



RELIANCE

Life Insurance



**the analyst**

**monthly Group fund  
factsheet for July 2015**

Fixed Income Market

Drama around Greece was the highpoint of the month. Greece could not able to pay IMF due to the cash constraint. It turns out what Greece is looking for band aid to tide over short terms debt issues to get another bail out at its favorable terms while postponing the larger debt issue of payment to the future. It is clear that unless Greece economy become competitive and follows an austerity plan, they will have to postpone the issue in hand.

Uncertainty surrounding the Greece had making the market indecisive. It is expected that since this is a known issue, thus market has already positioned itself even if the outcome is adverse. Thus in a worst case scenario of Greece exiting Euro Zone, the adverse impact can be planned and managed well.

Strong macro- economic fundamentals of India helps support minimal dislocation in the event of Greece going out of the euro zone. One can further draw comfort from the fact that even yields of other highly- indebted European countries are well behaved along -side security purchase program of ECB.

Indian GDP growth has improved to 7.3% (YoY) from 6.9% (YoY) in FY14 despite poor monsoon and sluggish consumption trends. Recovery was led by investments with gross fixed capital formation moving up to 4.6% (YoY) against 3% (YoY). Consumption on the other hand slowed marginally to 6.4% (YoY) from 6.5% (YoY). Industrial output for April 2015 improved to a healthy 6.1% (YoY) from 4.5% (YoY) last year, in line with recent IIP trends. Though, it will still take some more time before we could see some perceptible improvement in various indicators like Non Performing Loans of the banks, consumption growth and so on. The merchandise trade deficit narrowed for the second consecutive month in May 2015 to \$10.4bn but the compression was largely on account of gold import normalization. Exports stayed weak at -20% (YoY) in line with the trend seen in other EMs e.g. Indonesia (-15%YoY), South Korea (-11%YoY) etc. Non-oil non-gold imports contracted for the first time in 13 months by 3.5% (YoY).

Retail inflation (CPI) rose marginally to 5% (YoY) in May 2015 against 4.9% (YoY) in April 2015 driven by pulses, vegetables and petrol. Core CPI picked up to 4.4% (YoY) against 4% (YoY) in April 2015. The monsoon got off to a strong start with rainfall currently 16% above normal since Jun 1, 2015. If this trend continues, than it is expected that prices of the agricultural commodities will be well behaved. In addition, government is well prepared to import specially pulses to help contain prices.

RBI had a monetary policy meeting on Jun 2, 2015 and announced a 25bps cut in repo rate to 7.25% while leaving CRR and SLR unchanged at 4% and 21.5% respectively. The governor highlighted that, going forward, additional monetary measures would be data contingent.

Banks were reducing deposit rates along with lending rate in the wake of sluggish credit growth. Yield on the money market securities have come down marginally during the month reflecting strong liquidity in the banking system.

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	30th Jun 15	29th May 15	% Change
<sup>1</sup> \$ / Rs.	63.65	63.83	-0.27
<sup>2</sup> CPI (YOY)	5.40	5.01	0.39
<sup>3</sup> Forex Reserves (\$ bn)	355.22	352.47	0.77
<sup>4</sup> Brent Crude Price (\$ per Barrel)	59.47	60.30	-1.40
<sup>5</sup> Gold (Rs. per 10gm)	26356	26843	-1.85

Indices	30th Jun 15	29th May 15	%Change
<sup>1</sup> BSE Sensex	27781	27828	-0.17
<sup>2</sup> S&P CNX Nifty	8369	8434	-0.78
<sup>3</sup> CNX Mid Cap	13010	13181	-1.32
<sup>4</sup> BSE Small Cap	11075	11281	-1.85

Global Indices	30th Jun 15	29th May 15	%Change
<sup>1</sup> Dow Jones	17620	18011	-2.22
<sup>2</sup> FTSE 100	6521	6984	-7.11
<sup>3</sup> Hang Seng	26250	27424	-4.47
<sup>4</sup> Nikkei	20236	20563	-1.62

Sectoral Indices	30th Jun 15	29th May 15	% Change
<sup>1</sup> CNX Infrastructure	3254	3221	1.03
<sup>2</sup> CNX Energy	8893	8488	4.55
<sup>3</sup> BSE Capital Goods	17518	16802	4.09
<sup>4</sup> BSE Bankex	20982	21512	-2.52
<sup>5</sup> BSE Oil & Gas	9859	9643	2.19
<sup>6</sup> BSE IT	10432	10910	-4.58

Fixed Income Indicators (%)	30th Jun 15	29th May 15	% Change
<sup>1</sup> NSE Mibor	8.42	8.50	-0.95
<sup>2</sup> 91 Day T-Bill	7.64	7.78	-0.13
<sup>3</sup> 182 Day T-Bill	7.68	7.78	-0.11
<sup>4</sup> 1 year GOI Benchmark	7.64	7.73	-0.09
<sup>5</sup> 5 Year GOI Benchmark	8.05	7.81	0.24
<sup>6</sup> 10 Year GOI Benchmark	7.86	7.64	0.22
<sup>7</sup> 5 Year Corp Bond Benchmark	8.46	8.41	0.05
<sup>8</sup> 10 Year AAA Corp Bond Benchmark	8.21	8.30	-0.09
<sup>9</sup> 10 Year US Treasury	2.35	2.12	0.23

Fixed Income Outlook:

It is expected that global uncertainty associated with the Greece and foreseeable policy rates lift off in the USA will be the head wind in the near future. On the other hand, recent fall in the commodities, if sustained, will help improve the inflationary outlook. Thus interest rates are expected to be range bounded.

Equity Market

Equity Outlook:

Indian equities witnessed a muted performance in June (flat) following a disappointing earnings season and rising global volatility with a potential Greek exit looming. Monsoons however got off to a strong start in Jun despite El Nino concerns and RBI's 25bps repo rate cut during the month provided some comfort.

IT stocks suffered another setback in Jun with continued medium term headwinds – Tech Mahindra indicated that its revenues/margins are likely to decline on a sequential basis on account of subdued growth in telecom and ongoing events in Europe affecting demand. Gartner also revised down its outlook for the sector stating that worldwide IT spending is likely to decline 5.5% in CY15 vs 1.3% decline earlier. Accenture reported a decent set of results and revised its FY15 revenue guidance to 9-10% in local currency vs 8-10% earlier. Banks had continued performance divergences on the back of margin pressures and weak asset quality in PSUs. Transmission of the rate cut however remained the big theme with finance ministry as well as RBI urging banks to cut their base rates and finally some banks including ICICI, Axis and HDFC Bank deciding to toe the line. IIB did a \$700mn QIP.

Among Industrials, Voltas saw some correction following the guidance cut by competitor Blue Star in the AC segment given the strong start to monsoon. Larsen meanwhile continued to do well following the strong order inflow number announced last month. On the Infra side, Adani Ports won the bid to construct and operate a deepwater international seaport in Kerala.

Metal and Mining stocks turned out to be laggards once again this month. Tata Steel continued to face issues over the proposed changes in the British Steel Pension Scheme although the proposed industrial action was called off. The government also announced a hike in the import duty on steel but domestic prices are unlikely to increase. NMDC decided to keep its prices unchanged for the month of June.

Autos had a weak showing in Jun with low 2W volumes and decline in rural demand continuing to hurt some of the companies. MHCV volumes were up temporarily driven by replacement but demand for LCVs declined. Robust diesel car sales boosted Mahindra's performance in Jun and it emerged as one of the outperformers.

