



RELIANCE

Life Insurance



the analyst

**monthly Group fund
factsheet for April 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	28th March 13	28th Feb 13	%Change
¹ Rs./\$	54.28	54.36	-0.15
² WPI Inflation Index		170.20	
³ Forex Reserves (\$ bn)	292.65	291.92	0.50
¹ Brent Crude Price (\$ per Barrel)	97.23	92.05	5.33
¹ Gold (Rs. per 10gm)	29564	29615	-0.17

Investments	28th March 13	28th Feb 13	Absolute Change
¹ FII (Rs Crs)	574	-1318	1892
¹ Mfs (Rs Crs)	-346	418	-764

Indices	28th March 13	28th Feb 13	% Change
¹ BSE Sensex	18836	18862	-0.14
¹ S&P CNX Nifty	5683	5693	-0.18
¹ CNX Mid Cap	7402	7540	-1.84
¹ BSE Small Cap	5805	6206	-6.47

Global Indices	28th March 13	28th Feb 13	% Change
¹ Dow Jones	14579	14054	3.73
¹ FTSE 100	6412	6361	0.80
¹ Hang Seng	22300	23020	-3.13
¹ Nikkei	12336	11559	6.72

Sectoral Indices	28th March 13	28th Feb 13	% Change
¹ CNX Infrastructure	2210	2300	-3.92
¹ CNX Energy	7552	7829	-3.54
¹ BSE Capital Goods	9018	9185	-1.82
¹ BSE Bankex	13033	13204	-1.29
¹ BSE Oil & Gas	8327	8648	-3.72
¹ BSE IT	6885	6754	1.94

Fixed Income Indicators (%)	28th March 13	28th Feb 13	Absolute Change
¹ NSE Mibor	8.54	8.64	-0.10
¹ 91 Day T-Bill	8.02	8.13	-0.11
¹ 182 Day T-Bill	7.92	8.03	-0.11
¹ 1 year GOI Benchmark	7.82	7.83	-0.01
¹ 5 Year GOI Benchmark	7.94	7.90	0.04
¹ 10 Year GOI Benchmark	7.96	7.87	0.09
¹ 5 Year Corp Bond Benchmark	8.85	8.93	-0.08
¹ 10 Year AAA Corp Bond Benchmark	8.89	8.94	-0.05
¹ 10 Year US Benchmark	1.85	1.88	-0.03

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

Indian Economy

India is facing headwind in the shape of sub-par growth and persistently high Current Account Deficit (CAD). The GDP growth for the 3rd quarter of 2012-2013 has come down to 4.5% (y-o-y), weakest in last 15 quarters. Manufacturing was subdued on account of dismal demand from both domestic and abroad, while services also slackened. Politically, Government in the absence of effectively managing its allies, now unable to continue its process of reform and this is impacting the growth in the current global & domestic uncertainty.

The Balance of Payment (BOP) data for Q3 2012-13 has portrayed a bleak economic picture. The CAD has jumped to US\$ 32.6 billion in Q3 of 2012-13 from US\$ 20.2 billion in corresponding period last year. The CAD has widened from 5.4 % in Q2 to a record high of 6.7 % of GDP in Q3, driven mainly by larger trade deficit. The trade deficit has also increased to US\$ 59.6 billion in Q3 of 2012-13 from US\$ 48.6 billion in Q3 of 2011-12. It is expected that that recent fall in gold and commodity prices, if stabilizes at lower level, will help reduce the trade deficit, which in turn may improve the CAD. This is one of the major drivers for INR to maintain weakening bias against USD due to demand for foreign currency.

Inflation (WPI) has risen to 6.84% in Feb 2103 compared to 6.64% in Jan 2013. But the core inflation has continued to decline and fell below 4% (lowest since March 2010). Other leading indicators like PMI input and output prices also indicate that there is a reduction in prices. However, CPI continues to rule firm around 10%, primarily driven by persistently high food prices in the absence of any improvement in the supply side.

Lower growth & easing core WPI inflation has prompted RBI to reduce policy rates in March 2013 by 25bps. However, banks are still unable to pass lower rates to industry and citizen due to tight liquidity in the system. Additionally, negative return of the savers on account of high CPI is restricting banks to lower deposit rates as well. In addition, RBI has guided that there would be limited room to reduce the policy rates due to high CAD as well as stable headline inflation in FY 14.

Bond yields have reacted adversely & inched up marginally during the month by 10-15 bps as hopes were fading that there would be further reduction in policy rate. Money Market rates have also firmed up initially during the month, however, it has retreated to more sensible levels once banks have completed their year-end target of resource mobilization by mid month

Globally, Cyprus went for the bail out of its banking industry by winding down a bank, where depositors would be losing partially along with bond and equity holders. This move has averted the question mark on the stability of the EURO time being.

Fixed Income Outlook:

Going forward, it is expected that in near term, in continuation with easing bias, one can expect further reduction in policy rates in ensuing monetary policy in March 13 as we continue to witness lower demand, for example, decade low car sales as well as hardly any capital expenditures. Though it will take a while, before policy action taken by government will improve CAD and other economic indicators. In the medium term once borrowing by the government starts in the new financial year, it will add pressure on the interest rates marginally.

Equity Market

Indian equities continued to ride on weakness for the second month (-0.14%) running with political uncertainty taking centre-stage in March 2013. The Budget (released on the last day of Feb) successfully kept fiscal fears at bay and the RBI gave another 25bps monetary boost to the economy. However withdrawal of support by a key government ally made the markets uncertain as the government was pushed to a thin majority. Few private sector banking stocks were facing the heat during the month by a sting operation alleging the banks of money laundering. On the global front, the Cyprus crisis and subsequent bailout arrangement renewed euro zone concerns.

Jan 2013 IIP has come 2.4% after 2 months of contraction. While manufacturing and electricity numbers were in the green, mining at -2.9% reflected a slowdown due to environmental/forest clearance issues.

Capital market deals witnessed a sluggish month as 13 deals managed to notch up only \$872mn. The government divestments via OFS in SAIL, NALCO and RCF tallied \$279mn, \$96mn and \$57mn respectively. Among other deals in Mar, we saw a QIP in Jaiprakash Power Ventures (\$173mn) and a rights issue in Bajaj Finance (\$136mn).

FII flows slowed down in Mar 2013 ending the month at a 4 month low of \$2bn. This took the first quarter CY13 FII inflows to end at \$10.3bn. DIIs persisted to be net sellers, with \$1.5bn of outflows during the month. YTD, DII outflows now total \$6.3bn. Within the domestics, Insurance cos. contributed more, selling net \$1.2bn while Mutual Funds net sold \$327mn.

