



RELIANCE

Life Insurance



the analyst

**monthly Group fund
factsheet for April 2015**

investment philosophy

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

Economy Indicators	31st Mar 15	28th Feb 15	% Change
¹ \$ / Rs.	62.50	61.84	1.05
² CPI (YOY)	5.17	5.37	-0.20
³ Forex Reserves (\$ bn)	341.38	338.08	0.97
¹ Brent Crude Price (\$ per Barrel)	47.60	49.76	-4.54
¹ Gold (Rs. per 10gm)	26232	26309	-0.29

Indices	31st Mar 15	28th Feb 15	%Change
¹ BSE Sensex	27957	29220	-4.52
¹ S&P CNX Nifty	8491	8845	-4.16
¹ CNX Mid Cap	13001	13113	-0.86
¹ BSE Small Cap	10890	11320	-3.94

Global Indices	31st Mar 15	28th Feb 15	%Change
¹ Dow Jones	17776	18133	-2.01
¹ FTSE 100	6773	6947	-2.56
¹ Hang Seng	24901	24823	0.31
¹ Nikkei	19207	18798	2.13

Sectoral Indices	31st Mar 15	28th Feb 15	% Change
¹ CNX Infrastructure	3250	3327	-2.37
¹ CNX Energy	8264	8661	-4.80
¹ BSE Capital Goods	17293	17825	-3.08
¹ BSE Bankex	20865	21858	-4.76
¹ BSE Oil & Gas	9312	9602	-3.11
¹ BSE IT	11404	11879	-4.16

Fixed Income Indicators (%)	31st Mar 15	28th Feb 15	% Change
¹ NSE Mibor	8.61	8.65	-0.46
¹ 91 Day T-Bill	7.94	8.35	-0.41
¹ 182 Day T-Bill	7.80	8.28	-0.48
¹ 1 year GOI Benchmark	7.84	8.33	-0.49
¹ 5 Year GOI Benchmark	7.82	7.77	0.05
¹ 10 Year GOI Benchmark	7.74	7.73	0.01
¹ 5 Year Corp Bond Benchmark	8.31	8.29	0.02
¹ 10 Year AAA Corp Bond Benchmark	8.39	8.54	-0.15
¹ 10 Year US Treasury	1.92	1.99	-0.07

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

Fixed Income Market

RBI while citing consolidation of fiscal deficit in union budget and agreement on the monetary policy has triggered the inter-meeting rate cut by 25 bps in March 2015. The RBI has also guided that accommodative stance will be maintained while it will depend upon the incoming data and seasonality in upcoming Monsoon. Now it is expected that with the onset of the new financial year, banks will also start reducing lending rates. In fact, due to the tepid demand for funds, banks were seen reducing deposit rates during the month, which is traditionally a deposit gathering time for banks for year-end considerations.

Industrial production continued to expand at a moderate pace of 2.6% (YoY) January 2015 as compared to a revised growth of 3.2% (YoY) last month. On a sectoral basis, mining output contracted by 2% (YoY) in January 2015 while electricity and manufacturing output rose by 2.5% (YoY) and 2.8% (YoY) respectively. Among use based categories, capital goods grew by a healthy 12.8% (YoY) while trend in consumer goods remained weak at -1.9% (YoY). It looks like growth is now bottomed out and with latest allocation of coal and other mines will, going forward, improve the industrial activity slowly.

Retail inflation (CPI) inched up marginally to 5.4% (YoY) in February against 5.2% (YoY) in January 2015. The pickup in inflation was largely due to adverse base effect as the sequential increase was muted at 0.2% (MoM). Food price remained flat and core inflation slowed marginally to 3.9% (YoY) reflecting subdued demand pressure. It is expected that with subdued increase in rural wages and agriculture prices, retail inflation will be well anchored. The only piece which could adversely impact this pattern would be unseasonal rains in certain parts of the country. However, deft supply side management will lessen the burden.

In terms of market movement, bond yields have been trading in the narrow zone. RBI through series of Term REPOs has managed to contain overnight rates close to policy rates in the month, which is traditionally marked by the volatile rates.

Globally, uncertainty associated with normalization of interest rates in the USA have been at the forefront. On the other hand, ECB and Japan continue to tread the path of quantitative easing. Some government bonds have actually now trading in negative interest rates in the euro zone as ECB has started purchasing them.

Fixed Income Outlook:

Going forward, it is expected that rates will trade in the narrow range. It is expected to trade lower, once market will have confidence about sustainability of the lower inflation and consequently possibility of the rate cut increase.

Equity Market

Indian equities started the month on a high with a fairly balanced budget at the end of Feb quickly giving way to another surprise rate cut from the RBI. The enthusiasm turned out to be short-lived however and the market gave up gains to end the month 5% lower.

The first half of the ongoing budget session saw the passage of three key reform bills viz insurance, coal mines and mines & mineral regulation. Interestingly, the productivity for Lok Sabha and Rajya Sabha (hours of sitting as a % of scheduled hours) stood at 123% and 107% compared to 98% and 58% respectively seen in the winter session – this augurs well for the government's reform agenda

Telecom stocks were among the biggest outperformers this month as the spectrum auctions concluded with the larger incumbents viz Bharti, Idea and Vodafone all managing to retain the 900 MHz spectrum that had come up for renewal. Reliance Jio expectedly acquired 800MHz to beef up coverage for LTE. The total outgo for Idea, Bharti and Vodafone stood at Rs303/291/260bn respectively which was higher than expected but the removal of overhang clearly helped

Among Power stocks, JSP was dealt a blow as the government refused to accept its bids for Gare Palma IV/2 and 3 and Tara mines. This has since been appealed in the court and the hearing will continue in Apr. In the Industrials space, BHEL met with bad news as the Tamil Nadu Electricity Board decided to scrap its 1320MW Udangudi project in which BHEL had emerged as the lowest bidder.

Pharma stocks continued to move from strength to strength – Lupin made new highs after the management indicated confidence at sustaining 30%+ margins and spoke about a robust pipeline. Sun Pharma also received final approval from CCI for its merger with Ranbaxy post divestment of 7 brands in domestic market.

Among Energy companies, Cairn made the headlines as it cut its FY16 capex guidance from \$1.2bn to \$0.5bn. This was partly expected given the fall in crude price and will likely be accompanied by a production cut. The Cabinet also cleared a new policy to facilitate LNG imports for power during the month.

Banks had a fairly quiet month with the RBI rate cut not getting transmitted to lending rates even as the Finance Minister nudged them. IT names had something to cheer about as Accenture raised its FY15 revenue growth guidance from 5-8% to 8-10% even as bookings saw some YoY decline,

In the Media space, Zee's new GEC &TV garnered an overall viewership share of 1.2% in Week 1 following its big bang launch

Autos had a relatively quiet month with media articles suggesting widening discounts on account of lackluster local demand. Tata Motors announced the details of its Rs75bn rights issue with the share issuance ratio pegged at 6:109 and the offer coming at a deep discount to the market price.