In the Consumer space, Nestle's Maggi ban made the top headlines with the court ordering a recall on account of high MSG content. The company was however permitted to export the same to other countries. Emami announced Kesh King acquisition for Rs.16.5bn – widely believed to be a strategic fit.

In the Energy space, the key event was Reliance's much awaited AGM where the company outlined its strategy going forward. Its core expansions are now on track with the petcoke gassifier on course for commissioning starting end-FY16 and ROGC expected to be ready for start-up in 3QFY17.

In Telecom, Reliance Jio confirmed its commercial launch timeline to be Dec'15 and also delineated the broader vision for its digital foray. Media reports during the month suggested that Bharti is in talks with Orange to sell its Africa operations in 4 countries including key ones like Congo. Sistema announced that it is in ongoing discussions to merge SSTL with Reliance Communication via a share swap.

The selling momentum from FIs seen in May continued in Jun and we saw net selling to the tune of \$970mn. This moderated their YTD tally somewhat to \$6.2bn. DIIs remained net buyers to the tune of \$1.9bn with mutual funds buying \$1.5bn and insurance companies contributing the remaining \$400mn. DIIs have now bought \$4.2bn YTD.

Equity Outlook:

In July, focus would be on the upcoming parliamentary session as well as the start of the earnings season.

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

# fund snapshot

gross return (CAGR\*) (%) As on Jun 30, 2015

asset allocation	funds	Last 1 Year	Last 2 Year	Last 3 Year	Page No.
100% equity	Group Equity Fund 2	16.60%	28.17%	21.84%	4
100% equity	Group Equity Fund 3	15.78%	26.07%	20.17%	5
100% equity	Group Equity Fund 4	-	-	-	6
100% pure equity	Group Pure Equity Fund 1	24.90%	29.46%	21.28%	7
100% equity	Group Infrastructure Fund 1	12.96%	29.91%	14.15%	8
100% equity	Group Energy Fund 1	0.75%	18.61%	11.49%	9
100% equity	Group Midcap Fund 1	15.76%	37.81%	26.32%	10
40% equity, 60% debt	Group Growth Fund 1	14.23%	15.90%	14.38%	11
20% equity, 80% debt	Group Balanced Fund 1	13.33%	11.77%	11.65%	12
20% equity, 80% debt	Group Balanced Fund 2	13.59%	12.20%	12.16%	13
20% equity, 80% debt	Group Balanced Fund 4	-	-	-	14
100% bond instruments	Group Corporate Bond Fund 2	13.19%	9.13%	10.54%	15
100% debt Instruments	Group Corporate Bond Fund 3	-	-	-	16
100% debt Instruments	Group Pure Debt Fund 1	13.04%	9.75%	10.79%	17
100% money market	Group Capital Secure Fund 1	9.02%	9.54%	9.48%	18
100% govt. securities	Group Gilt Fund 2	14.25%	8.14%	10.06%	19
100% money market	Group Money Market Fund 2	9.15%	9.29%	9.51%	20

### SFIN :

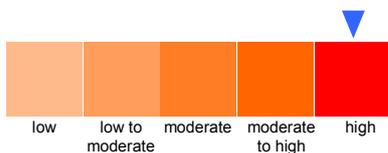
ULGF00724/10/07GEQUITYF01121

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 Jun 30, 2015

fund name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Equity Fund 2	16.60%	28.17%	21.84%	14.54%	13.14%
<b>Benchmark</b>	<b>9.95%</b>	<b>19.68%</b>	<b>16.60%</b>	<b>10.33%</b>	<b>9.51%</b>

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

### portfolio

**security** % total net assets

### equity

DIVIS LABORATORIES LIMITED	7.21
INFOSYS LIMITED	6.96
HDFC BANK LTD.	6.92
LARSEN&TUBRO	6.86
ICICI BANK LTD.	5.65
RELIANCE INDUSTRIES LTD.	5.53
YES BANK LTD	4.82
MARUTI UDYOG LTD.	4.40
ITC	4.34
SUN PHARMACEUTICAL INDUSTRIES LTD.	3.92
ULTRATECH CEMCO LTD	3.92
TATA MOTORS LTD.	3.75
HCL TECHNOLOGIES LIMITED	3.00
STATE BANK OF INDIA	2.87
KIRLOSKAR CUMMINS	2.87
TATA CONSULTANCY SERVICES LTD.	2.69
MOTHERSON SUMI SYSTEMS LTD.	2.40
SML ISUZU LIMITED	2.21
MAHINDRA & MAHINDRA LTD.	2.18
INDIABULLS HOUSING FINANCE LTD	2.02
JSW STEEL LIMITED	1.99
AXIS BANK LIMITED	1.94
ADITYA BIRLA NUVO LIMITED	1.75
VEDANTA LIMITED	1.72
WIPRO	1.44
ONGC	1.19
DR. REDDY LABORATORIES	1.04
HERO MOTOCORP LIMITED	1.00
THE INDIAN HOTELS CO LTD	0.64
PVR LIMITED	0.34
INDIABULLS REAL ESTATE LIMITED	0.14
BHARTI AIRTEL LIMITED	0.10

**total equity** 97.80

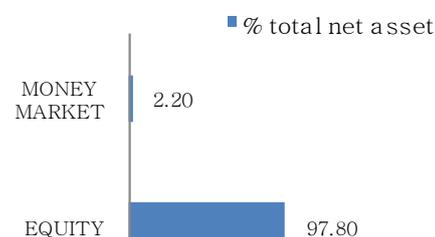
**total money market** 2.20

**total net assets** 100.00

### fund characteristics

Fund Beta 1.01

### asset allocation



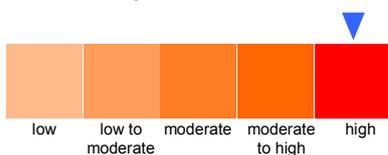
SFIN :  
ULGF01808/06/09GEQUITYF03121

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 Jun 30, 2015

fund name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Equity Fund 3	15.78%	26.07%	20.17%	19.55%	16.42%
<b>Benchmark</b>	<b>9.95%</b>	<b>19.68%</b>	<b>16.60%</b>	<b>10.33%</b>	<b>9.51%</b>

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

### portfolio

security % total net assets

### equity

LARSEN&TUBRO	7.15
DIVIS LABORATORIES LIMITED	7.13
HDFC BANK LTD.	6.81
INFOSYS LIMITED	6.67
ICICI BANK LTD.	5.99
RELIANCE INDUSTRIES LTD.	5.00
YES BANK LTD	4.60
MARUTI UDYOG LTD.	4.14
ITC	3.82
TATA MOTORS LTD.	3.61
GUJARAT FLUOROCEMICALS LTD.	3.09
SUN PHARMACEUTICAL INDUSTRIES LTD.	2.93
STATE BANK OF INDIA	2.86
ULTRATECH CEMCO LTD	2.82
INOX WIND LIMITED	2.67
KIRLOSKAR CUMMINS	2.63
HCL TECHNOLOGIES LIMITED	2.59
TATA CONSULTANCY SERVICES LTD.	2.24
INDIABULLS HOUSING FINANCE LTD	2.18
MOTHERSON SUMI SYSTEMS LTD.	2.13
JUBILANT FOODWORKS LIMITED	1.93
MAHINDRA & MAHINDRA LTD.	1.75
SANOFI INDIA LIMITED	1.69
VEDANTA LIMITED	1.61
ONGC	1.22
WIPRO	1.13
HERO MOTOCORP LIMITED	1.05
PURAVANKARA PROJECTS LIMITED	1.01
AXIS BANK LIMITED	0.88
JSW STEEL LIMITED	0.85
LUPIN LIMITED	0.72
OBEROI REALTY LIMITED	0.54
SHRIRAM TRANSPORT FINANCE CO. LTD.	0.34
D.B. CORP LIMITED	0.32
SHOPPERS STOP LIMITED	0.31
BHARTI AIRTEL LIMITED	0.29

