity Plan	Group Infrastructure Fund 1	7.0941
ULGF02008/06/09GMIDCAPF01121	Reliance Group Gratuity Plan	Group Midcap Fund 1	13.1473
ULGF01030/09/08GPUREDEB01121	Reliance Group Gratuity Plan	Group Pure Debt Fund 1	15.5297
ULGF00110/10/03GBALANCE01121	Reliance Group Superannuation Plan	Group Balanced Fund 1	19.9897
ULGF00431/01/07GCAPISEC01121	Reliance Group Superannuation Plan	Group Capital Secure Fund 1	16.4311
ULGF01213/10/08GCORBOND02121	Reliance Group Superannuation Plan	Group Corporate Bond Fund 2	15.6309
ULGF01808/06/09GEQUITYF03121	Reliance Group Superannuation Plan	Group Equity Fund 3	17.1958
ULGF01610/12/08GGILTFUN02121	Reliance Group Superannuation Plan	Group Gilt Fund 2	13.8716
ULGF00310/10/03GGROWTHF01121	Reliance Group Superannuation Plan	Group Growth Fund 1	15.4464
ULGF00930/09/08GMONMRKT02121	Reliance Group Superannuation Plan	Group Money Market Fund 2	14.8511
ULGF01030/09/08GPUREDEB01121	Reliance Group Superannuation Plan	Group Pure Debt Fund 1	15.5297
ULGF00210/10/03GBALANCE02121	Reliance Group Savings Linked Insurance Plan	Group Balanced Fund 2	16.5372
ULGF01213/10/08GCORBOND02121	Reliance Group Savings Linked Insurance Plan	Group Corporate Bond Fund 2	15.6309
ULGF01428/11/08GENERGF01121	Reliance Group Savings Linked Insurance Plan	Group Energy Fund 1	13.7416
ULGF01328/11/08GEQUITYF02121	Reliance Group Savings Linked Insurance Plan	Group Equity Fund 2	20.5693
ULGF01610/12/08GGILTFUN02121	Reliance Group Savings Linked Insurance Plan	Group Gilt Fund 2	13.8716
ULGF01908/06/09GINFRASF01121	Reliance Group Savings Linked Insurance Plan	Group Infrastructure Fund 1	7.0941
ULGF02008/06/09GMIDCAPF01121	Reliance Group Savings Linked Insurance Plan	Group Midcap Fund 1	13.1473
ULGF00930/09/08GMONMRKT02121	Reliance Group Savings Linked Insurance Plan	Group Money Market Fund 2	14.8511
ULGF01030/09/08GPUREDEB01121	Reliance Group Savings Linked Insurance Plan	Group Pure Debt Fund 1	15.5297
ULGF01528/11/08GPUREEQF01121	Reliance Group Savings Linked Insurance Plan	Group Pure Equity Fund 1	18.3674
ULGF00210/10/03GBALANCE02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Balanced Fund 2	16.5372
ULGF00930/09/08GMONMRKT02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Money Market Fund 2	14.8511
ULGF01213/10/08GCORBOND02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Corporate Bond Fund 2	15.6309
ULGF01610/12/08GGILTFUN02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Gilt Fund 2	13.8716
ULGF01808/06/09GEQUITYF03121	Reliance Life Insurance Group Gratuity Plus Plan	Group Equity Fund 3	17.1958
ULGF00930/09/08GMONMRKT02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Money Market Fund 2	14.8511
ULGF01213/10/08GCORBOND02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Corporate Bond Fund 2	15.6309
ULGF01610/12/08GGILTFUN02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Gilt Fund 2	13.8716
ULGF01808/06/09GEQUITYF03121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Equity Fund 3	17.1958
ULGF00210/10/03GBALANCE02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Balanced Fund 2	16.5372

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

**Macro analysis** of the economy is carried out by tracking the trends in key economic indicators.

**Market dynamics** are also studied apart from the above to determine our view of the changes likely in the interest rate scenario and equity market movements. Price movements in the market are monitored at all times along with factors that affect them such as the prevailing market sentiments, cash flows in the market and views/actions of key market participants including institutional investors like FIIs and mutual funds. For analyzing the debt markets, yield curve movements and changes in its shape are also studied.

The **risk appetite and investment objective** is clearly defined for each fund keeping in mind the investment horizon, liquidity requirements etc.

A range of acceptable holdings under each asset class is determined at the investment policy level. The **asset allocation** primarily takes into account, the investment objectives, regulatory issues and the likely risk return matrix to obtain a potential return which is the highest achievable for the risk that is assumed. Within the strategic asset allocation, the fund managers determine the weights of the various asset classes; primarily factoring in the developing market scenarios.