FII's continued to pump in fresh money into Indian equities with net inflows totaling another \$1.6bn during the month, which took their YTD tally to \$5.9bn. DIIs meanwhile were small net buyers of \$31mn keeping their YTD net sell tally almost unchanged at \$861mn. However the selling continues to come from insurance companies, which sold \$498mn in Mar even as mutual funds remained buyers to the tune of \$529mn.

Equity Outlook:

Come Apr, the focus will once again be on corporate earnings to discern where the bottom-up is headed

fund snapshot

gross return (CAGR*) (%) As on Mar 31, 2015

asset allocation	funds	Last 1 Year	Last 2 Year	Last 3 Year	Page No.
100% equity	Group Equity Fund 2	35.04%	28.89%	21.81%	4
100% equity	Group Equity Fund 3	32.32%	25.81%	20.02%	5
100% pure equity	Group Pure Equity Fund 1	36.77%	29.68%	19.75%	6
100% equity	Group Infrastructure Fund 1	36.82%	25.59%	11.38%	7
100% equity	Group Energy Fund 1	22.81%	17.84%	10.03%	8
100% equity	Group Midcap Fund 1	45.78%	35.56%	23.98%	9
40% equity, 60% debt	Group Growth Fund 1	22.71%	17.60%	15.01%	10
20% equity, 80% debt	Group Balanced Fund 1	19.18%	13.57%	12.34%	11
20% equity, 80% debt	Group Balanced Fund 2	19.68%	14.05%	13.00%	12
20% equity, 80% debt	Group Balanced Fund 4	-	-	-	13
100% bond instruments	Group Corporate Bond Fund 2	16.91%	11.17%	11.52%	14
100% debt Instruments	Group Corporate Bond Fund 3	-	-	-	15
100% debt Instruments	Group Pure Debt Fund 1	16.87%	11.85%	11.74%	16
100% money market	Group Capital Secure Fund 1	9.27%	9.60%	9.56%	17
100% govt. securities	Group Gilt Fund 2	18.57%	10.72%	11.12%	18
100% money market	Group Money Market Fund 2	9.26%	9.40%	9.67%	19

SFIN :

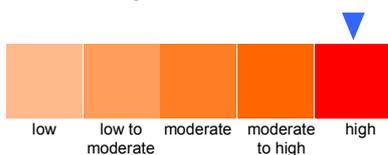
ULGF00724/10/07GEQUITYF01121

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, 2015

gross return					
fund name	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Equity Fund 2	35.04%	28.89%	21.81%	13.88%	13.65%
Benchmark	26.65%	22.24%	17.04%	9.84%	10.10%

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

portfolio

security % total net assets

equity

HDFC BANK LTD.	7.61
LARSEN&TUBRO	7.23
INFOSYS LIMITED	7.18
DIVIS LABORATORIES LIMITED	7.04
ICICI BANK LTD.	6.10
RELIANCE INDUSTRIES LTD.	4.91
YES BANK LTD	4.80
ITC	4.45
MARUTI UDYOG LTD.	4.29
TATA MOTORS LTD.	4.09
ULTRATECH CEMCO LTD	3.69
SUN PHARMACEUTICAL INDUSTRIES LTD.	3.58
HCL TECHNOLOGIES LIMITED	3.09
TATA CONSULTANCY SERVICES LTD.	3.03
STATE BANK OF INDIA	2.97
KIRLOSKAR CUMMINS	2.75
SML ISUZU LIMITED	2.54
INDIABULLS HOUSING FINANCE LTD	2.40
MAHINDRA & MAHINDRA LTD.	2.20
MOTHERSON SUMI SYSTEMS LTD.	2.16
BHARTI AIRTEL LIMITED	2.00
JSW STEEL LIMITED	1.87
ONGC	1.55
WIPRO	1.51
ADITYA BIRLA NUVO LIMITED	1.49
SESA STERLITE LIMITED	1.38
DR. REDDY LABORATORIES	1.11
HERO MOTOCORP LIMITED	0.95
INDIABULLS REAL ESTATE LIMITED	0.17

total equity 98.13

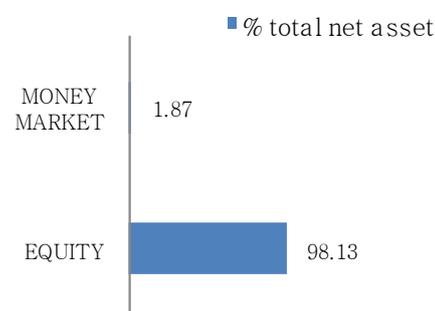
total money market 1.87

total net assets 100.00

fund characteristics

Fund Beta 0.98

asset allocation



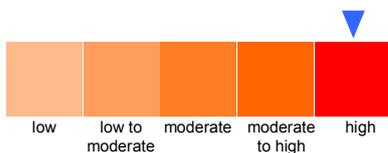
SFIN :
ULGF01808/06/09GEQUITYF03121

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, 2015

fund name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Equity Fund 3	32.32%	25.81%	20.02%	18.67%	16.92%
Benchmark	26.65%	22.24%	17.04%	9.84%	10.10%

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

portfolio

security % total net assets

equity

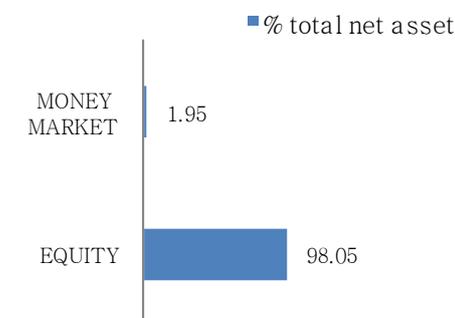
INFOSYS LIMITED	7.99
HDFC BANK LTD.	7.43
DIVIS LABORATORIES LIMITED	7.21
LARSEN&TUBRO	6.71
ICICI BANK LTD.	5.88
RELIANCE INDUSTRIES LTD.	4.80
YES BANK LTD	4.62
ITC	3.97
TATA MOTORS LTD.	3.85
MARUTI UDYOG LTD.	3.83
STATE BANK OF INDIA	3.54
GUJARAT FLUORO CHEMICALS LTD.	3.46
TATA CONSULTANCY SERVICES LTD.	3.21
ULTRATECH CEMCO LTD	2.74
KIRLOSKAR CUMMINS	2.59
MOTHERSON SUMI SYSTEMS LTD.	2.30
HCL TECHNOLOGIES LIMITED	2.27
INDIABULLS HOUSING FINANCE LTD	2.12
SUN PHARMACEUTICAL INDUSTRIES LTD.	2.08
MAHINDRA & MAHINDRA LTD.	1.83
LUPIN LIMITED	1.83
HERO MOTOCORP LIMITED	1.64
ONGC	1.63
SANOFI INDIA LIMITED	1.63
SESA STERLITE LIMITED	1.24
JSW STEEL LIMITED	1.19
WIPRO	1.11
BHARTI AIRTEL LIMITED	0.91
PURAVANKARA PROJECTS LIMITED	0.79
JUBILANT FOODWORKS LIMITED	0.67
IDEA CELLULAR LTD	0.59
OBEROI REALTY LIMITED	0.56
SHREE CEMENTS LIMITED	0.54
HAVELLS INDIA LIMITED	0.39
D.B. CORP LIMITED	0.35
SHOPPERS STOP LIMITED	0.32
HT MEDIA LIMITED	0.22

total equity	96.05
total money market	1.95
total net assets	100.00

fund characteristics

Fund Beta 0.96

asset allocation



SFIN :