total equity 96.69

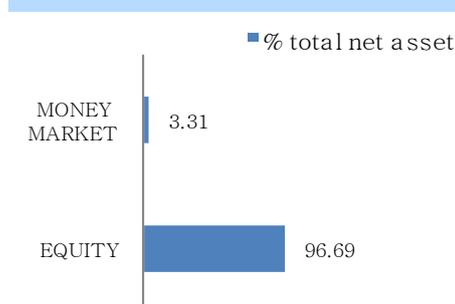
total money market 3.31

total net assets 100.00

### fund characteristics

Fund Beta 1.00

### asset allocation



### SFIN :

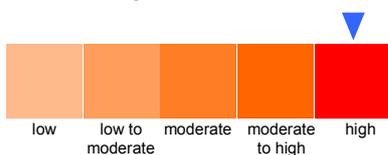
ULGF01808/06/09GEQUITYF03121

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 4

## Fund Performance As on Jun 30, 2015

### portfolio

security	% total net assets
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### equity

DIVIS LABORATORIES LIMITED	7.12
HDFC BANK LTD.	7.09
INFOSYS LIMITED	6.80
ICICI BANK LTD.	5.63
LARSEN&TUBRO	5.41
RELIANCE INDUSTRIES LTD.	5.20
YES BANK LTD	4.63
MARUTI UDYOG LTD.	4.22
ITC	3.96
TATA MOTORS LTD.	3.75
GUJARAT FLUOROCEMICALS LTD.	3.25
SUN PHARMACEUTICAL INDUSTRIES LTD.	3.04
ULTRATECH CEMCO LTD	2.99
STATE BANK OF INDIA	2.97
KIRLOSKAR CUMMINS	2.81
HCL TECHNOLOGIES LIMITED	2.69
TATA CONSULTANCY SERVICES LTD.	2.33
INDIABULLS HOUSING FINANCE LTD	2.27
MOTHERSON SUMI SYSTEMS LTD.	2.25
INOX WIND LIMITED	2.02
JUBILANT FOODWORKS LIMITED	2.01
SANOFI INDIA LIMITED	1.84
MAHINDRA & MAHINDRA LTD.	1.82
VEDANTA LIMITED	1.67
WIPRO	1.29
ONGC	1.27
HERO MOTOCORP LIMITED	1.09
PURAVANKARA PROJECTS LIMITED	1.06
AXIS BANK LIMITED	0.98
JSW STEEL LIMITED	0.85
LUPIN LIMITED	0.75
OBEROI REALTY LIMITED	0.57
SHOPPERS STOP LIMITED	0.38
SHRIRAM TRANSPORT FINANCE CO. LTD.	0.34
BHARTI AIRTEL LIMITED	0.29
D.B. CORP LIMITED	0.23

<b>total equity</b>	<b>96.84</b>
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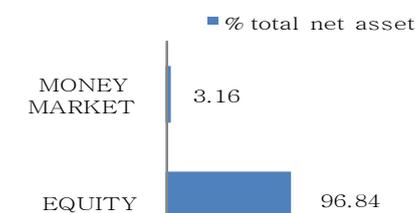
<b>total money market</b>	<b>3.16</b>
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<b>total net assets</b>	<b>100.00</b>
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### fund characteristics

Fund Beta	0.99
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### asset allocation



SFIN :

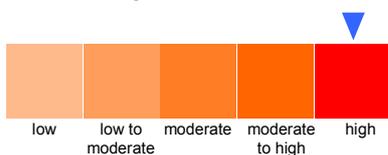
ULGF01528/11/08GPUREEQF01121

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 Jun 30, 2015

gross return					
Fund name	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Pure Equity Fund 1	24.90%	29.46%	21.28%	13.76%	11.88%
<b>Benchmark</b>	<b>11.53%</b>	<b>21.10%</b>	<b>17.56%</b>	<b>11.09%</b>	<b>8.67%</b>

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

### portfolio

security % total net assets

### equity

RELIANCE INDUSTRIES LTD.	8.80
MARUTI UDYOG LTD.	8.04
HCL TECHNOLOGIES LIMITED	7.97
TATA CONSULTANCY SERVICES LTD.	7.02
ULTRATECH CEMCO LTD	7.00
HINDUSTAN LEVER LTD.	6.72
SUN PHARMACEUTICAL INDUSTRIES LTD.	5.29
ASIAN PAINTS LIMITED	4.84
BHARTI AIRTEL LIMITED	4.45
DR. REDDY LABORATORIES	4.29
HERO MOTOCORP LIMITED	3.76
ECLERX SERVICES LIMITED	3.62
JUBILANT FOODWORKS LIMITED	3.43
LARSEN&TUBRO	3.23
INFOSYS LIMITED	2.50
TRENT LTD	1.98
MAHINDRA & MAHINDRA LTD.	1.96
MOTHERSON SUMI SYSTEMS LTD.	1.94
DIVIS LABORATORIES LIMITED	1.52
CIPLA LTD.	1.50
SANOFI INDIA LIMITED	1.33
TATA MOTORS LTD.	1.30
WIPRO	1.03
PETRONET LNG LIMITED	0.98
INDRAPRASTHA GAS LIMITED	0.47

**total equity 94.98**

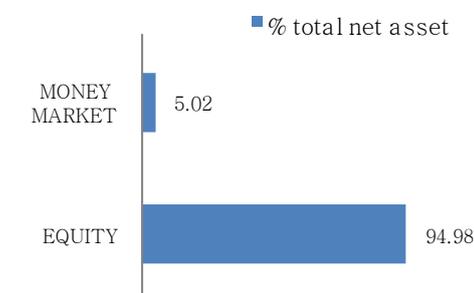
**total money market 5.02**

**total net assets 100.00**

### fund characteristics

Fund Beta 0.93

### asset allocation



### SFIN :

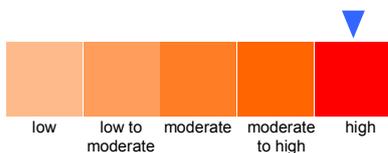
ULGF01908/06/09GINFRASF01121

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 Jun 30, 2015

gross return					
fund Name	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Infrastructure Fund 1	12.96%	29.91%	14.15%	4.84%	2.82%
<b>Benchmark</b>	<b>-3.51%</b>	<b>20.13%</b>	<b>10.44%</b>	<b>1.08%</b>	<b>-0.85%</b>

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

### portfolio

security % total net assets

### equity

LARSEN&TUBRO	9.02
POWER GRID CORP OF INDIA LTD	8.71
KIRLOSKAR CUMMINS	7.65
BHARTI AIRTEL LIMITED	7.62
RELIANCE INDUSTRIES LTD.	7.43
NTPC LIMITED	7.14
ULTRATECH CEMCO LTD	6.52
MOTHERSON SUMI SYSTEMS LTD.	5.83
BHARAT HEAVY ELECTRICALS LTD.	5.53
INOX WIND LIMITED	4.67
IDEA CELLULAR LTD	4.16
CESC LTD	4.07
VOLTAS LTD	3.74
PETRONET LNG LIMITED	2.77
HAVELLS INDIA LIMITED	2.74
INDIAN OIL CORPORATION LIMITED	2.72
TEXMACO RAIL & ENGINEERING LIMITED	2.37
INDIAN METALS AND FERRO ALLOYS LIMITED	1.50
GUJARAT STATE PETRONET LIMITED	1.06
THE INDIAN HOTELS CO LTD	1.02