Equity Outlook:

It is expected that due to lower earnings expectations, market may go down further from the current levels. However, equity valuations are now getting into the attractive zone for the long term investors to continue to add equities for building long term nest egg.

fund snapshot

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

asset allocation	funds	Last 1 Year	Last 2 Year	Last 3 Year	Page No.
100% equity	Group Equity Fund 2	8.82%	0.65%	4.52%	4
100% equity	Group Equity Fund 3	9.23%	11.93%	11.35%	5
100% pure equity	Group Pure Equity Fund 1	2.15%	-1.99%	1.18%	6
100% equity	Group Infrastructure Fund 1	-12.38%	-14.79%	-11.93%	7
100% equity	Group Energy Fund 1	-4.06%	-6.88%	-3.19%	8
100% equity	Group Midcap Fund 1	3.71%	1.16%	0.21%	9
40% equity, 60% debt	Group Growth Fund 1	10.01%	5.77%	6.33%	10
20% equity, 80% debt	Group Balanced Fund 1	9.93%	7.41%	7.21%	11
20% equity, 80% debt	Group Balanced Fund 2	10.94%	8.00%	7.62%	12
100% bond instruments	Group Corporate Bond Fund 2	12.21%	9.54%	8.68%	13
100% debt Instruments	Group Pure Debt Fund 1	11.52%	9.26%	8.47%	14
100% money market	Group Capital Secure Fund 1	9.46%	9.39%	8.78%	15
100% govt. securities	Group Gilt Fund 2	11.93%	9.12%	8.68%	16
100% money market	Group Money Market Fund 2	10.21%	9.98%	9.28%	17

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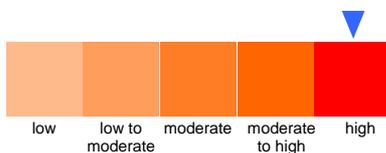
ULGF00724/10/07GEQUITYF01121

Inception Date : 30th Oct 2007

fund objective

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

fund risk profile



target asset allocation

Equity: 100%

benchmark construction

S&P CNX Nifty: 100%

Group Equity Fund 2

fund performance as on Mar 31, 2013

fund name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Equity Fund 2	8.82%	0.65%	4.52%	19.67%
Benchmark	7.31%	-1.30%	2.68%	17.11%

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

portfolio As on Mar 31, 2013

security	% total net assets
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equity

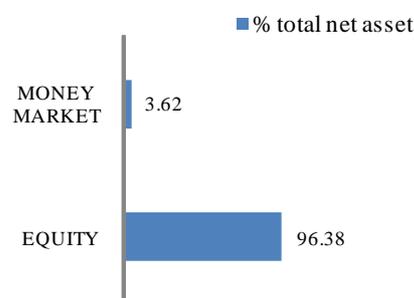
ASSOCIATED CEMENT COMPANIES LTD.	1.17
AUROBINDO PHARMA LTD FV1	1.03
AXIS BANK LIMITED	1.03
BAJAJ AUTO LTD	1.21
BHARAT FORGE	0.78
BHARTI AIRTEL LIMITED	1.60
CAIRN INDIA LIMITED	1.07
CROMPTON GREAVES LTD	0.66
D.B. CORP LIMITED	0.34
DIVIS LABORATORIES LIMITED	7.37
HDFC BANK LTD.FV-2	5.87
HDFC LTD FV 2	2.57
HEXA TRADEX LIMITED	0.05
HINDUSTAN ZINC LIMITEDFV-2	0.93
HT MEDIA LIMITED	0.58
ICICI BANK LTD	7.00
INDIABULLS HOUSING FINANCE LTD	0.53
INFOSYS LIMITED	7.62
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.61
ITC - FV 1	7.84
JAIPRAKASH ASSOCIATE	1.20
JINDAL SAW LIMITED FV2	0.80
JINDAL STEEL & POWER LTD.	0.34
JSW STEEL LIMITED	0.79
KIRLOSKAR CUMMINS	2.67
LARSEN&TUBRO	5.28
LUPIN LIMITEDFV-2	1.49
MAHINDRA & MAHINDRA LTD.-FV5	2.03
MARUTI UDYOG LTD.	1.43
MOTHERSON SUMI SYSTEMS LTD.	1.40
NMDC LTD	0.97
OIL INDIA LIMITED	1.03
ONGCFV-5	1.74
RANBAXY FV RS 5	0.66
RELIANCE INDUSTRIES LTD.	7.69
SML ISUZU LIMITED	0.46
STATE BANK OF INDIA	2.85
STERLITE INDUSTRIES FV 1	1.62
STRIDES ARCOLAB LIMITED	1.94
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	1.16
TATA CONSULTANCY SERVICES LTD.	3.24
TATA MOTORS LIMITED DVRFV-2	0.98
TATA MOTORS LTD.FV-2	1.70
ULTRATECH CEMCO LTD	0.94
YES BANK LTD	2.11

total equity	96.38
total money market	3.62
total net assets	100.00

fund characteristics as on Mar 31, 2013

Fund Beta	0.97
S&P CNX Nifty Beta	1.00

asset allocation as on Mar 31, 2013



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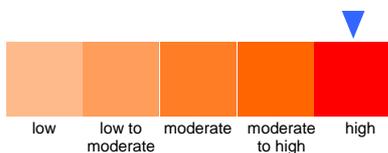
ULGF01808/06/09GEQUITYF03121

Inception Date : 8th Jun 2009

fund objective

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

fund risk profile



target asset allocation

Equity: 100%

benchmark construction

S&P CNX Nifty: 100%

Group Equity Fund 3

fund performance as on Mar 31, 2013

fund name	gross return		
	12 month returns	24 month returns	36 month returns
Group Equity Fund 3	9.23%	11.93%	11.35%
Benchmark	7.31%	-1.30%	2.68%

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

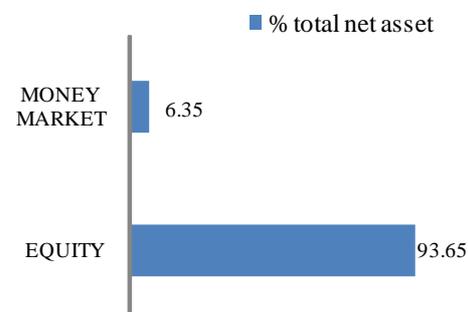
portfolio As on Mar 31, 2013

security	% total net assets
equity	
ASSOCIATED CEMENT COMPANIES LTD.	0.96
AUROBINDO PHARMA LTD FV1	0.23
AXIS BANK LIMITED	0.60
BAJAJ AUTO LTD	0.52
BHARAT FORGE	0.39
BHARTI AIRTEL LIMITED	1.24
CAIRN INDIA LIMITED	0.91
CROMPTON GREAVES LTD	0.59
D.B. CORP LIMITED	0.09
DIVIS LABORATORIES LIMITED	6.21
HDFC BANK LTD.FV-2	7.47
HDFC LTD FV 2	1.75
HINDUSTAN ZINC LIMITEDFV-2	0.43
HT MEDIA LIMITED	0.24
ICICI BANK LTD.	7.43
INDIABULLS HOUSING FINANCE LTD	0.48
INFOSYS LIMITED	6.15
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.27
ITC - FV 1	5.51
JAIPRAKASH ASSOCIATE	0.81
JINDAL SAW LIMITED FV2	0.43
JINDAL STEEL & POWER LTD.	0.25
JSW STEEL LIMITED	0.70
KIRLOSKAR CUMMINS	3.89
LARSEN&TUBRO	7.12
LUPIN LIMITEDFV-2	0.55
MAHINDRA & MAHINDRA LTD.-FV5	1.54
MARUTI UDYOG LTD	1.15
MOTHERSON SUMI SYSTEMS LTD.	0.27
NMDC LTD	6.95
OIL INDIA LIMITED	0.46
ONGCFV-5	2.08
RANBAXY FV RS 5	0.57
RELIANCE INDUSTRIES LTD.	6.81
SML ISUZU LIMITED	0.20
STATE BANK OF INDIA	5.67
STERLITE INDUSTRIES FV 1	1.29
STRIDES ARCOLAB LIMITED	0.75
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.80
TATA CONSULTANCY SERVICES LTD.	6.36
TATA MOTORS LIMITED DVRFV-2	0.32
TATA MOTORS LTD.FV-2	0.62
ULTRATECH CEMCO LTD	0.70
YES BANK LTD	1.89
total equity	93.65
total money market	6.35
total net assets	100.00