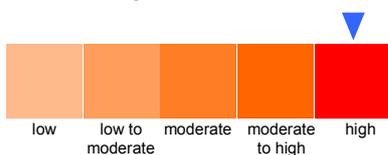
ULGF01528/11/08GPUREEQF01121

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, 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	36.77%	29.68%	19.75%	12.72%	11.73%
Benchmark	21.19%	21.25%	15.63%	9.18%	8.42%

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

portfolio

security % total net assets

equity

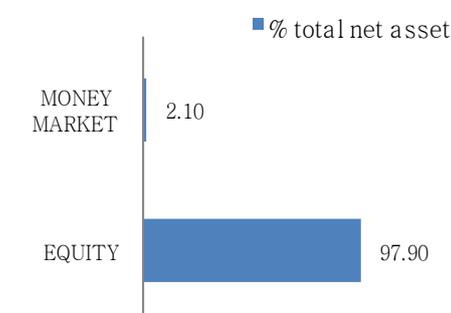
RELIANCE INDUSTRIES LTD.	8.61
TATA CONSULTANCY SERVICES LTD.	8.12
MARUTI UDYOG LTD.	7.18
HINDUSTAN LEVER LTD.	6.39
BHARTI AIRTEL LIMITED	6.28
DR. REDDY LABORATORIES	5.45
ULTRATECH CEMCO LTD	5.19
HCL TECHNOLOGIES LIMITED	5.02
LUPIN LIMITED	5.00
ASIAN PAINTS LIMITED	4.70
LARSEN&TUBRO	4.52
HERO MOTOCORP LIMITED	4.49
ECLERX SERVICES LIMITED	3.84
JUBILANT FOODWORKS LIMITED	3.17
INFOSYS LIMITED	3.05
ACC LIMITED	2.79
TRENT LTD	2.58
MOTHERSON SUMI SYSTEMS LTD.	2.40
DIVIS LABORATORIES LIMITED	2.02
TECH MAHINDRA LIMITED	1.86
MAHINDRA & MAHINDRA LTD.	1.80
SANOFI INDIA LIMITED	1.28
VOLTAS LTD	1.18
BAJAJ AUTO LTD	0.97

total equity	97.90
total money market	2.10
total net assets	100.00

fund characteristics

Fund Beta 0.90

asset allocation



SFIN :

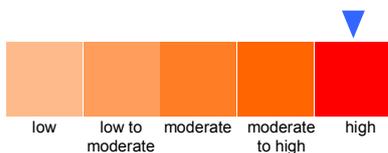
ULGF01908/06/09GINFRASF01121

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, 2015

gross return					
fund Name	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Infrastructure Fund 1	36.82%	25.59%	11.38%	3.44%	1.50%
Benchmark	24.27%	21.27%	9.00%	1.38%	-1.03%

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

portfolio

security % total net assets

equity

BHARTI AIRTEL LIMITED	8.45
POWER GRID CORP OF INDIA LTD	8.32
NTPC LIMITED	8.12
KIRLOSKAR CUMMINS	7.99
MOTHERSON SUMI SYSTEMS LTD.	6.68
ACC LIMITED	6.39
RELIANCE INDUSTRIES LTD.	5.85
VOLTAS LTD	5.56
BHARAT HEAVY ELECTRICALS LTD.	5.38
IDEA CELLULAR LTD	4.83
LARSEN&TUBRO	4.25
TATA POWER CO. LTD.	3.48
HAVELLS INDIA LIMITED	3.03
TEXMACO RAIL & ENGINEERING LIMITED	2.91
PETRONET LNG LIMITED	2.61
CROMPTON GREAVES LTD	2.32
INDRAPRASTHA GAS LIMITED	1.90
INDIAN METALS AND FERRO ALLOYS LIMITED	1.45
GUJARAT STATE PETRONET LIMITED	1.13
HINDUSTAN ZINC LIMITED	0.97

total equity 91.61

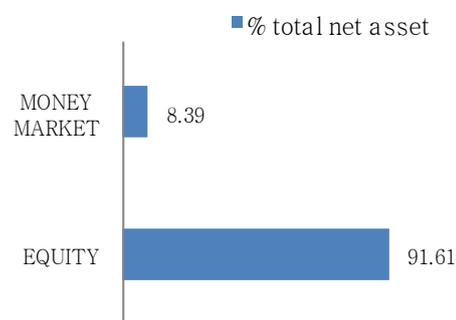
total money market 8.39

total net assets 100.00

fund characteristics

Fund Beta 0.84

asset allocation



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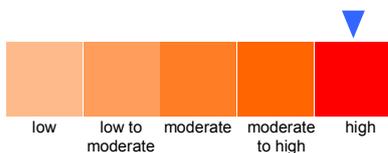
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Inception Date : 16th Dec 2008

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, 2015

gross return					
fund Name	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Energy Fund 1	22.81%	17.84%	10.03%	4.74%	4.72%
Benchmark	-0.78%	4.61%	3.03%	-3.37%	-1.74%

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

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

portfolio

security % total net assets

equity

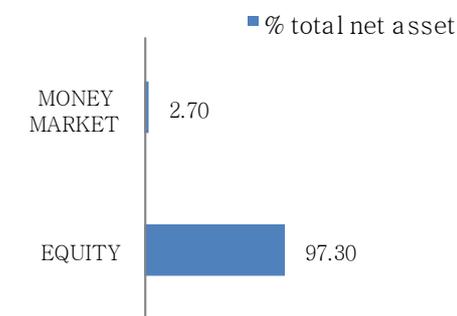
RELIANCE INDUSTRIES LTD.	9.07
LARSEN&TUBRO	8.95
GUJARAT STATE PETRONET LIMITED	8.70
POWER GRID CORP OF INDIA LTD	8.61
NTPC LIMITED	7.91
KIRLOSKAR CUMMINS	7.81
INDRAPRASTHA GAS LIMITED	7.06
ONGC	7.03
OIL INDIA LIMITED	6.59
BHARAT PETROLEUM CORP. LTD.	5.28
TATA POWER CO. LTD.	5.01
VOLTAS LTD	3.69
GAS AUTHORITY OF INDIA LTD.	3.37
TEXMACO RAIL & ENGINEERING LIMITED	3.18
PETRONET LNG LIMITED	2.86
CROMPTON GREAVES LTD	2.00
HAVELLS INDIA LIMITED	0.20

total equity	97.30
total money market	2.70
total net assets	100.00

fund characteristics

Fund Beta 0.86

asset allocation



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, 2015

fund Name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Midcap Fund 1	45.78%	35.56%	23.98%	17.10%	13.07%
Benchmark	36.85%	32.11%	13.60%	7.72%	4.61%