**total equity** **96.26**

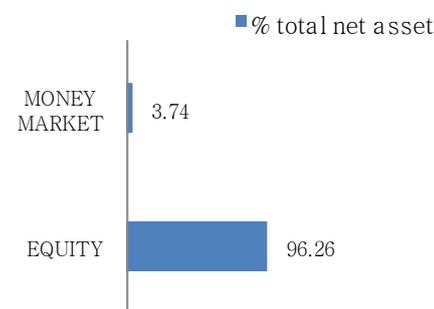
**total money market** **3.74**

**total net assets** **100.00**

### fund characteristics

Fund Beta 0.84

### asset allocation



### 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 Jun 30, 2015

gross return					
fund Name	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Energy Fund 1	0.75%	18.61%	11.49%	5.99%	3.98%
<b>Benchmark</b>	<b>-10.79%</b>	<b>5.44%</b>	<b>5.64%</b>	<b>0.80%</b>	<b>-1.83%</b>

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

### portfolio

security % total net assets

### equity

LARSEN&TUBRO	9.03
POWER GRID CORP OF INDIA LTD	8.90
RELIANCE INDUSTRIES LTD.	8.89
INDRAPRASTHA GAS LIMITED	8.50
GUJARAT STATE PETRONET LIMITED	8.22
NTPC LIMITED	7.34
KIRLOSKAR CUMMINS	6.85
ONGC	6.44
OIL INDIA LIMITED	6.16
INOX WIND LIMITED	6.03
PETRONET LNG LIMITED	5.09
INDIAN OIL CORPORATION LIMITED	4.99
TATA POWER CO. LTD.	4.76
TEXMACO RAIL & ENGINEERING LIMITED	2.62
VEDANTA LIMITED	2.08

**total equity 95.91**

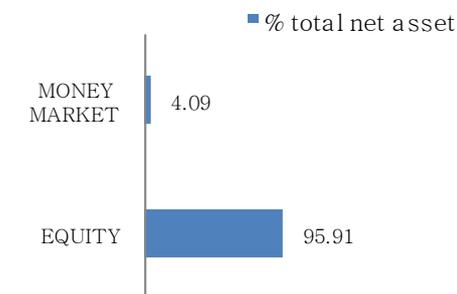
**total money market 4.09**

**total net assets 100.00**

### fund characteristics

Fund Beta 0.85

### asset allocation



### SFIN :

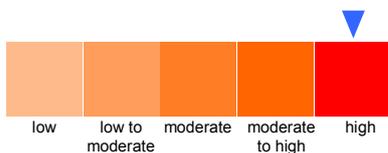
ULGF02008/06/09GMIDCAPF01121

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 Jun 30, 2015

gross return					
fund Name	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Midcap Fund 1	15.76%	37.81%	26.32%	17.91%	12.86%
<b>Benchmark</b>	<b>-4.96%</b>	<b>30.32%</b>	<b>14.55%</b>	<b>7.35%</b>	<b>3.03%</b>

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

### portfolio

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

#### equity

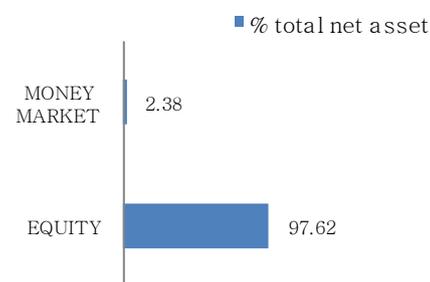
DIVIS LABORATORIES LIMITED	7.26
YES BANK LTD	7.08
ADITYA BIRLA NUVO LIMITED	5.56
INDIABULLS HOUSING FINANCE LTD	4.99
SHRIRAM TRANSPORT FINANCE CO. LTD.	4.99
ECLERX SERVICES LIMITED	4.29
INDRAPRASTHA GAS LIMITED	4.24
GUJARAT FLUORO CHEMICALS LTD.	3.99
PETRONET LNG LIMITED	3.87
JUBILANT FOODWORKS LIMITED	3.83
STATE BANK OF INDIA	3.74
PURAVANKARA PROJECTS LIMITED	3.48
D.B. CORP LIMITED	3.27
TRENT LTD	3.12
KPIT TECHNOLOGIES LIMITED	3.10
FUTURE CONSUMER ENTERPRISE LIMITED	3.10
HAVELLS INDIA LIMITED	3.02
THE INDIAN HOTELS CO LTD	2.79
MOTHERSON SUMI SYSTEMS LTD.	2.70
SHOPPERS STOP LIMITED	2.63
VOLTAS LTD	2.46
CESC LTD	2.43
JSW STEEL LIMITED	2.29
RADICO KHAITAN LIMITED	1.94
HINDUSTAN ZINC LIMITED	1.78
RELIANCE COMMUNICATION LTD	1.58
INDIAN METALS AND FERRO ALLOYS LIMITED	1.54
KAVERI SEED COMPANY LIMITED	1.43
TATA MOTORS LTD.	0.89
JINDAL SAW LIMITED	0.23

<b>total equity</b>	<b>97.62</b>
<b>total money market</b>	<b>2.38</b>
<b>total net assets</b>	<b>100.00</b>

### fund characteristics

Fund Beta 0.78

### asset allocation



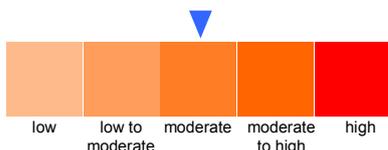
SFIN :  
ULGF00310/10/03GGROWTHF01121

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 Jun 30, 2015

gross return					
fund Name	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Growth Fund 1	14.23%	15.90%	14.38%	11.79%	10.42%
<b>Benchmark</b>	<b>10.88%</b>	<b>12.71%</b>	<b>12.10%</b>	<b>9.72%</b>	<b>9.01%</b>

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

### portfolio

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

#### bond

9.25% RJIL NCD 16-06-2024 SR-PPD3	6.79	AAA
9.22% LICHL NCD 16-10-2024 TR230	6.77	AAA
9.39% PFC NCD 27-08-2029 SR118B-III	2.32	AAA
9.30% PGCIL NCD 04-09-2029 OPT III	2.30	AAA
10.00% IHFL NCD 29-09-2019	2.28	AAA

**total bond 20.46**

#### gilts

8.83% GOI CG 25-11-2023	8.10
8.15% GOI CG 24-11-2026	7.37
8.27% GOI CG 09-06-2020	4.79
8.32% GOI CG 02-08-2032	2.91

**total gilts 23.18**

#### equity

DIVIS LABORATORIES LIMITED	3.07
LARSEN&TUBRO	2.76
INFOSYS LIMITED	2.75
HDFC BANK LTD.	2.50
ICICI BANK LTD.	2.30
RELIANCE INDUSTRIES LTD.	2.07
YES BANK LTD	1.85
ITC	1.55
MARUTI UDYOG LTD.	1.54
TATA CONSULTANCY SERVICES LTD.	1.54
ULTRATECH CEMCO LTD	1.36
TATA MOTORS LTD.	1.34
SUN PHARMACEUTICAL INDUSTRIES LTD.	1.17
STATE BANK OF INDIA	1.15
HCL TECHNOLOGIES LIMITED	1.07
HDFC LTD	1.02
KIRLOSKAR CUMMINS	1.00
INDIABULLS HOUSING FINANCE LTD	0.87
JUBILANT FOODWORKS LIMITED	0.85
MAHINDRA & MAHINDRA LTD.	0.77
VEDANTA LIMITED	0.73
INOX WIND LIMITED	0.72
MOTHERSON SUMI SYSTEMS LTD.	0.64
JSW STEEL LIMITED	0.60
ONGC	0.59
WIPRO	0.51
SHRIRAM TRANSPORT FINANCE CO. LTD.	0.49
AXIS BANK LIMITED	0.49
HERO MOTOCORP LIMITED	0.43
LUPIN LIMITED	0.42
THE INDIAN HOTELS CO LTD	0.37
KAVERI SEED COMPANY LIMITED	0.31
BHARTI AIRTEL LIMITED	0.23