fund characteristics as on Mar 31, 2013

Fund Beta 0.99
S&P CNX Nifty Beta 1.00

asset allocation as on Mar 31, 2013



RELIANCE

Life Insurance

SFIN :

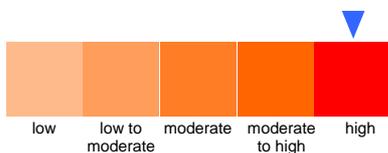
ULGF01528/11/08GPUREEQF01121

Inception Date : 16th Dec 2008

fund objective

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

fund risk profile



target asset allocation

Pure Equity: 100%

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

benchmark construction

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

Group Pure Equity Fund 1

fund performance as on Mar 31, 2013

gross return				
Fund name	12 month returns	24 month returns	36 month returns	48 month returns
Group Pure Equity Fund 1	2.15%	-1.99%	1.18%	16.25%
Benchmark	5.16%	-1.69%	0.63%	14.74%

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

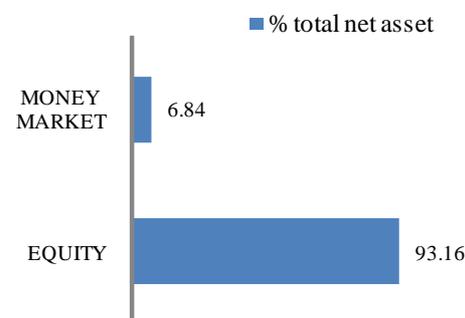
portfolio As on Mar 31, 2013

security	% total net assets
equity	
ASSOCIATED CEMENT COMPANIES LTD.	2.38
BAJAJ AUTO LTD	3.77
BHARAT HEAVY ELECTRICALS LTD.FV-2	2.46
BHARTI AIRTEL LIMITED	4.21
CAIRN INDIA LIMITED	3.98
CROMPTON GREAVES LTD	1.46
DIVIS LABORATORIES LIMITED	3.38
GAS AUTHORITY OF INDIA LTD.	1.41
GRASIM INDUSTRIES LTD.	2.72
HEXA TRADEX LIMITED	0.06
HINDALCO INDUSTRIES LTD FV RE 1	1.40
INFOSYS LIMITED	1.96
JINDAL SAW LIMITED FV2	0.84
JINDAL STEEL & POWER LTD.	1.82
KIRLOSKAR CUMMINS	2.02
LARSEN&TUBRO	3.57
LUPIN LIMITEDFV-2	1.45
MAHINDRA & MAHINDRA LTD.-FV5	3.32
MARUTI UDYOG LTD.	2.76
MOTHERSON SUMI SYSTEMS LTD.	3.62
NTPC LIMITED	2.58
OIL INDIA LIMITED	0.74
ONGCFV-5	5.52
PETRONET LNG LIMITED	0.92
POWER GRID CORP OF INDIA LTD	1.72
RANBAXY FV RS 5	2.17
RELIANCE INDUSTRIES LTD.	8.44
SANOFI INDIA LIMITED	2.38
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	4.93
TATA CONSULTANCY SERVICES LTD.	5.50
ULTRATECH CEMCO LTD	2.14
VOLTAS LTD	1.53
total equity	93.16
total money market	6.84
total net assets	100.00

fund characteristics as on Mar 31, 2013

Fund Beta 0.92
S&P CNX Nifty Shariah Index Beta 1.00

asset allocation as on Mar 31, 2013



SFIN :

ULGF01908/06/09GINFRASF01121

Inception Date : 8th Jun 2009

fund objective

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

fund risk profile



target asset allocation

Equity: 100%

benchmark construction

CNX Infrastructure Index: 100%

Group Infrastructure Fund 1

fund performance as on Mar 31, 2013

gross return			
fund Name	12 month returns	24 month returns	36 month returns
Group Infrastructure Fund 1	-12.38%	-14.79%	-11.93%
Benchmark	-11.93%	-15.25%	-13.57%

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

portfolio As on Mar 31, 2013

security	% total net assets
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equity

AXIS BANK LIMITED	1.61
BHARAT FORGE	3.04
BHARAT HEAVY ELECTRICALS LTD.FV-2	5.00
BHARTI AIRTEL LIMITED	6.97
CAIRN INDIA LIMITED	0.96
COAL INDIA LIMITED	3.65
CROMPTON GREAVES LTD	1.40
GAS AUTHORITY OF INDIA LTD.	3.36
GRASIM INDUSTRIES LTD.	3.19
GREAVES COTTONFV-2	0.69
HEXA TRADEX LIMITED	0.05
HINDALCO INDUSTRIES LTD FV RE 1	0.99
HINDUSTAN ZINC LIMITEDFV-2	1.17
INDIAN METALS AND FERRO ALLOYS LIMITED	2.53
INFOSYS LIMITED	3.13
IRB INFRASTRUCTURE DEVELOPERS LIMITED	2.30
JAIPRAKASH ASSOCIATE	5.59
JINDAL SAW LIMITED FV2	0.73
JINDAL STEEL & POWER LTD.	2.10
JYOTI STRUCTURES LTD	1.44
LARSEN&TUBRO	7.96
MOTHERSON SUMI SYSTEMS LTD.	1.60
NCC LIMITED	0.83
NTPC LIMITED	7.79
ORIENT GREEN POWER COMPANY LIMITED	1.93
PETRONET LNG LIMITED	1.15
POWER GRID CORP OF INDIA LTD	6.33
RELIANCE INDUSTRIES LTD.	2.94
TATA IRON & STEEL COMPANY LTD	2.45
TATA POWER CO. LTD.FV-1	3.99
TD POWER SYSTEMS LIMITED	1.65
VOLTAS LTD	0.94

total equity 89.46

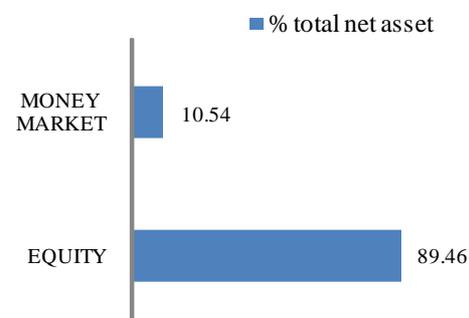
total money market 10.54

total net assets 100.00

fund characteristics as on Mar 31, 2013

Fund Beta	0.81
CNX Infrastructure Index Beta	1.00

asset allocation as on Mar 31, 2013



RELIANCE

Life Insurance

SFIN :