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

portfolio

security	% total net assets
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equity

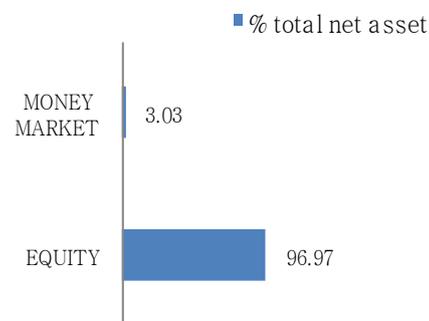
DIVIS LABORATORIES LIMITED	7.86
STATE BANK OF INDIA	7.68
YES BANK LTD	7.08
INDIABULLS HOUSING FINANCE LTD	5.34
ADITYA BIRLA NUVO LIMITED	5.01
ECLERX SERVICES LIMITED	4.21
VOLTAS LTD	4.06
TRENT LTD	3.81
GUJARAT FLUOROCEMICALS LTD.	3.79
JUBILANT FOODWORKS LIMITED	3.64
HAVELLS INDIA LIMITED	3.62
D.B. CORP LIMITED	3.34
FUTURE CONSUMER ENTERPRISE LIMITED	3.07
PETRONET LNG LIMITED	2.94
CROMPTON GREAVES LTD	2.92
INDRAPRASTHA GAS LIMITED	2.65
PURAVANKARA PROJECTS LIMITED	2.55
SHOPPERS STOP LIMITED	2.53
MOTHERSON SUMI SYSTEMS LTD.	2.50
HINDUSTAN ZINC LIMITED	2.34
JSW STEEL LIMITED	2.23
IDEA CELLULAR LTD	2.03
RADICO KHAITAN LIMITED	1.99
KPIT TECHNOLOGIES LIMITED	1.95
HT MEDIA LIMITED	1.80
KAVERI SEED COMPANY LIMITED	1.75
JINDAL SAW LIMITED	1.49
OIL INDIA LIMITED	1.44
INDIAN METALS AND FERRO ALLOYS LIMITED	1.36

total equity	96.97
total money market	3.03
total net assets	100.00

fund characteristics

Fund Beta 0.76

asset allocation



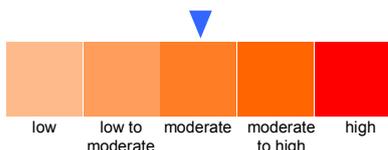
SFIN :
ULGF00310/10/03GGROWTHF01121

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, 2015

gross return					
fund Name	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Growth Fund 1	22.71%	17.60%	15.01%	11.53%	10.71%
Benchmark	19.51%	14.64%	12.62%	9.71%	9.35%

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

portfolio

security	% total net assets	rating
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bond

9.22% LICHFL NCD 16-10-2024 TR230	6.93	AAA
9.25% RJIL NCD 16-06-2024 SR-PPD3	6.91	AAA
8.27% REC NCD 06-02-2025 SR-130	6.54	AAA
9.39% PFC NCD 27-08-2029 SR118B-III	2.38	AAA
9.30% PGCIL NCD 04-09-2029 OPT III	2.36	AAA
10.00% IHFL NCD 29-09-2019	2.31	AAA
8.57% REC NCD 21-12-2024 SR-128	2.22	AAA

total bond 29.65

gilts

8.83% GOI CG 25-11-2023	12.35
8.30% GOI CG 31-12-2042	4.85
8.15% GOI CG 24-11-2026	3.03
8.32% GOI CG 02-08-2032	3.01
8.27% GOI CG 09-06-2020	1.07
8.60% GOI CG 02-06-2028	1.05
9.20% GOI CG 30-09-2030	0.81

total gilts 26.16

equity

INFOSYS LIMITED	3.17
HDFC BANK LTD.	2.96
DIVIS LABORATORIES LIMITED	2.84
ICICI BANK LTD.	2.62
LARSEN&TUBRO	2.51
RELIANCE INDUSTRIES LTD.	1.90
YES BANK LTD	1.74
TATA MOTORS LTD.	1.67
ITC	1.52
SUN PHARMACEUTICAL INDUSTRIES LTD.	1.45
MARUTI UDYOG LTD.	1.42
TATA CONSULTANCY SERVICES LTD.	1.31
STATE BANK OF INDIA	1.26
ULTRATECH CEMCO LTD	1.21
HDFC LTD	1.12
HCL TECHNOLOGIES LIMITED	1.06
KIRLOSKAR CUMMINS	0.92
LUPIN LIMITED	0.84
MAHINDRA & MAHINDRA LTD.	0.83
ONGC	0.75
INDIABULLS HOUSING FINANCE LTD	0.72
BHARTI AIRTEL LIMITED	0.71
JUBILANT FOODWORKS LIMITED	0.71
JSW STEEL LIMITED	0.66
MOTHERSON SUMI SYSTEMS LTD.	0.59
HERO MOTOCORP LIMITED	0.59
WIPRO	0.42
SESA STERLITE LIMITED	0.37
SANOFI INDIA LIMITED	0.30

total equity 38.17

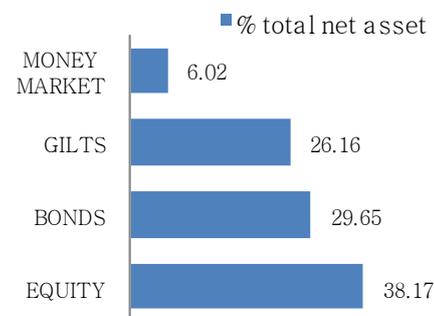
total money market 6.02

total net assets 100.00

fund characteristics

M. Duration of debt portfolio: 6.25 Years
YTM of debt portfolio: 8.15%
Fund Beta: 0.98

asset allocation



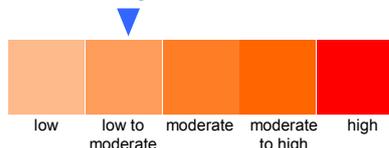
SFIN :
ULGF00110/10/03GBALANCE01121

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



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 Mar 31, 2015

fund Name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Balanced Fund 1	19.18%	13.57%	12.34%	10.45%	9.71%
Benchmark	17.06%	12.01%	11.00%	9.45%	8.86%