Based on the investment of objectives of each fund option, a rigorous **security selection** process is followed. The fixed income fund manager identifies cheaper securities across the yield curve and builds a basket of securities to arrive at the optimum level of yield within the range of pre-determined 'duration' for the entire portfolio after paying particular attention to the liquidity position and the liquidity premium on the securities. An active fund management style is followed on the equity portfolios. A core portfolio of stocks is first created driven by a top-down approach and a research based bottom-up stock selection method is followed.

**Benchmarks** are pre-determined for each fund based on the most appropriate indices available in the market or by constructing proxy benchmarks out of multiple indices. Performance of each fund is continuously tracked based on the benchmarks and recalibrated.

A statistical analysis is carried out to determine that the **risk levels** are in tune with the risk appetite of the particular fund. Statistical tools such as the standard deviation and risk-adjusted return measures such as the Sharp ratio are calculated in order to compare the returns generated per unit of risk vis-à-vis benchmarks.

The investment policy has been designed by the **Board** to cover regulatory guidelines, the various product investment objectives, risk appetite strategic asset allocation and the investment style. It is ensured that the portfolio is always kept compliant with the relevant regulations. Our rigorous process and risk/compliance controls are well documented.

## Gross Fund Return

Gross return for a fund is defined as the return calculated on an NAV basis plus the fund management fees which are debited periodically to the fund. We calculate gross fund returns in order to give uniformity while evaluating fund management performance as the fund management fees vary from company to company. Fund management charges are a matter of policy decision by the top management of a life insurance company. Hence, even if two funds from two different fund management companies give the same returns, the returns may not reflect that if they are calculated on an NAV basis.

**We shall highlight this with the help of an example.**

### Reliance Life Insurance

Balanced Fund  
NAV based Return=11.50 %  
Fund Management Fee=2%  
Gross Fund Return=13.50%

### XYZ Insurance Company

Balanced Fund  
NAV based Return=10.50%  
Fund Management Fee=3%  
Gross Fund Return=13.50%.

As seen above, though the gross return of both the companies were same, Reliance Life Insurance showed a higher NAV based return as the fund management fees were lower. Please note that the returns as given in The Analyst for all funds are computed on a gross basis.

## Benchmark Return

A benchmark is a standard against which the performance of an investment can be measured. Benchmarks are pre-determined primarily on the basis of the asset allocation structure of the fund.

Benchmarks can be readily available in the market or have to be constructed. The CNX Nifty is a readily available benchmark for our equity portfolio manager as the equity fund primarily invests in equities.

However, the benchmark for the Growth Fund of Reliance Life Insurance has been constructed as 60% of CRISIL Short Term Bond Index and 40% of CNX Nifty as the asset allocation of the growth fund is 60% of debt and 40% of equity. (Please refer to the Growth Fund page of The Analyst).

## Fund Standard Deviation

Risk of investing in a fund is identified by the volatility of the fund's periodic returns. Standard deviation measures the volatility of the fund's returns for a given time period.

In other words, Fund Standard Deviation for a particular time period gives us the deviation from the mean returns, that has occurred for that fund during that time period. For e.g. let us assume that the Balanced Fund has generated an average (mean) return of 11.55% for the last 2 years and that the corresponding standard deviation was 4.44%. That means that during the last 2 year time period, the balanced fund return varied between 15.99% (i.e. 11.55+ 4.44) and 7.11% (i.e. 11.55-4.44) during 65% of the time.

Higher the standard deviation, the greater the volatility, and therefore, the greater the risk of investing in that fund.

Thus, an investor has more information available at his disposal to evaluate the quality of performance of the fund and how volatile its returns are.

To carry it a step further, it is highly unlikely that a fund's return in any one year will be exactly the average. Rather, it will always be either higher or lower than the average. Thus, standard deviation teaches us to look beyond the "average annual return" figures that are touted by investment advisors.

## Fund Sharpe Ratio

Sharpe ratio of a fund tells us how much return the fund has been able to generate per unit of risk. The higher the Sharpe Ratio, the better the performance of a fund from a risk point of view.

The excess return generated by a fund for a particular time period is first calculated by subtracting the risk free rate from the rate of return generated by that fund during that time period. Dividing this result by the standard deviation of the fund return during that time period, one can obtain the Sharpe ratio.

**Sharpe Ratio = Excess return / Annualized standard deviation of fund return**

The "risk-free return" is the annualized return currently available on "risk-free" investments. This is usually assumed to be the return on a short government security like Treasury bill. A government security is sovereign credit which is the nearest to a risk free asset that one can get. For our calculations of the Sharpe ratios for all funds as given in the Analyst, we have assumed this risk free rate of interest to be at 5%.