**total equity 39.07**

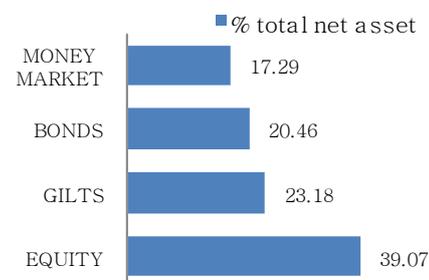
**total money market 17.29**

**total net assets 100.00**

### fund characteristics

M. Duration of debt portfolio: 4.49 Years  
YTM of debt portfolio: 8.14%  
Fund Beta: 1.01

### asset allocation



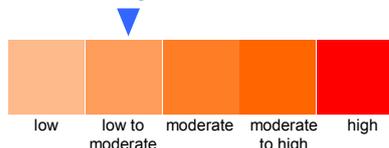
SFIN :  
ULGF00110/10/03GBALANCE01121

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 Jun 30, 2015

fund Name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Balanced Fund 1	13.33%	11.77%	11.65%	10.50%	9.37%
<b>Benchmark</b>	<b>11.03%</b>	<b>10.27%</b>	<b>10.46%</b>	<b>9.29%</b>	<b>8.62%</b>

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

### portfolio

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

#### bond

9.25% RJIL NCD 16-06-2024 SR-PPD3	6.19	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	6.03	AAA
9.22% LICHFL NCD 16-10-2024 TR230	4.63	AAA
9.25% TATA SONS NCD 19-06-2019	4.55	AAA
8.83% EXIM NCB 03-11-2029 R16 - 2029	3.04	AAA
9.30% PGCIL NCD 04-09-2029 OPT III	1.57	AAA

**total bond 26.01**

#### gilts

8.83% GOI CG 25-11-2023	11.10
8.15% GOI CG 24-11-2026	9.75
8.27% GOI CG 09-06-2020	6.36
8.32% GOI CG 02-08-2032	2.71
8.30% GOI CG 31-12-2042	0.21

**total gilts 30.13**

#### equity

DIVIS LABORATORIES LIMITED	1.51
INFOSYS LIMITED	1.41
LARSEN&TUBRO	1.37
HDFC BANK LTD.	1.26
ICICI BANK LTD.	1.18
YES BANK LTD	0.95
RELIANCE INDUSTRIES LTD.	0.82
ITC	0.79
TATA CONSULTANCY SERVICES LTD.	0.77
MARUTI UDYOG LTD.	0.74
ULTRATECH CEMCO LTD	0.70
TATA MOTORS LTD.	0.69
SUN PHARMACEUTICAL INDUSTRIES LTD.	0.61
STATE BANK OF INDIA	0.59
HCL TECHNOLOGIES LIMITED	0.52
KIRLOSKAR CUMMINS	0.51
HDFC LTD	0.51
JUBILANT FOODWORKS LIMITED	0.48
INDIABULLS HOUSING FINANCE LTD	0.43
MAHINDRA & MAHINDRA LTD.	0.38
VEDANTA LIMITED	0.37
INOX WIND LIMITED	0.37
ONGC	0.30
JSW STEEL LIMITED	0.30
WIPRO	0.29
MOTHERSON SUMI SYSTEMS LTD.	0.29
AXIS BANK LIMITED	0.25
SHRIRAM TRANSPORT FINANCE CO. LTD.	0.25
THE INDIAN HOTELS CO LTD	0.22
HERO MOTOCORP LIMITED	0.22
LUPIN LIMITED	0.22
KAVERI SEED COMPANY LIMITED	0.16
BHARTI AIRTEL LIMITED	0.12

**total equity 19.57**

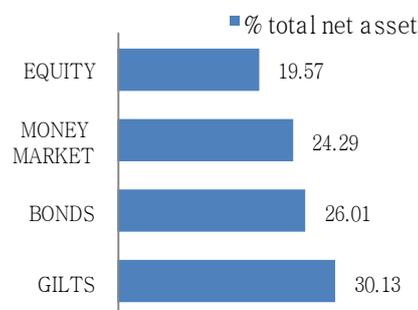
**total money market 24.29**

**total net assets 100.00**

### fund characteristics

M. Duration of debt portfolio: 4.12 Years  
YTM of debt portfolio: 8.09%  
Fund Beta: 1.00

### asset allocation



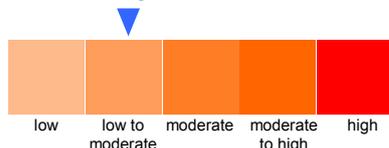
SFIN :  
ULGF00210/10/03GBALANCE02121

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



### target asset allocation

Debt: 80%  
Equity: 20%

### benchmark construction

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

# Group Balanced Fund 2

## Fund Performance As on Jun 30, 2015

fund Name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Balanced Fund 2	13.59%	12.20%	12.16%	10.96%	9.77%
<b>Benchmark</b>	<b>11.03%</b>	<b>10.27%</b>	<b>10.46%</b>	<b>9.29%</b>	<b>8.62%</b>

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

### portfolio

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

#### bond

9.25% RJIL NCD 16-06-2024 SR-PPD3	8.26	AAA
8.40% NPCIL NCD 28-11-2028 XXIX D	6.14	AAA
10.00% IHFL NCD 29-09-2019	4.23	AAA
9.00% SAIL NCD 14-10-2024	3.71	AAA
9.25% TATA SONS NCD 19-06-2019	2.85	AAA
9.22% LICHFL NCD 16-10-2024 TR230	2.75	AAA
8.40% NPCIL NCD 28-11-2027 XXIX C	2.65	AAA
9.39% PFC NCD 27-08-2029 SR118B-III	1.34	AAA
9.70% TATA SONS NCD 25-07-2022	0.88	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	0.85	AAA
10.60% IRFC NCB 11-09-2018	0.74	AAA
8.97% TATA SONS NCD 15-07-2020	0.71	AAA

**total bond 35.11**

#### gilts

8.83% GOI CG 25-11-2023	11.11
8.15% GOI CG 24-11-2026	9.77
8.27% GOI CG 09-06-2020	6.39
8.32% GOI CG 02-08-2032	3.75
8.30% GOI CG 31-12-2042	0.10