ULGF01428/11/08GENERGYF01121

Inception Date : 16th Dec 2008

fund objective

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

fund risk profile



target asset allocation

Equity: 100%

benchmark construction

CNX Energy Index: 100%

Group Energy Fund 1

fund performance as on Mar 31, 2013

fund Name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Energy Fund 1	-4.06%	-6.88%	-3.19%	7.28%
Benchmark	-0.08%	-10.75%	-5.75%	3.82%

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

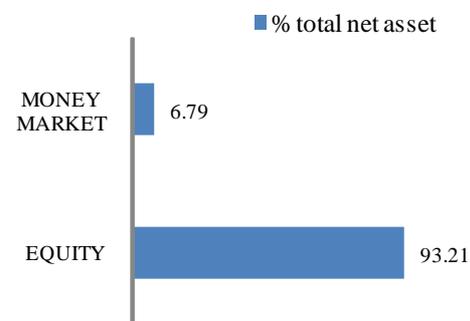
portfolio As on Mar 31, 2013

security	% total net assets
equity	
AXIS BANK LIMITED	1.58
BHARAT HEAVY ELECTRICALS LTD.FV-2	2.07
BHARAT PETROLEUM CORP. LTD.	7.06
CAIRN INDIA LIMITED	6.97
COAL INDIA LIMITED	2.31
CROMPTON GREAVES LTD	1.28
GAS AUTHORITY OF INDIA LTD.	7.87
JINDAL STEEL & POWER LTD.	2.44
JYOTI STRUCTURES LTD	2.14
KIRLOSKAR CUMMINS	5.78
LARSEN&TUBRO	5.71
NTPC LIMITED	8.18
OIL INDIA LIMITED	7.80
ONGCFV-5	8.71
ORIENT GREEN POWER COMPANY LIMITED	1.93
PETRONET LNG LIMITED	3.93
POWER GRID CORP OF INDIA LTD	7.85
RELIANCE INDUSTRIES LTD.	8.30
TATA POWER CO. LTD.FV-1	0.80
VOLTAS LTD	0.50
total equity	93.21
total money market	6.79
total net assets	100.00

fund characteristics as on Mar 31, 2013

Fund Beta	0.82
CNX Energy Index Beta	1.00

asset allocation as on Mar 31, 2013



SFIN :

ULGF02008/06/09GMIDCAPF01121

Inception Date : 8th Jun 2009

fund objective

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

fund risk profile



target asset allocation

Equity: 100%

benchmark construction

Nifty Midcap 50: 100%

Group Midcap Fund 1

fund performance as on Mar 31, 2013

gross return			
fund Name	12 month returns	24 month returns	36 month returns
Group Midcap Fund 1	3.71%	1.16%	0.21%
Benchmark	-15.99%	-12.16%	-10.46%

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

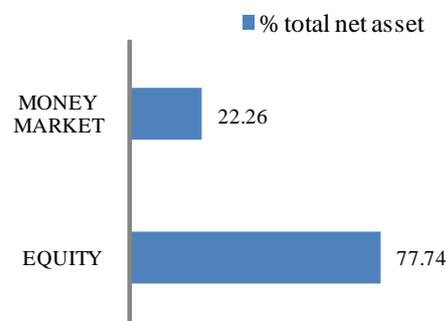
portfolio As on Mar 31, 2013

security	% total net assets
equity	
ADITYA BIRLA NUVO LIMITED	0.85
AUROBINDO PHARMA LTD FV1	2.48
AXIS BANK LIMITED	0.56
BHARAT FORGE	0.71
D.B. CORP LIMITED	3.20
DIVIS LABORATORIES LIMITED	5.60
GREAVES COTTONFV-2	2.46
GUJARAT FLUOROCEMICALS LTD.	1.02
GUJARAT STATE FERTILIZER COMPANYFV-2	2.60
HEXA TRADEX LIMITED	0.21
HT MEDIA LIMITED	2.32
INDIABULLS HOUSING FINANCE LTD	3.19
INDIAN METALS AND FERRO ALLOYS LIMITED	2.56
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.91
JINDAL SAW LIMITED FV2	3.37
JSW STEEL LIMITED	1.65
JYOTI STRUCTURES LTD	1.74
KIRLOSKAR CUMMINS	4.90
NCC LIMITED	0.25
PETRONET LNG LIMITED	0.97
RADICO KHAITAN LIMITED	4.04
SANOFI INDIA LIMITED	8.44
STRIDES ARCOLAB LIMITED	7.50
TATA CHEMICALS LTD.	0.93
TATA MOTORS LIMITED DVRFV-2	1.59
TD POWER SYSTEMS LIMITED	1.41
TITAN INDUSTRIES LTD-FV1	2.02
TVS MOTORS	1.16
UNITED PHOSPHOROUS LTD	0.39
UNITED SPIRITS LIMITED	6.73
VOLTAS LTD	0.34
YES BANK LTD	0.93
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.71
total equity	77.74
total money market	22.26
total net assets	100.00

fund characteristics as on Mar 31, 2013

Fund Beta	0.68
Nifty Midcap 50 Index Beta	1.00

asset allocation as on Mar 31, 2013



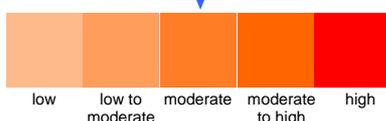
SFIN :
ULGF00310/10/03GGROWTHF01121

Inception Date : 31st Jan 2007

fund objective

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

fund risk profile



target asset allocation

Debt: 60%
Equity: 40%

benchmark construction

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

Group Growth Fund 1

fund performance as on Mar 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	10.01%	5.77%	6.33%	11.75%	7.54%
Benchmark	8.69%	5.00%	5.95%	11.61%	6.96%