*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	6.36	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	6.18	AAA
9.22% LICHFL NCD 16-10-2024 TR230	4.78	AAA
9.25% TATA SONS NCD 19-06-2019	4.66	AAA
8.83% EXIM NCB 03-11-2029 R16 - 2029	3.15	AAA
8.80% PGCIL NCD 13-03-2023 XLII	3.09	AAA
8.48% PFC NCD 09-12-2024 OPT 124C	3.05	AAA
9.39% PFC NCD 27-08-2029 SR118B-III	1.64	AAA
9.30% PGCIL NCD 04-09-2029 OPT III	1.63	AAA
9.00% SAIL NCD 14-10-2024	1.57	AAA

total bond 36.12

gilts

8.83% GOI CG 25-11-2023	10.03
9.20% GOI CG 30-09-2030	6.10
8.30% GOI CG 31-12-2042	4.37
8.27% GOI CG 09-06-2020	3.22
8.15% GOI CG 24-11-2026	2.90
8.32% GOI CG 02-08-2032	2.82
8.60% GOI CG 02-06-2028	1.01

total gilts 30.47

equity

INFOSYS LIMITED	1.56
HDFC BANK LTD.	1.50
DIVIS LABORATORIES LIMITED	1.38
ICICI BANK LTD.	1.30
LARSEN&TUBRO	1.25
RELIANCE INDUSTRIES LTD.	0.95
YES BANK LTD	0.87
TATA MOTORS LTD.	0.85
ITC	0.79
MARUTI UDYOG LTD.	0.71
SUN PHARMACEUTICAL INDUSTRIES LTD.	0.69
TATA CONSULTANCY SERVICES LTD.	0.64
STATE BANK OF INDIA	0.61
ULTRATECH CEMCO LTD	0.60
HDFC LTD	0.56
HCL TECHNOLOGIES LIMITED	0.52
KIRLOSKAR CUMMINS	0.48
LUPIN LIMITED	0.45
MAHINDRA & MAHINDRA LTD.	0.43
ONGC	0.38
INDIABULLS HOUSING FINANCE LTD	0.36
BHARTI AIRTEL LIMITED	0.36
JUBILANT FOODWORKS LIMITED	0.35
JSW STEEL LIMITED	0.35
HERO MOTOCORP LIMITED	0.28
MOTHERSON SUMI SYSTEMS LTD.	0.27
WIPRO	0.25
SESA STERLITE LIMITED	0.23
INOX WIND LIMITED	0.20
SANOFI INDIA LIMITED	0.13

total equity 19.32

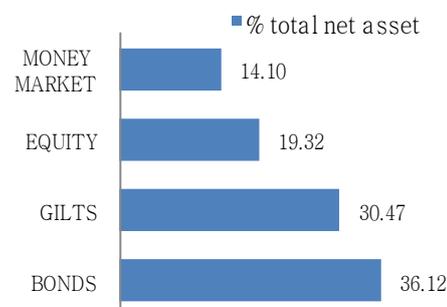
total money market 14.10

total net assets 100.00

fund characteristics

M. Duration of debt portfolio:	5.48 Years
YTM of debt portfolio:	8.52%
Fund Beta:	0.97

asset allocation



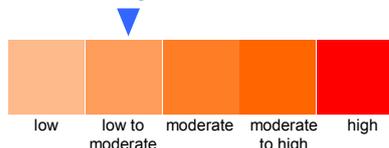
SFIN :
ULGF00210/10/03GBALANCE02121

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



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 Mar 31, 2015

fund Name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Balanced Fund 2	19.68%	14.05%	13.00%	10.98%	10.15%
Benchmark	17.06%	12.01%	11.00%	9.45%	8.86%

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

portfolio

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

bond

9.00% SAIL NCD 14-10-2024	8.46	AAA
9.25% RJIL NCD 16-06-2024 SR-PPD3	8.12	AAA
8.40% NPCIL NCD 28-11-2028 XXIX D	6.07	AAA
10.00% IHFL NCD 29-09-2019	4.14	AAA
8.83% EXIM NCB 03-11-2029 R16 - 2029	3.24	AAA
9.25% TATA SONS NCD 19-06-2019	2.78	AAA
8.80% PGCIL NCD 13-03-2023 XLII	2.77	AAA
9.22% LICHFL NCD 16-10-2024 TR230	2.71	AAA
8.40% NPCIL NCD 28-11-2027 XXIX C	2.62	AAA
9.39% PFC NCD 27-08-2029 SR118B-III	1.32	AAA
9.70% TATA SONS NCD 25-07-2022	0.87	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	0.83	AAA
10.60% IRFC NCB 11-09-2018	0.72	AAA
8.97% TATA SONS NCD 15-07-2020	0.69	AAA
9.30% PGCIL NCD 04-09-2029 OPT III	0.15	AAA

total bond 45.51

gilts

8.83% GOI CG 25-11-2023	10.24
8.15% GOI CG 24-11-2026	4.77
8.32% GOI CG 02-08-2032	3.74
8.30% GOI CG 31-12-2042	3.53
8.27% GOI CG 09-06-2020	3.42
9.20% GOI CG 30-09-2030	2.28
8.60% GOI CG 02-06-2028	1.65

total gilts 29.63

equity

INFOSYS LIMITED	1.60
HDFC BANK LTD.	1.50
DIVIS LABORATORIES LIMITED	1.40
ICICI BANK LTD.	1.29
LARSEN&TUBRO	1.26
RELIANCE INDUSTRIES LTD.	0.95
TATA MOTORS LTD.	0.87
YES BANK LTD	0.87
ITC	0.80
MARUTI UDYOG LTD.	0.72
SUN PHARMACEUTICAL INDUSTRIES LTD.	0.69
TATA CONSULTANCY SERVICES LTD.	0.68
STATE BANK OF INDIA	0.65
ULTRATECH CEMCO LTD	0.63
HDFC LTD	0.56
HCL TECHNOLOGIES LIMITED	0.55
KIRLOSKAR CUMMINS	0.50
MAHINDRA & MAHINDRA LTD.	0.44
LUPIN LIMITED	0.42
ONGC	0.40
BHARTI AIRTEL LIMITED	0.38
INDIABULLS HOUSING FINANCE LTD	0.38
JUBILANT FOODWORKS LIMITED	0.37
JSW STEEL LIMITED	0.35
MOTHERSON SUMI SYSTEMS LTD.	0.30
HERO MOTOCORP LIMITED	0.29
WIPRO	0.21
SESA STERLITE LIMITED	0.20
SANOFI INDIA LIMITED	0.15
INOX WIND LIMITED	0.04

total equity 19.49

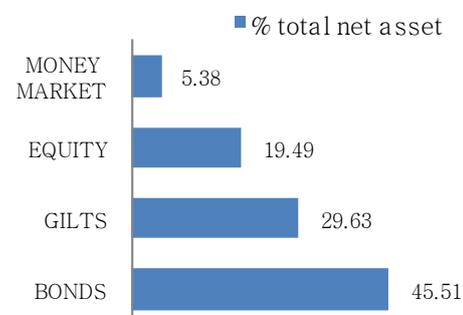
total money market 5.38

total net assets 100.00

fund characteristics

M. Duration of debt portfolio: 6.22 Years
YTM of debt portfolio: 8.19%
Fund Beta: 0.98

asset allocation



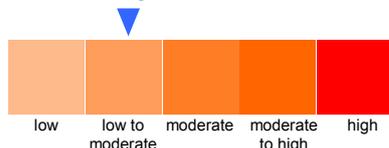
SFIN :
ULGF02105/06/13GBALANCE04121

Inception Date : 17th 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 Mar 31, 2015

gross return	
fund Name	12 month returns*
Group Balanced Fund 4	12.88%
Benchmark	17.66%