✓ Gross Fund Return

✓ Benchmark Return

✓ Fund Standard Deviation

✓ Fund Sharpe Ratio

We shall assume that 9.85% was the annualized gross return for a 3-year time period for the balanced fund, 5% p.a. was the assumed risk free rate of return as discussed above and 4.14% p.a. was the standard deviation of this 3-year return. The Sharpe ratio can be calculated as follows:

$$(9.85-5)\%/4.14\%=1.17.$$

The Sharpe ratio tells us whether the returns of a portfolio are due to smart investment decisions or a result of excess risk. This measurement is very useful because although one portfolio or fund can reap higher returns than its peers, it is only a good investment if those higher returns do not come with too much additional risk. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been.

**Benchmark Sharpe Ratio**

Just as the fund returns are compared to a benchmark return, the Sharpe ratio of the fund is also compared to the benchmark's Sharpe ratio in order to evaluate the risk-adjusted performance. In our example above, let us assume that the benchmark Sharpe ratio of the balanced fund for the last 3 years is 0.98. This means that over a three-year time period, the Balanced Fund of Reliance Life Insurance has given a higher risk-adjusted return than the comparable risk-adjusted return provided by the constructed benchmark.

While calculating the benchmark Sharpe ratio of 0.98, let us assume that 9.10% was the annualized gross return provided by the constructed benchmark for the balanced fund for the last 3-year time period, 5% p.a. was the assumed risk free rate of return, and 4.21% p.a. was the standard deviation of the 3-year benchmark return.

The benchmark Sharpe ratio for the Balanced Fund for the last three years has been calculated as follows:  $(9.10-5)\%/4.21\%=0.98.$

**Modified Duration of Debt Portfolio**

The value of a fund's debt portfolio is sensitive to changes in interest rates. When interest rates rise, bond prices fall, and vice versa. Generally, a debt portfolio comprising of bonds with higher maturities will have a higher price fluctuation than a portfolio comprising of bonds with lower maturities. Modified duration, indicates the sensitivity of the value of the debt portfolio to any given change in interest rates. Modified Duration is derived from Duration, which represents a weighted average of the time periods to maturity.

Modified Duration gives one an immediate rule of thumb -- the percentage change in the price of a bond is the duration multiplied by the change in interest rates. So, if a bond has duration of 10 years and interest rates fall from 8% to 7.5% (a drop of 0.50 percentage points), the bond's price will rise by approximately 5% (i.e.  $10 \times 0.50\%$ ).

Let us assume that the modified duration for the Balanced Fund is 2.03. If interest rates drop from 8% to 7.5%, the value of this debt portfolio will rise by 1.015% (i.e.  $2.03 \times 0.50\%$ ). Similarly, when interest rates rise from 8% to 8.5%, say, the value of this debt portfolio will fall by 1.015%.

**Fund Beta**

Beta measures the risk of a security (say a particular stock) in relation to its broad market. The broad market is generally defined as the specified benchmark index. The Beta assigned to the benchmark index is 1. Beta of the stock describes the sensitivity of the price of the stock to the benchmark index. (For the more statistically inclined readers, Beta is the slope of the regression line). It is generally calculated for equity portfolio/funds.

If a stock has a beta of 1, that stock is likely to generate the same returns as the market. If the beta of a stock is more than 1, it means that the stock is likely to give higher returns compared to the market but also at a higher risk as compared to the market. For instance, a stock with beta of 1.2 means that when the market, say Nifty, gives a return of 10%, that stock is likely to generate returns of 12% (i.e.  $1.2 \times 10\%$ ). Similarly, a low beta stock has given lower returns compared to what the market has delivered for a particular time period. For e.g. for a stock with beta of 0.80, if the Nifty gives returns of 10%, the stock is likely to give returns of only half of that, i.e. 8%. (i.e.  $0.80 \times 10\%$ )

Now we shall see the impact of these two stocks when the market falls. When the Nifty gives negative returns of 10%, i.e the market falls by 10%, the price of the stock with beta of 1.2 will fall by 12%. However, though the price of the stock with the low beta of 0.8 will also fall when the market falls, it will not fall as much as the market. If the market falls by 10%, the price of this scrip will fall only by 8%.

The fund beta is nothing but the betas of individual stocks in the equity portfolio multiplied by the weight of that stock in the portfolio. If a fund has a high beta, the equity portfolio of that fund is aggressive and tilted towards high beta stocks and vice versa. Please note that the betas of individual stocks as given in the Equity Fund page of the Analyst have been calculated based on the available prices of the stocks on the NSE for the last 1-yr period.

✓ **Benchmark Sharpe Ratio**

✓ **Modified Duration Of Debt Profile**

✓ **Fund Beta**

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