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

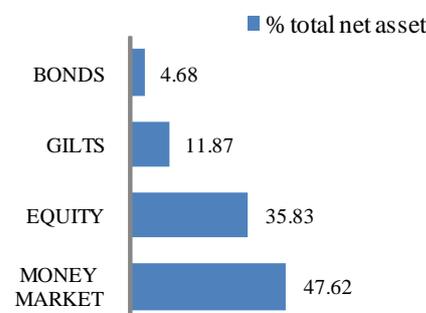
portfolio As on Mar 31, 2013

security	% total net assets	rating
bond/ncd		
10.60% IRFC NCB 11-09-2018	2.17	AAA
8.90% PGCIL NCD 25-02-2018 XXXI E	2.51	AAA
total bond/ncd	4.68	
gilts		
8.07% GOI CG 03-07-2017	3.02	
8.15% GOI CG 11-06-2022	1.01	
8.28% GOI CG 21-09-2027	4.85	
8.97% GOI CG 05-12-2030	2.99	
total gilts	11.87	
equity		
ASSOCIATED CEMENT COMPANIES LTD.	0.21	
AUROBINDO PHARMIA LTD FV1	0.64	
AXIS BANK LIMITED	1.11	
BAJAJ AUTO LTD	0.75	
BHARAT FORGE	0.33	
BHARTI AIRTEL LIMITED	0.40	
CAIRN INDIA LIMITED	0.89	
CROMPTON GREAVES LTD	0.16	
D.B. CORP LIMITED	0.19	
DIVIS LABORATORIES LIMITED	2.97	
GAS AUTHORITY OF INDIA LTD.	0.06	
HDFC BANK LTD.FV-2	1.89	
HDFC LTD FV 2	0.68	
HEXA TRADEX LIMITED	0.01	
HINDUSTAN ZINC LIMITEDFV-2	0.53	
HT MEDIA LIMITED	0.00	
ICICI BANK LTD.	2.75	
INFOSYS LIMITED	2.09	
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.13	
ITC - FV 1	3.05	
JAIPRAKASH ASSOCIATE	0.33	
JINDAL SAW LIMITED FV2	0.22	
JINDAL STEEL & POWER LTD.	0.09	
JSW STEEL LIMITED	0.27	
KIRLOSKAR CUMMINS	0.78	
LARSEN&TUBRO	0.85	
LUPIN LIMITEDFV-2	0.40	
MAHINDRA & MAHINDRA LTD.-FV5	0.69	
MARUTI UDYOG LTD.	0.40	
MOTHERSON SUMI SYSTEMS LTD.	0.26	
NCC LIMITED	0.01	
OIL INDIA LIMITED	0.06	
ONGCFV-5	0.53	
RANBAXY FV RS 5	0.22	
RELIANCE INDUSTRIES LTD.	2.24	
SANOFI INDIA LIMITED	1.81	
SML ISUZU LIMITED	0.23	
STATE BANK OF INDIA	1.05	
STERLITE INDUSTRIES FV 1	0.33	
STRIDES ARCOLAB LIMITED	0.62	
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.21	
TATA CONSULTANCY SERVICES LTD.	1.37	
TATA MOTORS LIMITED DVRFV-2	0.48	
TATA MOTORS LTD FV-2	0.41	
ULTRATECH CEMCO LTD	0.40	
UNITED PHOSPHOROUS LTD	0.22	
UNITED SPIRITS LIMITED	1.85	
YES BANK LTD	0.59	
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.07	
total equity	35.83	
total money market	47.62	
total net assets	100.00	

fund characteristics as on Mar 31, 2013

M.Duration of debt portfolio: 1.59 Years
YTM of debt portfolio: 9.86%
Fund Beta: 0.95
S&P CNX Nifty Beta: 1.00

asset allocation as on Mar 31, 2013



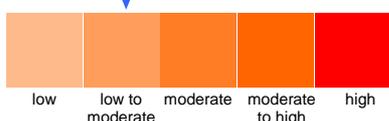
SFIN :
ULGF00110/10/03GBALANCE01121

Inception Date : 29th Jan 2007

fund objective

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

fund risk profile



Group Balanced Fund 1

fund performance as on Mar 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	9.93%	7.41%	7.21%	9.89%	8.20%
Benchmark	9.02%	6.94%	6.81%	9.44%	7.46%

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

portfolio As on Mar 31, 2013

security	% total assets	rating net
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bond/ncd

0.00% HDFC ZCB 23-10-2017 J-041	1.72	AAA
10.35% HDFC NCD 06-06-2017	0.57	AAA
10.60% IRFC NCB 11-09-2018	0.53	AAA
11.15% HDFC NCD 06-08-2018	1.19	AAA
8.68% NCRPB NCB 18-08-2019	1.63	AAA
8.84% PGCIL NCD 21-10-2018 STRPP E	0.54	AAA
8.90% PGCIL NCD 25-02-2021 XXXI H	0.88	AAA
8.93% NTPC NCB 19-01-2021 XXXVII	6.00	AAA
9.34% SBOT NCB 31-10-2016 I	1.11	AAA
9.50% TATA COMMUNICATIONS NCD 08-06-2014	1.64	AA+
9.57% LICIFI NCD 07-09-2017	5.59	AAA
9.67% TATA SONS NCD 13-09-2022	4.57	AAA
9.75% SRTRANSFIN NCD 01-06-2015	5.47	AA
9.95% ILFS NCD 14-02-2016 VIII	0.77	AAA

total bond/ncd 32.07

gilts

7.83% GOI CG 11-04-2018	4.82
8.07% GOI CG 03-07-2017	4.11
8.15% GOI CG 11-06-2022	1.71
8.28% GOI CG 21-09-2027	4.90
8.97% GOI CG 05-12-2030	5.87

total gilts 21.41

equity

ASSOCIATED CEMENT COMPANIES LTD.	0.16
AUROBINDO PHARMA LTD FV1	0.17
AXIS BANK LIMITED	0.60
BAJAJ AUTO LTD	0.20
BHARAT FORGE	0.12
BHARTI AIRTEL LIMITED	0.26
CAIRN INDIA LIMITED	0.53
CROMPTON GREAVES LTD	0.11
D. B. CORP LIMITED	0.03
DIVIS LABORATORIES LIMITED	1.03
GAS AUTHORITY OF INDIA LTD.	0.04
HDFC BANK LTD.FV-2	1.06
HDFC LTD FV 2	0.22
HEXA TRADEX LIMITED	0.01
HINDUSTAN ZINC LIMITEDFV-2	0.33
HT MEDIA LIMITED	0.00
ICICI BANK LTD.	1.51
INFOSYS LIMITED	1.54
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.11
ITC - FV 1	1.20
JAIPRAKASH ASSOCIATE	0.23
JINDAL SAW LIMITED FV2	0.09
JINDAL STEEL & POWER LTD.	0.06
JSW STEEL LIMITED	0.16
KIRLOSKAR CUMMINS	0.41
LARSEN&TUBRO	0.58
LUPIN LIMITEDFV-2	0.40
MAHINDRA & MAHINDRA LTD.-FV5	0.37
MARUTI UDYOG LTD.	0.23
MOTHERSON SUMI SYSTEMS LTD.	0.10
NCC LIMITED	0.42
OIL INDIA LIMITED	0.00
ONGCFV-5	0.34
RANBAXY FV RS 5	0.17
RELIANCE INDUSTRIES LTD.	1.18
SANOFI INDIA LIMITED	0.30
SML ISUZU LIMITED	0.06
STATE BANK OF INDIA	0.62
STERILITE INDUSTRIES FV 1	0.29
STRIDES ARCOLAB LIMITED	0.08
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.23
TATA CONSULTANCY SERVICES LTD.	0.82
TATA MOTORS LIMITED DVRFV-2	0.21
TATA MOTORS LTD.FV-2	0.26
ULTRATECH CEMCO LTD	0.25
UNITED PHOSPHOROUS LTD	0.08
UNITED SPIRITS LIMITED	0.43
YES BANK LTD	0.35
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.01