#### total gilts

#### equity

DIVIS LABORATORIES LIMITED	1.51
INFOSYS LIMITED	1.39
LARSEN&TUBRO	1.38
HDFC BANK LTD.	1.26
ICICI BANK LTD.	1.16
RELIANCE INDUSTRIES LTD.	1.03
YES BANK LTD	0.93
ITC	0.78
TATA CONSULTANCY SERVICES LTD.	0.77
MARUTI UDYOG LTD.	0.74
TATA MOTORS LTD.	0.70
ULTRATECH CEMCO LTD	0.69
SUN PHARMACEUTICAL INDUSTRIES LTD.	0.61
STATE BANK OF INDIA	0.58
HCL TECHNOLOGIES LIMITED	0.54
KIRLOSKAR CUMMINS	0.53
HDFC LTD	0.51
INDIABULLS HOUSING FINANCE LTD	0.44
JUBILANT FOODWORKS LIMITED	0.43
MAHINDRA & MAHINDRA LTD.	0.39
VEDANTA LIMITED	0.37
INOX WIND LIMITED	0.36
MOTHERSON SUMI SYSTEMS LTD.	0.31
ONGC	0.30
JSW STEEL LIMITED	0.30
WIPRO	0.26
AXIS BANK LIMITED	0.25
SHRIRAM TRANSPORT FINANCE CO. LTD.	0.25
LUPIN LIMITED	0.22
HERO MOTOCORP LIMITED	0.21
THE INDIAN HOTELS CO LTD	0.18
KAVERI SEED COMPANY LIMITED	0.16
BHARTI AIRTEL LIMITED	0.12

**total equity 19.66**

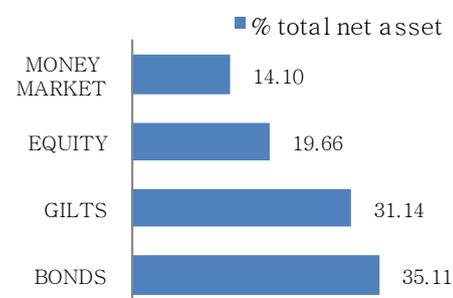
**total money market 14.10**

**total net assets 100.00**

### fund characteristics

M. Duration of debt portfolio: 5.01 Years  
YTM of debt portfolio: 8.24%  
Fund Beta: 1.01

### asset allocation



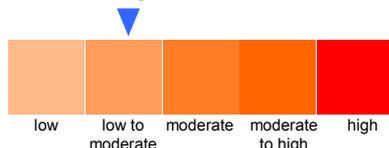
SFIN :  
ULGF02105/06/13GBALANCE04121

Inception Date : 17<sup>th</sup> Dec 2013

### 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 4

## Fund Performance As on Jun 30, 2015

gross return	
fund Name	12 month returns*
Group Balanced Fund 4	12.27%
<b>Benchmark</b>	<b>11.03%</b>

### portfolio

security	% total net assets	rating
<b>bond</b>		
8.85% PGCIL NCD 19-10-2023 STRPP H	5.40	AAA
8.36% PFC NCD 26-02-2020 SR127	2.96	AAA
9.15% L&T NCD 05-01-2019	2.50	AAA
9.00% SAIL NCD 14-10-2024	2.07	AAA
8.39% PFC NCD 19-04-2025	1.69	AAA
10.00% IHFL NCD 29-09-2019	1.23	AAA
9.25% RJIL NCD 16-06-2024 SR-PPD3	1.11	AAA
8.40% NPCIL NCD 28-11-2027 XXIX C	1.07	AAA
9.70% TATA SONS NCD 25-07-2022	0.79	AAA
9.51% LICHL NCD 24-07-2019	0.55	AAA
9.22% LICHL NCD 16-10-2024 TR230	0.44	AAA
8.83% EXIM NCB 03-11-2029 R16 - 2029	0.44	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	0.32	AAA
8.40% NPCIL NCD 28-11-2025 XXIX A	0.32	AAA
9.25% TATA SONS NCD 19-06-2019	0.22	AAA
9.39% PFC NCD 27-08-2029 SR118B-III	0.11	AAA
9.30% PGCIL NCD 04-09-2029 OPT III	0.11	AAA
<b>total bond</b>	<b>21.33</b>	

### gilts

8.83% GOI CG 25-11-2023	12.82
8.15% GOI CG 24-11-2026	9.59
8.27% GOI CG 09-06-2020	6.12
8.32% GOI CG 02-08-2032	2.94
8.40% GOI CG 28-07-2024	2.73
8.30% GOI CG 31-12-2042	0.12
<b>total gilts</b>	<b>34.31</b>

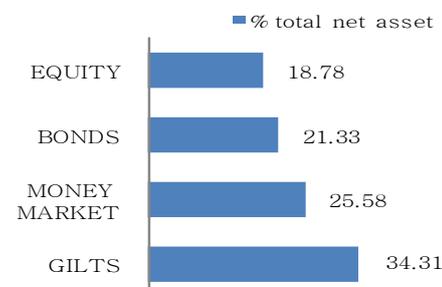
### Equity

DIVIS LABORATORIES LIMITED	1.47
INFOSYS LIMITED	1.33
LARSEN&TUBRO	1.32
HDFC BANK LTD.	1.20
ICICI BANK LTD.	1.12
RELIANCE INDUSTRIES LTD.	0.98
YES BANK LTD	0.89
ITC	0.75
TATA CONSULTANCY SERVICES LTD.	0.73
MARUTI UDYOG LTD.	0.72
ULTRATECH CEMCO LTD	0.67
TATA MOTORS LTD.	0.64
SUN PHARMACEUTICAL INDUSTRIES LTD.	0.58
STATE BANK OF INDIA	0.56
HCL TECHNOLOGIES LIMITED	0.50
KIRLOSKAR CUMMINS	0.49
HDFC LTD	0.49
JUBILANT FOODWORKS LIMITED	0.41
INDIABULLS HOUSING FINANCE LTD	0.41
MAHINDRA & MAHINDRA LTD.	0.37
VEDANTA LIMITED	0.35
INOX WIND LIMITED	0.34
ONGC	0.30
JSW STEEL LIMITED	0.29
MOTHERSON SUMI SYSTEMS LTD.	0.29
AXIS BANK LIMITED	0.24
SHRIRAM TRANSPORT FINANCE CO. LTD.	0.24
WIPRO	0.24
HERO MOTOCORP LIMITED	0.21
LUPIN LIMITED	0.21
THE INDIAN HOTELS CO LTD	0.17
KAVERI SEED COMPANY LIMITED	0.15
BHARTI AIRTEL LIMITED	0.11
<b>total equity</b>	<b>18.78</b>
<b>total money market</b>	<b>25.58</b>
<b>total net assets</b>	<b>100.00</b>

### fund characteristics

M. Duration of debt portfolio:	3.67 Years
YTM of debt portfolio:	7.74%
Fund Beta:	1.01

### asset allocation



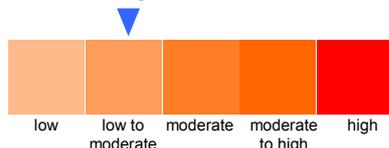
SFIN :  
ULGF01213/10/08GCBOND02121

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 Jun 30, 2015

gross return					
fund Name	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Corporate Bond Fund 2	13.19%	9.13%	10.54%	10.11%	9.15%
<b>Benchmark</b>	<b>11.10%</b>	<b>7.80%</b>	<b>8.76%</b>	<b>8.75%</b>	<b>7.90%</b>

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

### portfolio

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

bond		
9.25% RJIL NCD 16-06-2024 SR-PPD3	8.90	AAA
9.44% LICHFL NCD 30-08-2019 TR228	3.56	AAA
9.00% SAIL NCD 14-10-2024	3.02	AAA
9.30% PGCIL NCB 04-09-2024 OPTION II	2.23	AAA
8.93% PGCIL NCD 20-10-2025 STRPP H	2.19	AAA
8.40% NPCIL NCD 28-11-2026 XXIX B	2.14	AAA
8.40% NPCIL NCD 28-11-2025 XXIX A	1.75	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	1.73	AAA
9.39% PFC NCD 27-08-2029 SR118B-III	0.96	AAA
9.15% L&T NCD 05-01-2019	0.92	AAA
8.83% EXIM NCB 03-11-2029 R16 - 2029	0.57	AAA
8.80% PGCIL NCD 13-03-2023 XLII	0.52	AAA
8.40% NPCIL NCD 28-11-2029 XXIX E	0.47	AAA
10.00% IHFL NCD 29-09-2019	0.45	AAA
8.36% PFC NCD 26-02-2020 SR127	0.30	AAA
9.25% TATA SONS NCD 19-06-2019	0.22	AAA
9.90% TATA SONS NCD 18-03-2016	0.13	AAA