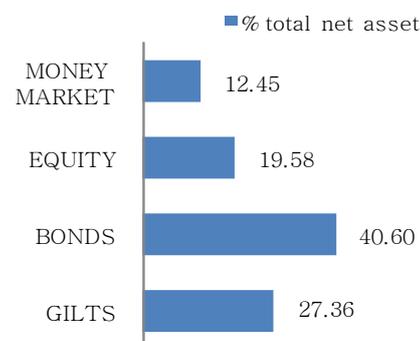
portfolio

security	% total net assets	rating
bond		
8.36% PFC NCD 26-02-2020 SR127	8.81	AAA
9.00% SAIL NCD 14-10-2024	6.24	AAA
8.57% REC NCD 21-12-2024 SR-128	5.45	AAA
10.00% IHFL NCD 29-09-2019	3.66	AAA
9.25% RJIL NCD 16-06-2024 SR-PPD3	3.32	AAA
8.40% NPCIL NCD 28-11-2027 XXIX C	3.21	AAA
9.70% TATA SONS NCD 25-07-2022	2.36	AAA
9.51% LICHFL NCD 24-07-2019	1.64	AAA
9.22% LICHFL NCD 16-10-2024 TR230	1.33	AAA
8.83% EXIM NCB 03-11-2029 R16 - 2029	1.31	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	0.97	AAA
8.40% NPCIL NCD 28-11-2025 XXIX A	0.96	AAA
9.25% TATA SONS NCD 19-06-2019	0.65	AAA
9.39% PFC NCD 27-08-2029 SR118B-III	0.34	AAA
9.30% PGCIL NCD 04-09-2029 OPT III	0.34	AAA
total bond	40.60	
gilts		
8.15% GOI CG 24-11-2026	6.61	
8.83% GOI CG 25-11-2023	5.96	
9.20% GOI CG 30-09-2030	4.41	
8.30% GOI CG 31-12-2042	3.86	
8.60% GOI CG 02-06-2028	2.29	
8.27% GOI CG 09-06-2020	2.19	
8.32% GOI CG 02-08-2032	2.05	
total gilts	27.36	
Equity		
INFOSYS LIMITED	1.60	
HDFC BANK LTD.	1.54	
DIVIS LABORATORIES LIMITED	1.41	
ICICI BANK LTD.	1.31	
LARSEN&TUBRO	1.28	
RELIANCE INDUSTRIES LTD.	0.97	
YES BANK LTD	0.91	
TATA MOTORS LTD.	0.88	
ITC	0.78	
MARUTI UDYOG LTD.	0.72	
SUN PHARMACEUTICAL INDUSTRIES LTD.	0.70	
TATA CONSULTANCY SERVICES LTD.	0.67	
STATE BANK OF INDIA	0.63	
ULTRATECH CEMCO LTD	0.62	
HDFC LTD	0.57	
HCL TECHNOLOGIES LIMITED	0.55	
KIRLOSKAR CUMMINS	0.50	
MAHINDRA & MAHINDRA LTD.	0.44	
LUPIN LIMITED	0.43	
ONGC	0.39	
JUBILANT FOODWORKS LIMITED	0.38	
BHARTI AIRTEL LIMITED	0.37	
INDIABULLS HOUSING FINANCE LTD	0.37	
JSW STEEL LIMITED	0.35	
MOTHERSON SUMI SYSTEMS LTD.	0.30	
HERO MOTOCORP LIMITED	0.29	
WIPRO	0.21	
SESA STERLITE LIMITED	0.20	
INOX WIND LIMITED	0.12	
SANOFI INDIA LIMITED	0.08	
total equity	19.58	
total money market	12.45	
total net assets	100.00	

fund characteristics

M. Duration of debt portfolio: 4.00 Years
YTM of debt portfolio: 8.50%
Fund Beta: 0.98

asset allocation



SFIN :

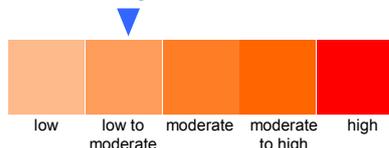
ULGF01213/10/08GCORBOND02121

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, 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	16.91%	11.17%	11.52%	10.35%	9.67%
Benchmark	14.59%	9.34%	9.32%	8.91%	8.13%

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

portfolio

security	% total net assets	rating
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bond

9.25% RJIL NCD 16-06-2024 SR-PPD3	9.07	AAA
9.00% SAIL NCD 14-10-2024	4.22	AAA
9.44% LICHFL NCD 30-08-2019 TR228	3.61	AAA
8.57% REC NCD 21-12-2024 SR-128	3.37	AAA
8.83% EXIM NCB 03-11-2029 R16 - 2029	2.92	AAA
8.23% REC NCD 23-01-2025 SR-129	2.78	AAA
8.40% NPCIL NCD 28-11-2025 XXIX A	2.76	AAA
9.30% PGCIL NCB 04-09-2024 OPTION II	2.28	AAA
8.93% PGCIL NCD 20-10-2025 STRPP H	2.24	AAA
8.40% NPCIL NCD 28-11-2026 XXIX B	2.19	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	1.76	AAA
9.30% PGCIL NCD 04-09-2029 OPT III	1.72	AAA
8.48% PFC NCD 09-12-2024 OPT 124C	1.69	AAA
9.39% PFC NCD 27-08-2029 SR118B-III	1.50	AAA
8.65% PFC NCD 28-12-2024 SR-125	1.05	AAA
8.80% PGCIL NCD 13-03-2023 XLII	0.53	AAA
8.40% NPCIL NCD 28-11-2029 XXIX E	0.48	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 45.27

Gilts

8.83% GOI CG 25-11-2023	15.49
8.27% GOI CG 09-06-2020	7.46
8.30% GOI CG 31-12-2042	7.04
8.15% GOI CG 24-11-2026	5.72
8.32% GOI CG 02-08-2032	3.04
9.20% GOI CG 30-09-2030	2.44
8.60% GOI CG 02-06-2028	1.98

total gilts 43.17

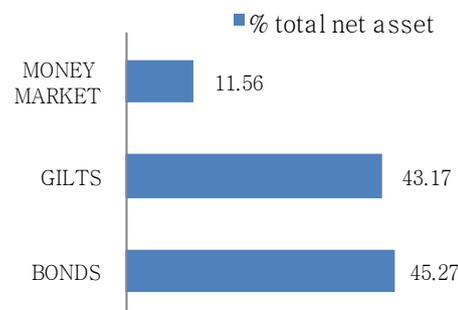
total money market 11.56

total net assets 100.00

fund characteristics

M. Duration of debt portfolio: 6.01 Years
YTM of debt portfolio: 8.16%

asset allocation



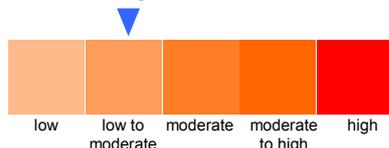
SFIN :
ULGF02305/06/13GCBOND03121

Inception Date : 31st 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



Group Corporate Bond Fund 3

Fund Performance as on Mar 31,

gross return	
fund Name	12 month returns*
Group Corporate Bond Fund 3	16.98%
Benchmark	14.58%