total equity 17.96

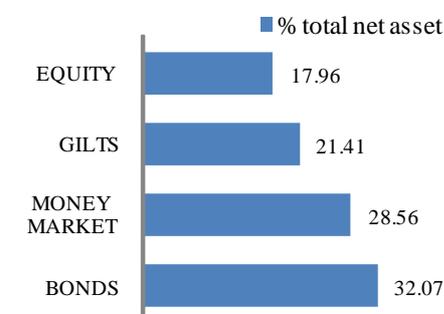
total money market 28.56

total net assets 100.00

fund characteristics as on Mar 31, 2013

M.Duration of debt portfolio:	3.20 Years
YTM of debt portfolio:	9.13%
Fund Beta:	1.01
S&P CNX Nifty Beta:	1.00

asset allocation as on Mar 31, 2013



target asset allocation

Debt.:	80%
Equity:	20%

benchmark construction

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

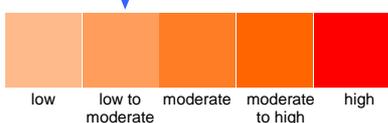
SFIN :
ULGF00210/10/03GBALANCE02121

Inception Date : 31th Jan 2007

fund objective

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

fund risk profile



Group Balanced Fund 2

fund performance as on Mar 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	10.94%	8.00%	7.62%	10.30%	8.54%
Benchmark	9.02%	6.94%	6.81%	9.44%	7.46%

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

portfolio As on Mar 31, 2013

security	% total assets	rating net
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bond/ncd

0.00% HDFC ZCB 06-02-2017 I-032	0.59	AAA
0.00% HDFC ZCB 23-10-2017 J-041	3.38	AAA
10.35% NCD(B)HDFC 16-05-2017	0.54	AAA
10.60% IRFC NCB 11-09-2018	0.69	AAA
11.15% HDFC NCD 06-08-2018	2.10	AAA
8.20% IRFC NCD 27-04-2016	0.51	AAA
8.40% HDFC NCD 08-12-2014 G -003	2.41	AAA
8.68% NCRPS NCD 18-08-2019	0.26	AAA
8.90% PGCIL NCD 25-02-2021 XXXI H	1.60	AAA
8.93% NTPC NCB 19-01-2021 XXXVII	0.77	AAA
8.97% TATA SONS NCD 15-07-2022	1.42	AAA
8.99% TATA SONS NCD 07-06-2020	3.87	AAA
9.34% SBOT NCB 31-10-2016 I	2.34	AAA
9.50% TATA COMMUNICATIONS NCD 08-06-2014	0.26	AA+
9.70% TATA SONS NCD 25-07-2022	3.36	AAA
9.70% UNITEDPHOSPHORUS NCD 09-04-2017 A	0.52	AA+
9.75% SRTRANSFIN NCD 01-06-2015	5.14	AA
9.95% ILFS NCD 14-02-2016 VIII	0.10	AAA

total bond/ncd 29.86

gilts

7.83% GOI CG 11-04-2018	3.77
8.07% GOI CG 03-07-2017	4.12
8.15% GOI CG 11-06-2022	1.52
8.97% GOI CG 05-12-2030	7.72

total gilts 17.13

equity

ASSOCIATED CEMENT COMPANIES LTD.	0.14
AUROBINDO PHARMA LTD FV1	0.22
AXIS BANK LIMITED	0.05
BAJAJ AUTO LTD	0.17
BHARAT FORGE	0.05
BHARTI AIRTEL LIMITED	0.28
CAIRN INDIA LIMITED	0.49
CROMPTON GREAVES LTD	0.12
D.B. CORP LIMITED	0.09
DIVIS LABORATORIES LIMITED	1.08
GAS AUTHORITY OF INDIA LTD.	0.03
HDFC BANK LTD.FV-2	0.94
HDFC LTD FV 2	0.20
HEXA TRADEX LIMITED	0.01
HINDUSTAN ZINC LIMITEDFV-2	0.00
HT MEDIA LIMITED	0.00
ICICI BANK LTD.	1.42
INFOSYS LIMITED	1.49
IRB INFRASTRUCTURE DEVELOPERS LIMITED	0.17
ITC - FV 1	1.47
JAIPRAKASH ASSOCIATE	0.22
JINDAL SAW LIMITED FV2	0.17
JINDAL STEEL & POWER LTD.	0.06
JSW STEEL LIMITED	0.16
KIRLOSKAR CUMMINS	0.71
LARSEN&TUBRO	0.41
LUPIN LIMITEDFV-2	0.40
MAHINDRA & MAHINDRA LTD.-FV5	0.35
MARUTI UDYOG LTD.	0.22
MOTHERSON SUMI SYSTEMS LTD.	0.08
NCC LIMITED	0.01
OIL INDIA LIMITED	0.01
ONGCFV-5	0.30
RANBAXY FV RS 5	0.20
RELIANCE INDUSTRIES LTD.	1.25
SANOFI INDIA LIMITED	0.78
SNIL ISUZU LIMITED	0.10
STATE BANK OF INDIA	0.55
STERLITE INDUSTRIES FV 1	0.32
STRIDES ARCOLAB LIMITED	0.18
SUN PHARMACEUTICAL INDUSTRIES LTD.FV-1	0.21
TATA CONSULTANCY SERVICES LTD.	0.62
TATA MOTORS LIMITED DVRFV-2	0.23
TATA MOTORS LTD.FV-2	0.29
ULTRATECH CEMCO LTD	0.40
UNITED PHOSPHOROUS LTD	0.09
UNITED SPIRITS LIMITED	0.48
YES BANK LTD	0.27
ZEE ENTERTAINMENT ENTERPRISES LIMITED	0.02

total equity 18.01

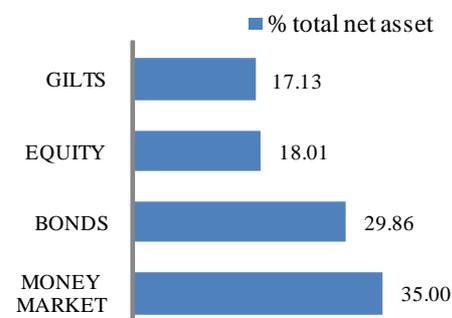
total money market 35.00

total net assets 100.00

fund characteristics as on Mar 31, 2013

M.Duration of debt portfolio:	2.62 Years
YTM of debt portfolio:	1.18%
Fund Beta:	0.96
S&P CNX Nifty Beta:	1.00

asset allocation as on Mar 31, 2013



target asset allocation

Debt:	80%
Equity:	20%

benchmark construction

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

SFIN :

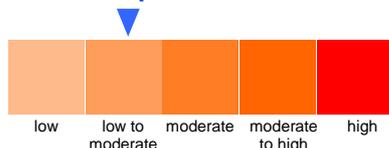
ULGF01213/10/08GCORBOND02121

Inception Date : 13th Oct 2008

fund objective

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

fund risk profile



target asset allocation

Bond Instruments: 100%

benchmark construction

CRISIL Composite Bond Index: 100%

Group Corporate Bond Fund 2

fund performance as on Mar 31, 2013

gross return				
fund Name	12 month returns	24 month returns	36 month returns	48 month returns
Group Corporate Bond Fund 2	12.21%	9.54%	8.68%	8.94%
Benchmark	9.27%	8.48%	7.33%	6.85%