**total bond 30.04**

Gilts		
8.83% GOI CG 25-11-2023	13.94	
8.15% GOI CG 24-11-2026	12.21	
8.27% GOI CG 09-06-2020	8.58	
8.32% GOI CG 02-08-2032	3.25	
8.30% GOI CG 31-12-2042	0.29	

**total gilts 38.26**

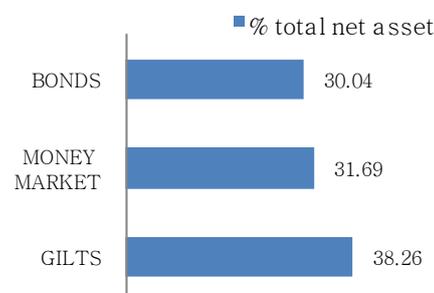
**total money market 31.69**

**total net assets 100.00**

### fund characteristics

M. Duration of debt portfolio:	4.10 Years
YTM of debt portfolio:	8.08%

### asset allocation



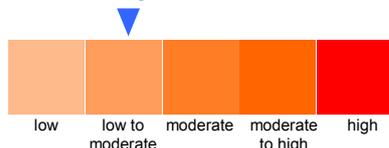
SFIN :  
ULGF02305/06/13GRCORBOND03121

Inception Date : 31<sup>st</sup> Dec 2013

### 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 3

## Fund Performance As on Jun 30,

11.gross return	
fund Name	12 month returns*
Group Corporate Bond Fund 3	13.69%
<b>Benchmark</b>	<b>11.10%</b>

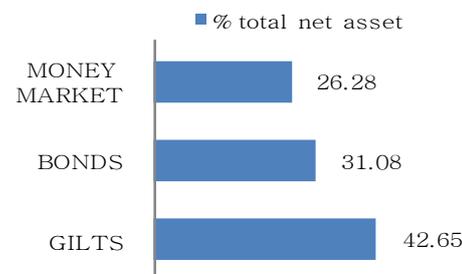
### portfolio

security	% total net assets	rating
<b>bond</b>		
8.85% PGCIL NCD 19-10-2023 STRPP H	6.59	AAA
8.39% PFC NCD 19-04-2025	5.72	AAA
8.40% NPCIL NCD 28-11-2025 XXIX A	4.92	AAA
8.75% RIL NCD 07-05-2020	2.18	AAA
8.36% PFC NCD 26-02-2020 SR127	2.15	AAA
9.44% LICHL NCD 30-08-2019 TR228	2.08	AAA
9.30% PGCIL NCD 04-09-2029 OPT III	1.99	AAA
9.25% TATA SONS NCD 19-06-2019	1.62	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	1.61	AAA
9.00% SAIL NCD 14-10-2024	1.04	AAA
9.15% L&T NCD 05-01-2019	0.88	AAA
10.00% IHFL NCD 29-09-2019	0.15	AAA
9.25% RJIL NCD 16-06-2024 SR-PPD3	0.15	AAA
<b>total bond</b>	<b>31.08</b>	
<b>Gilts</b>		
8.83% GOI CG 25-11-2023	16.06	
8.15% GOI CG 24-11-2026	12.00	
8.27% GOI CG 09-06-2020	7.33	
8.40% GOI CG 28-07-2024	3.70	
8.32% GOI CG 02-08-2032	3.56	
<b>total gilts</b>	<b>42.65</b>	
<b>total money market</b>	<b>26.28</b>	
<b>total net assets</b>	<b>100.00</b>	

### fund characteristics

M. Duration of debt portfolio: 4.11 Years  
YTM of debt portfolio: 8.01%

### asset allocation



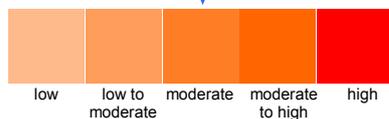
SFIN :  
ULGF01030/09/08GPUREDEB01121

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 Jun 30, 2015

fund Name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Pure Debt Fund 1	13.04%	9.75%	10.79%	10.28%	9.30%
<b>Benchmark</b>	<b>11.10%</b>	<b>7.80%</b>	<b>8.76%</b>	<b>8.75%</b>	<b>7.90%</b>

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

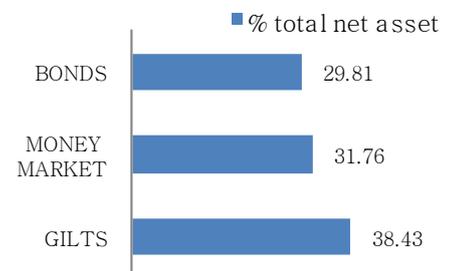
### portfolio

security	% total assets	rating
<b>bond</b>		
9.30% PGCIL NCD 04-09-2029 OPT III	7.63	AAA
10.00% IHFL NCD 29-09-2019	7.55	AAA
9.25% RJIL NCD 16-06-2024 SR-PPD3	7.50	AAA
8.39% PFC NCD 19-04-2025	7.13	AAA
<b>total bond</b>	<b>29.81</b>	
<b>gilts</b>		
8.83% GOI CG 25-11-2023	13.84	
8.15% GOI CG 24-11-2026	12.29	
8.27% GOI CG 09-06-2020	7.93	
8.32% GOI CG 02-08-2032	4.30	
8.30% GOI CG 31-12-2042	0.07	
<b>total gilts</b>	<b>38.43</b>	
<b>total money market</b>	<b>31.76</b>	
<b>total net assets</b>	<b>100.00</b>	

### fund characteristics

M .Duration of debt portfolio: 4.24 Years  
YTM of debt portfolio: 8.12%

### asset allocation



### SFIN :

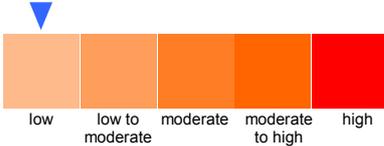
ULGF00431/01/07GCAPISEC01121

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 Jun 30, 2015

fund Name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Capital Secure Fund 1	13.04%	9.75%	10.79%	10.28%	9.30%
<b>Benchmark</b>	<b>11.10%</b>	<b>7.80%</b>	<b>8.76%</b>	<b>8.75%</b>	<b>7.90%</b>

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

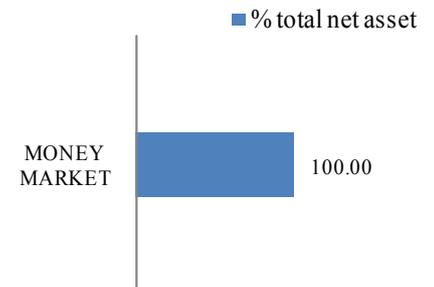
### portfolio

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

### fund characteristics

M .Duration of debt portfolio: 0.26 Years  
YTM of debt portfolio: 8.00%

### asset allocation



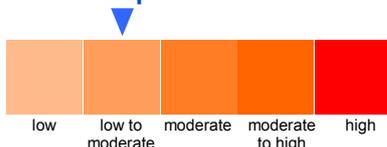
SFIN :  
ULGF01610/12/08GGILTFUN02121

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 Jun 30, 2015

fund Name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Gilt Fund 2	14.25%	8.14%	10.06%	9.60%	8.90%
<b>Benchmark</b>	<b>12.38%</b>	<b>6.40%</b>	<b>8.82%</b>	<b>8.90%</b>	<b>7.94%</b>