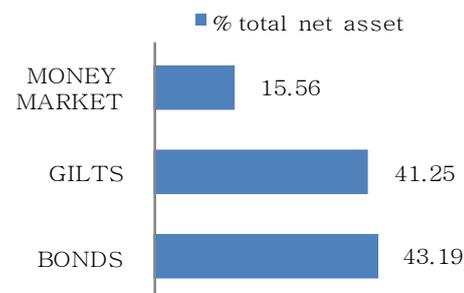
portfolio

security	% total net assets	rating
bond		
8.40% NPCIL NCD 28-11-2025 XXIX A	8.88	AAA
8.57% REC NCD 21-12-2024 SR-128	7.84	AAA
8.65% PFC NCD 28-12-2024 SR-125	4.20	AAA
9.30% PGCIL NCD 04-09-2029 OPT III	4.17	AAA
8.75% RIL NCD 07-05-2020	3.91	AAA
8.36% PFC NCD 26-02-2020 SR127	3.85	AAA
9.44% LICHL NCD 30-08-2019 TR228	3.73	AAA
9.25% TATA SONS NCD 19-06-2019	2.91	AAA
9.00% SAIL NCD 14-10-2024	1.88	AAA
8.27% REC NCD 06-02-2025 SR-130	0.77	AAA
8.93% NTPC NCB 19-01-2021 XXXVII.	0.53	AAA
10.00% IHFL NCD 29-09-2019	0.27	AAA
9.25% RJIL NCD 16-06-2024 SR-PPD3	0.27	AAA
total bond	43.19	
Gilts		
8.83% GOI CG 25-11-2023	19.93	
8.32% GOI CG 02-08-2032	6.77	
8.27% GOI CG 09-06-2020	6.29	
8.15% GOI CG 24-11-2026	3.47	
8.30% GOI CG 31-12-2042	2.87	
8.60% GOI CG 02-06-2028	1.12	
9.20% GOI CG 30-09-2030	0.80	
total gilts	41.25	
total money market	15.56	
total net assets	100.00	

fund characteristics

M. Duration of debt portfolio: 5.33 Years
YTM of debt portfolio: 8.14%

asset allocation



target asset allocation

Bond Instruments: 100%

benchmark construction

CRISIL Composite Bond Index: 100%

SFIN :

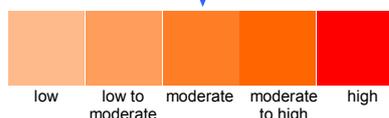
ULGF01030/09/08GPUREDEB01121

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, 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	16.87%	11.85%	11.74%	10.55%	9.81%
Benchmark	14.59%	9.34%	9.32%	8.91%	8.13%

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

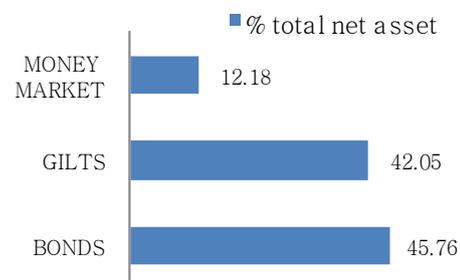
portfolio

security	% total assets	rating
bond		
9.30% PGCIL NCD 04-09-2029 OPT III	7.90	AAA
10.00% IHFL NCD 29-09-2019	7.73	AAA
9.25% RJIL NCD 16-06-2024 SR-PPD3	7.70	AAA
9.00% SAIL NCD 14-10-2024	7.62	AAA
8.57% REC NCD 21-12-2024 SR-128	7.43	AAA
8.48% PFC NCD 09-12-2024 OPT 124C	7.38	AAA
total bond	45.76	
gilts		
8.30% GOI CG 31-12-2042	13.77	
8.83% GOI CG 25-11-2023	12.38	
8.15% GOI CG 24-11-2026	5.03	
8.27% GOI CG 09-06-2020	4.61	
8.32% GOI CG 02-08-2032	4.48	
8.60% GOI CG 02-06-2028	1.79	
total gilts	42.05	
total money market	12.18	
total net assets	100.00	

fund characteristics

M .Duration of debt portfolio: 6.26 Years
YTM of debt portfolio: 8.20%

asset allocation



SFIN :

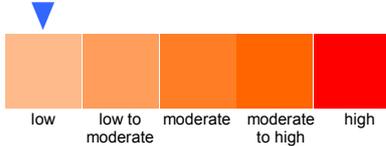
ULGF00431/01/07GCAPISEC01121

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, 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	9.27%	9.60%	9.56%	9.50%	9.11%
Benchmark	8.86%	8.31%	8.33%	8.19%	7.73%

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

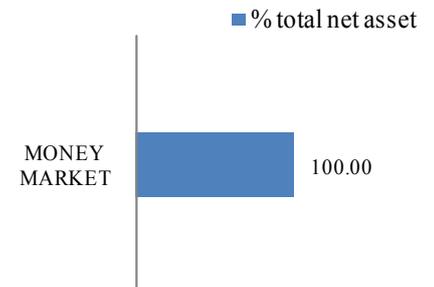
portfolio

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

fund characteristics

M .Duration of debt portfolio: 0.32 Years
YTM of debt portfolio: 8.37%

asset allocation



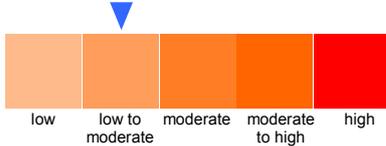
SFIN :
ULGF01610/12/08GGILTFUN02121

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



Group Gilt Fund 2

Fund Performance as on Mar 31, 2015

fund Name	gross return				
	12 month returns*	24 month returns*	36 month returns*	48 month returns*	60 month returns*
Group Gilt Fund 2	18.57%	10.72%	11.12%	9.92%	9.49%
Benchmark	16.98%	8.76%	10.20%	8.93%	8.45%