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

portfolio As on Mar 31, 2013

security	% total net assets	rating
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bond/ncd

0.00% HDFC ZCB 23-10-2017 J-041	3.28	AAA
0.00% NOVOITRUST-LOCOMATIVE PTC 18-10-2013 J	0.66	AAA
10.10% SRTRANSFIN NCD 30-07-2014 II	0.60	AA+
8.40% HDFC NCD 08-12-2014 G -003	1.04	AAA
8.42% SHRECEM NCD 22-07-2015	0.56	AA+
8.75% RIL NCD 07-05-2020	0.60	AAA
8.85% PGCIL NCD 19-10-2016 STRPP A	1.50	AAA
8.91% PFC NCD 15-10-2017 93-B	3.00	AAA
8.93% NTPC NCB 19-01-2021 XXXVII	1.50	AAA
8.99% TATA SONS NCD 07-06-2020	1.30	AAA
9.24% STERLITE NCD 20-12-2022	2.43	AA+
9.25% LICHFL NCD 01-01-2023	0.77	AAA
9.25% PGCIL NCD 26-12-2016 B	0.91	AAA
9.30% HDFC NCD 04-10-2017 J-033	3.04	AAA
9.50% HDFC NCD 13-09-2017 J-030	1.53	AAA
9.50% TATA COMMUNICATIONS NCD 08-06-2014	0.90	AA+
9.57% LICHFL NCD 07-09-2017	0.83	AAA
9.66% NABARD NCB 18-10-2014 XII Q	1.45	AAA
9.70% TATA SONS NCD 16-08-2022	1.57	AAA
9.90% TATA SONS NCD 18-03-2016	0.09	AAA
9.95% ILFS NCD 14-02-2016 VIII	0.22	AAA

total bond/ncd 27.78

gilts

7.83% GOI CG 11-04-2018	6.31
8.07% GOI CG 03-07-2017	5.36
8.15% GOI CG 11-06-2022	1.84
8.28% GOI CG 21-09-2027	2.66
8.97% GOI CG 05-12-2030	5.04

total gilts 21.21

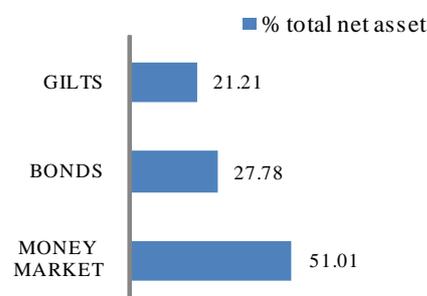
total money market 51.01

total net assets 100.00

fund characteristics as on Mar 31, 2013

M.Duration of debt portfolio: 2.40 Years
YTM of debt portfolio: 9.66%

asset allocation as on Mar 31, 2013



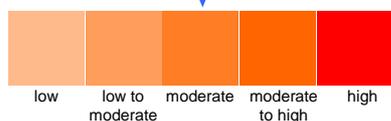
SFIN :
ULGF01030/09/08GPUREDEB01121

Inception Date : 30th Sep 2008

fund objective

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

fund risk profile



target asset allocation

Debt Instruments: 100%

benchmark construction

CRISIL Composite Bond Index: 100%

Group Pure Debt Fund 1

fund performance as on Mar 31, 2013

fund Name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Pure Debt Fund 1	11.52%	9.26%	8.47%	8.76%
Benchmark	9.27%	8.48%	7.33%	6.85%

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

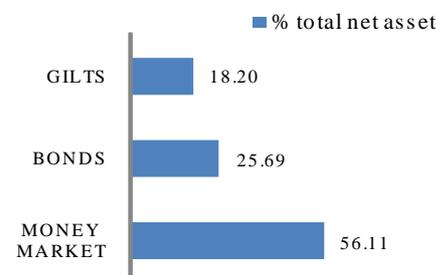
portfolio As on Mar 31, 2013

security	% total assets	rating
bond/ncd		
0.00% HDFC ZCB 23-10-2017 J-041	5.16	AAA
10.60% IRFC NCB 11-09-2018	5.31	AAA
11.25% PFC DB 28-11-2018	5.40	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	4.90	AAA
8.98% NCRPB BS 14-02-2018	4.92	AAA
total bond/ncd	25.69	
gilts		
7.83% GOI CG 11-04-2018	4.87	
8.07% GOI CG 03-07-2017	4.93	
8.15% GOI CG 11-06-2022	1.49	
8.28% GOI CG 21-09-2027	2.47	
8.97% GOI CG 05-12-2030	4.44	
total gilts	18.20	
total money market	56.11	
total net assets	100.00	

fund characteristics as on Mar 31, 2013

M.Duration of debt portfolio: 2.11 Years
YTM of debt portfolio: 10.42%

asset allocation as on Mar 31, 2013



SFIN :

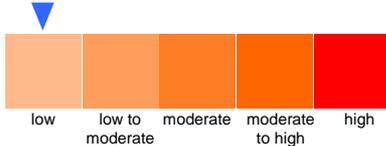
ULGF00431/01/07GCAPISEC01121

Inception Date : 31st Jan 2007

fund objective

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

fund risk profile



target asset allocation

Money market : 100%

benchmark construction

Yield on 182-day T.Bills : 100%

Group Capital Secure Fund 1

fund performance as on Mar 31, 2013

gross return					
fund Name	12 month returns	24 month returns	36 month returns	48 month returns	60 month returns
Group Capital Secure Fund 1	9.46%	9.39%	8.78%	8.51%	8.94%
Benchmark	8.37%	8.07%	7.35%	6.79%	7.31%

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

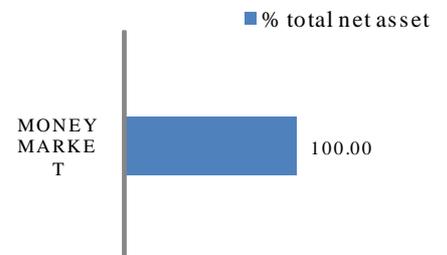
portfolio As on Mar 31, 2013

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

fund characteristics as on Mar 31, 2013

YTM of debt portfolio: 9.25%

asset allocation as on Mar 31, 2013



SFIN :

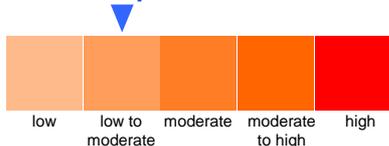
ULGF01610/12/08GGILTFUN02121

Inception Date : 10th Dec 2008

fund objective

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

fund risk profile



target asset allocation

Government Securities: 100%

benchmark construction

I-Sec Composite Sovereign Bond Index:100%

Group Gilt Fund 2

fund performance as on Mar 31, 2013

fund Name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Gilt Fund 2	11.93%	9.12%	8.68%	7.69%
Benchmark	11.61%	8.59%	7.48%	6.47%