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

### portfolio

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

#### gilts

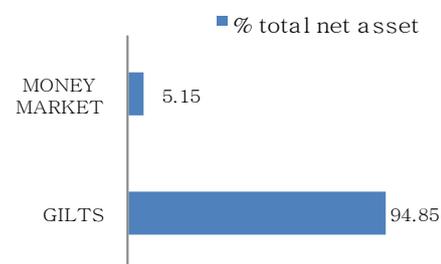
8.83% GOI CG 25-11-2023	33.44
8.15% GOI CG 24-11-2026	29.19
8.27% GOI CG 09-06-2020	24.10
8.30% GOI CG 31-12-2042	8.12

<b>total gilts</b>	<b>94.85</b>
<b>total money market</b>	<b>5.15</b>
<b>total net assets</b>	<b>100.00</b>

### fund characteristics

M. Duration of debt portfolio:	5.94 Years
YTM of debt portfolio:	8.05%

### asset allocation



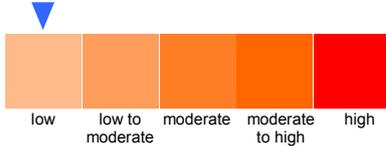
SFIN :  
ULGF00930/09/08GMONMRKT02121

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 Jun 30, 2015

fund Name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Money Market Fund 2	9.15%	9.29%	9.51%	9.65%	9.41%
<b>Benchmark</b>	<b>8.77%</b>	<b>9.22%</b>	<b>8.85%</b>	<b>8.81%</b>	<b>8.48%</b>

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

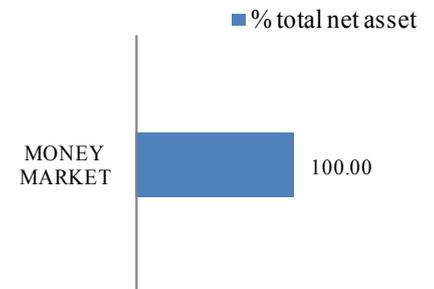
### portfolio

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

### fund characteristics

M. Duration of debt portfolio: 0.56 Years  
YTM of debt portfolio: 8.28%

### asset allocation



SFIN	Plan Name	Fund Name	NAV
ULGF00431/01/07GCAPISEC01121	Reliance Group Gratuity Plan	Group Capital Secure Fund 1	19.5561
ULGF00210/10/03GBALANCE02121	Reliance Group Gratuity Plan	Group Balanced Fund 2	20.2663
ULGF00110/10/03GBALANCE01121	Reliance Group Gratuity Plan	Group Balanced Fund 1	23.9846
ULGF01213/10/08GCORBOND02121	Reliance Group Gratuity Plan	Group Corporate Bond Fund 2	18.1574
ULGF01808/06/09GEQUITYF03121	Reliance Group Gratuity Plan	Group Equity Fund 3	26.5249
ULGF01610/12/08GGILTFUN02121	Reliance Group Gratuity Plan	Group Gilt Fund 2	15.7832
ULGF00930/09/08GMONMRKT02121	Reliance Group Gratuity Plan	Group Money Market Fund 2	17.6066
ULGF00310/10/03GGROWTHF01121	Reliance Group Gratuity Plan	Group Growth Fund 1	20.1412
ULGF01908/06/09GINFRASF01121	Reliance Group Gratuity Plan	Group Infrastructure Fund 1	11.1143
ULGF02008/06/09GMIDCAPF01121	Reliance Group Gratuity Plan	Group Midcap Fund 1	23.3170
ULGF01030/09/08GPUREDEB01121	Reliance Group Gratuity Plan	Group Pure Debt Fund 1	18.2409
ULGF00110/10/03GBALANCE01121	Reliance Group Superannuation Plan	Group Balanced Fund 1	23.9846
ULGF00431/01/07GCAPISEC01121	Reliance Group Superannuation Plan	Group Capital Secure Fund 1	19.5561
ULGF01213/10/08GCORBOND02121	Reliance Group Superannuation Plan	Group Corporate Bond Fund 2	18.1574
ULGF01808/06/09GEQUITYF03121	Reliance Group Superannuation Plan	Group Equity Fund 3	26.5249
ULGF01610/12/08GGILTFUN02121	Reliance Group Superannuation Plan	Group Gilt Fund 2	15.7832
ULGF00310/10/03GGROWTHF01121	Reliance Group Superannuation Plan	Group Growth Fund 1	20.1412
ULGF00930/09/08GMONMRKT02121	Reliance Group Superannuation Plan	Group Money Market Fund 2	17.6066
ULGF01030/09/08GPUREDEB01121	Reliance Group Superannuation Plan	Group Pure Debt Fund 1	18.2409
ULGF00210/10/03GBALANCE02121	Reliance Group Savings Linked Insurance Plan	Group Balanced Fund 2	20.2663
ULGF01213/10/08GCORBOND02121	Reliance Group Savings Linked Insurance Plan	Group Corporate Bond Fund 2	18.1574
ULGF01428/11/08GENERGF01121	Reliance Group Savings Linked Insurance Plan	Group Energy Fund 1	18.2967
ULGF01328/11/08GEQUITYF02121	Reliance Group Savings Linked Insurance Plan	Group Equity Fund 2	32.2268
ULGF01610/12/08GGILTFUN02121	Reliance Group Savings Linked Insurance Plan	Group Gilt Fund 2	15.7832
ULGF01908/06/09GINFRASF01121	Reliance Group Savings Linked Insurance Plan	Group Infrastructure Fund 1	11.1143
ULGF02008/06/09GMIDCAPF01121	Reliance Group Savings Linked Insurance Plan	Group Midcap Fund 1	23.3170
ULGF00930/09/08GMONMRKT02121	Reliance Group Savings Linked Insurance Plan	Group Money Market Fund 2	17.6066
ULGF01030/09/08GPUREDEB01121	Reliance Group Savings Linked Insurance Plan	Group Pure Debt Fund 1	18.2409
ULGF01528/11/08GPUREEQF01121	Reliance Group Savings Linked Insurance Plan	Group Pure Equity Fund 1	29.7712
ULGF00210/10/03GBALANCE02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Balanced Fund 2	20.2663
ULGF00930/09/08GMONMRKT02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Money Market Fund 2	17.6066
ULGF01213/10/08GCORBOND02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Corporate Bond Fund 2	18.1574
ULGF01610/12/08GGILTFUN02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Gilt Fund 2	15.7832
ULGF01808/06/09GEQUITYF03121	Reliance Life Insurance Group Gratuity Plus Plan	Group Equity Fund 3	26.5249
ULGF00930/09/08GMONMRKT02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Money Market Fund 2	17.6066
ULGF01213/10/08GCORBOND02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Corporate Bond Fund 2	18.1574
ULGF01610/12/08GGILTFUN02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Gilt Fund 2	15.7832
ULGF01808/06/09GEQUITYF03121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Equity Fund 3	26.5249
ULGF00210/10/03GBALANCE02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Balanced Fund 2	20.2663
ULGF02205/06/13GEQUITYF04121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Equity Fund 4	10.3571

- ✓ 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.

✓ **Gross Fund Return**

### 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.

✓ **Benchmark Return**

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.

✓ **Fund Standard Deviation**

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.

✓ **Fund Sharpe Ratio**

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%.

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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