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

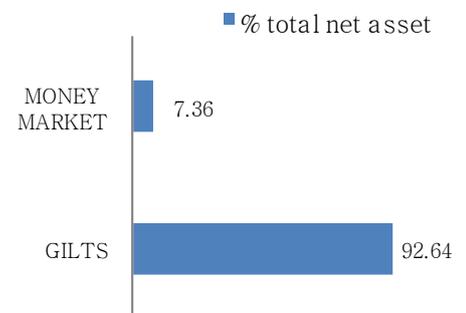
portfolio

security	% total net assets
gilts	
8.30% GOI CG 31-12-2042	28.56
8.83% GOI CG 25-11-2023	24.93
8.15% GOI CG 24-11-2026	17.48
8.27% GOI CG 09-06-2020	15.61
8.60% GOI CG 02-06-2028	6.04
total gilts	92.64
total money market	7.36
total net assets	100.00

fund characteristics

M. Duration of debt portfolio:	7.19 Years
YTM of debt portfolio:	7.86%

asset allocation



target asset allocation

Government Securities: 100%

benchmark construction

I-Sec Composite Sovereign Bond Index:100%

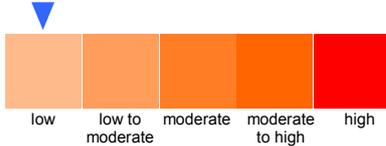
SFIN :
ULGF00930/09/08GMONMRKT02121

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, 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	9.26%	9.40%	9.67%	9.69%	9.33%
Benchmark	8.98%	9.22%	8.89%	8.78%	8.26%

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

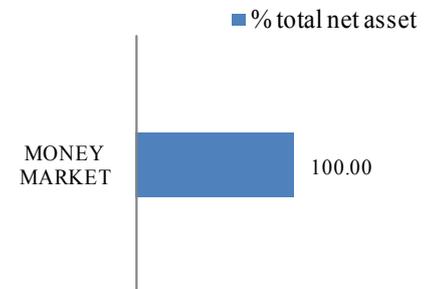
portfolio

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

fund characteristics

M. Duration of debt portfolio: 0.68 Years
YTM of debt portfolio: 8.54%

asset allocation



Life Insurance

SFIN	Plan Name	Fund Name	NAV
ULGF00431/01/07GCAPISEC01121	Reliance Group Gratuity Plan	Group Capital Secure Fund 1	19.19
ULGF00210/10/03GBALANCE02121	Reliance Group Gratuity Plan	Group Balanced Fund 2	20.2686
ULGF00110/10/03GBALANCE01121	Reliance Group Gratuity Plan	Group Balanced Fund 1	23.9961
ULGF01213/10/08GCORBOND02121	Reliance Group Gratuity Plan	Group Corporate Bond Fund 2	18.1435
ULGF01808/06/09GEQUITYF03121	Reliance Group Gratuity Plan	Group Equity Fund 3	26.3804
ULGF01610/12/08GGILTFUN02121	Reliance Group Gratuity Plan	Group Gilt Fund 2	15.8348
ULGF00930/09/08GMONMRKT02121	Reliance Group Gratuity Plan	Group Money Market Fund 2	17.2679
ULGF00310/10/03GGROWTHF01121	Reliance Group Gratuity Plan	Group Growth Fund 1	20.1322
ULGF01908/06/09GINFRASF01121	Reliance Group Gratuity Plan	Group Infrastructure Fund 1	10.8483
ULGF02008/06/09GMIDCAPF01121	Reliance Group Gratuity Plan	Group Midcap Fund 1	23.2804
ULGF01030/09/08GPUREDEB01121	Reliance Group Gratuity Plan	Group Pure Debt Fund 1	18.2431
ULGF00110/10/03GBALANCE01121	Reliance Group Superannuation Plan	Group Balanced Fund 1	23.9961
ULGF00431/01/07GCAPISEC01121	Reliance Group Superannuation Plan	Group Capital Secure Fund 1	19.19
ULGF01213/10/08GCORBOND02121	Reliance Group Superannuation Plan	Group Corporate Bond Fund 2	18.1435
ULGF01808/06/09GEQUITYF03121	Reliance Group Superannuation Plan	Group Equity Fund 3	26.3804
ULGF01610/12/08GGILTFUN02121	Reliance Group Superannuation Plan	Group Gilt Fund 2	15.8348
ULGF00310/10/03GGROWTHF01121	Reliance Group Superannuation Plan	Group Growth Fund 1	20.1322
ULGF00930/09/08GMONMRKT02121	Reliance Group Superannuation Plan	Group Money Market Fund 2	17.2679
ULGF01030/09/08GPUREDEB01121	Reliance Group Superannuation Plan	Group Pure Debt Fund 1	18.2431
ULGF00210/10/03GBALANCE02121	Reliance Group Savings Linked Insurance Plan	Group Balanced Fund 2	20.2686
ULGF01213/10/08GCORBOND02121	Reliance Group Savings Linked Insurance Plan	Group Corporate Bond Fund 2	18.1435
ULGF01428/11/08GENERGF01121	Reliance Group Savings Linked Insurance Plan	Group Energy Fund 1	18.0472
ULGF01328/11/08GEQUITYF02121	Reliance Group Savings Linked Insurance Plan	Group Equity Fund 2	32.16
ULGF01610/12/08GGILTFUN02121	Reliance Group Savings Linked Insurance Plan	Group Gilt Fund 2	15.8348
ULGF01908/06/09GINFRASF01121	Reliance Group Savings Linked Insurance Plan	Group Infrastructure Fund 1	10.8483
ULGF02008/06/09GMIDCAPF01121	Reliance Group Savings Linked Insurance Plan	Group Midcap Fund 1	23.2804
ULGF00930/09/08GMONMRKT02121	Reliance Group Savings Linked Insurance Plan	Group Money Market Fund 2	17.2679
ULGF01030/09/08GPUREDEB01121	Reliance Group Savings Linked Insurance Plan	Group Pure Debt Fund 1	18.2431
ULGF01528/11/08GPUREEQF01121	Reliance Group Savings Linked Insurance Plan	Group Pure Equity Fund 1	29.2642
ULGF00210/10/03GBALANCE02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Balanced Fund 2	20.2686
ULGF00930/09/08GMONMRKT02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Money Market Fund 2	17.2679
ULGF01213/10/08GCORBOND02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Corporate Bond Fund 2	18.1435
ULGF01610/12/08GGILTFUN02121	Reliance Life Insurance Group Gratuity Plus Plan	Group Gilt Fund 2	15.8348
ULGF01808/06/09GEQUITYF03121	Reliance Life Insurance Group Gratuity Plus Plan	Group Equity Fund 3	26.3804
ULGF00930/09/08GMONMRKT02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Money Market Fund 2	17.2679
ULGF01213/10/08GCORBOND02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Corporate Bond Fund 2	18.1435
ULGF01610/12/08GGILTFUN02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Gilt Fund 2	15.8348
ULGF01808/06/09GEQUITYF03121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Equity Fund 3	26.3804
ULGF00210/10/03GBALANCE02121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Balanced Fund 2	20.2686
ULGF02205/06/13GEQUITYF04121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Equity Fund 4	10.3348

- √ 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.

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).

✓ **Benchmark Return**

✓ **Fund Standard Deviation**

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**

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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