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

portfolio As on Mar 31, 2013

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

gilts

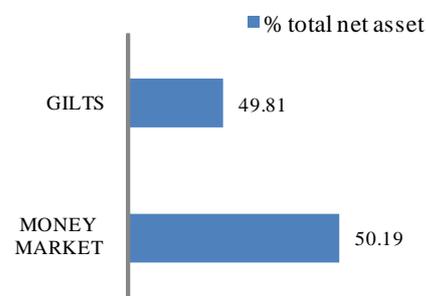
7.83% GOI CG 11-04-2018	11.18
8.07% GOI CG 03-07-2017	10.29
8.15% GOI CG 11-06-2022	4.66
8.19% GOI CG 16-01-2020	5.18
8.28% GOI CG 21-09-2027	10.32
8.97% GOI CG 05-12-2030	8.18

total gilts	49.81
total money market	50.19
total net assets	100.00

fund characteristics as on Mar 31, 2013

M.Duration of debt portfolio: 2.97 Years
YTM of debt portfolio: 10.12%

asset allocation as on Mar 31, 2013



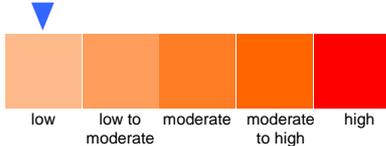
SFIN :
ULGF00930/09/08GMONMRKT02121

Inception Date : 30th Sep 2008

fund objective

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

fund risk profile



target asset allocation

Money market : 100%

benchmark construction

CRISIL Liquid Bond Index: 100%

Group Money Market Fund 2

fund performance as on Mar 31, 2013

fund Name	gross return			
	12 month returns	24 month returns	36 month returns	48 month returns
Group Money Market Fund 2	10.21%	9.98%	9.28%	9.03%
Benchmark	8.22%	8.35%	7.63%	6.63%

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

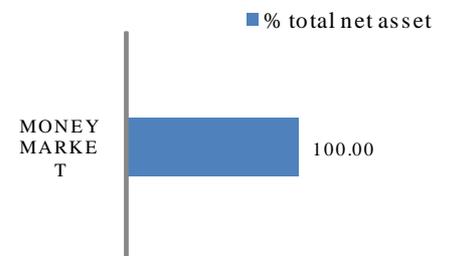
portfolio As on Mar 31, 2013

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

fund characteristics as on Mar 31, 2013

YTM of debt portfolio: 9.32%

asset allocation as on Mar 31, 2013



SFIN	Plan Name	Fund Name	NAV
ULGF00431/01/07GCAPISEC01121	Reliance Group Gratuity Plan	Group Capital Secure Fund 1	16.0816
ULGF00210/10/03GBALANCE02121	Reliance Group Gratuity Plan	Group Balanced Fund 2	15.7687
ULGF00110/10/03GBALANCE01121	Reliance Group Gratuity Plan	Group Balanced Fund 1	19.1212
ULGF01213/10/08GCORBOND02121	Reliance Group Gratuity Plan	Group Corporate Bond Fund 2	14.8245
ULGF01808/06/09GEQUITYF03121	Reliance Group Gratuity Plan	Group Equity Fund 3	16.8518
ULGF01610/12/08GGILTFUN02121	Reliance Group Gratuity Plan	Group Gilt Fund 2	13.0965
ULGF00930/09/08GMONMRKT02121	Reliance Group Gratuity Plan	Group Money Market Fund 2	14.5221
ULGF00310/10/03GGROWTHF01121	Reliance Group Gratuity Plan	Group Growth Fund 1	14.8184
ULGF01908/06/09GINFRASF01121	Reliance Group Gratuity Plan	Group Infrastructure Fund 1	7.2135
ULGF02008/06/09GMIDCAPF01121	Reliance Group Gratuity Plan	Group Midcap Fund 1	13.0109
ULGF01030/09/08GPUREDEB01121	Reliance Group Gratuity Plan	Group Pure Debt Fund 1	14.7307
ULGF00110/10/03GBALANCE01121	Reliance Group Superannuation Plan	Group Balanced Fund 1	19.1212
ULGF00431/01/07GCAPISEC01121	Reliance Group Superannuation Plan	Group Capital Secure Fund 1	16.0816
ULGF01213/10/08GCORBOND02121	Reliance Group Superannuation Plan	Group Corporate Bond Fund 2	14.8245
ULGF01808/06/09GEQUITYF03121	Reliance Group Superannuation Plan	Group Equity Fund 3	16.8518
ULGF01610/12/08GGILTFUN02121	Reliance Group Superannuation Plan	Group Gilt Fund 2	13.0965
ULGF00310/10/03GGROWTHF01121	Reliance Group Superannuation Plan	Group Growth Fund 1	14.8184
ULGF00930/09/08GMONMRKT02121	Reliance Group Superannuation Plan	Group Money Market Fund 2	14.5221
ULGF01030/09/08GPUREDEB01121	Reliance Group Superannuation Plan	Group Pure Debt Fund 1	14.7307
ULGF00210/10/03GBALANCE02121	Reliance Group Savings Linked Insurance Plan	Group Balanced Fund 2	15.7687
ULGF01213/10/08GCORBOND02121	Reliance Group Savings Linked Insurance Plan	Group Corporate Bond Fund 2	14.8245
ULGF01428/11/08GENERGF01121	Reliance Group Savings Linked Insurance Plan	Group Energy Fund 1	13.6609
ULGF01328/11/08GEQUITYF02121	Reliance Group Savings Linked Insurance Plan	Group Equity Fund 2	20.0344
ULGF01610/12/08GGILTFUN02121	Reliance Group Savings Linked Insurance Plan	Group Gilt Fund 2	13.0965
ULGF01908/06/09GINFRASF01121	Reliance Group Savings Linked Insurance Plan	Group Infrastructure Fund 1	7.2135
ULGF02008/06/09GMIDCAPF01121	Reliance Group Savings Linked Insurance Plan	Group Midcap Fund 1	13.0109
ULGF00930/09/08GMONMRKT02121	Reliance Group Savings Linked Insurance Plan	Group Money Market Fund 2	14.5221
ULGF01030/09/08GPUREDEB01121	Reliance Group Savings Linked Insurance Plan	Group Pure Debt Fund 1	14.7307
ULGF01528/11/08GPUREEQF01121	Reliance Group Savings Linked Insurance Plan	Group Pure Equity Fund 1	18.1965
ULGF00210/10/03GBALANCE02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Balanced Fund 2	15.7687
ULGF00930/09/08GMONMRKT02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Money Market Fund 2	14.5221
ULGF01213/10/08GCORBOND02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Corporate Bond Fund 2	14.8245
ULGF01610/12/08GGILTFUN02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Gilt Fund 2	13.0965
ULGF01808/06/09GEQUITYF03121	Reliance Life Insurance Group Gratuity Plus Plan	Group Equity Fund 3	16.8518
ULGF00930/09/08GMONMRKT02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Money Market Fund 2	14.5221
ULGF01213/10/08GCORBOND02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Corporate Bond Fund 2	14.8245
ULGF01610/12/08GGILTFUN02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Gilt Fund 2	13.0965
ULGF01808/06/09GEQUITYF03121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Equity Fund 3	16.8518
ULGF00210/10/03GBALANCE02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Balanced Fund 2	15.7687

- √ 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

Disclaimer

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