



RELIANCE

Nippon Life Insurance



the analyst

**Monthly fund factsheet
for December 2016**

Fixed Income Market

Fixed Income:

Government of India in a landmark move has decided to change the high denomination currency note (86% of the total currency notes in circulation) with the new set of currency notes. This will help discover the unaccounted funds as well as remove the counterfeit currency notes from the circulation. In the shorter term this will impact the economy adversely while in the longer run, it will propel informal economy to merge with the formal economy. This will improve the tax base as well as collection & thus moderating fiscal deficit. Better tax compliance will also happen with the advent of GST. This event will usher India to less cash economy, which, along with various other structural reform catalyze country to transform into new digital era in the longer run.

Banking liquidity has risen dramatically before it goes down by way of withdrawal of the cash. Further lazy funds lying with the household now will become part of the banking channel, which will permanently augment the deposits of the banks. This has softened the yield on benchmark 10 year Government bond by 55 bps to 6.25% during the month. It is expected that due to the adverse impact on the economy in the shorter term, there would be subdued demand for the loans. It can be inferred that banks will be reducing the rates on the loans while they have already reduced the deposit rates. This can reduce the spreads on the corporate bonds as there would be less issuance of the corporate bonds due to lack of demand for funds.

Retail inflation continues to be modest at 4.2% (YoY) in October 2016 against 4.3% (YoY) in previous month. Fall in vegetable prices was the major contributor to the decline in CPI while core inflation continues to be stubborn at close to 5% (YoY). There is a good harvest expected in pulses along with reduction in import duties for palm oil and wheat. These supply side measures will help in containing inflation. However, during the month, prices of the major commodities like crude oil, iron ore and copper has gone up significantly. This will put additional pressure on inflation in the medium term once economy recovers from the recent bout of currency change episode.

INR though depreciated during the month to 68.38 from 66.78 against the USD due to consistent outflow on account of redemption of bulk foreign currency deposits and selling of debt and equities by foreign institutional investors (FII). What is heartening is that despite sharp rise of the dollar against major currencies, INR has shown remarkable strength which was reflected in low forward premiums. We expect that going forward both trade and current deficit will be under control and thus will help support the INR.

Globally, bond yields inched up across the world for the second month in row. There are unanimous thoughts in terms of tapering of quantitative easing in USA and Euro Zone. Further Japanese Central Bank has guided that they will be maintaining yield on benchmark 10 year government bond at close to 0%. All this has led to firming up of yield across the global markets and yield curve.

Fixed Income Outlook:

Going forward, it is expected that benign interest rate environment to prevail in the light of softening in economy before it gains momentum in a while after the currency change episode gets over.

Equity Market

Equity Outlook:

Government of India in a landmark move has decided to change the high denomination currency note (86% of the total currency notes in circulation) with the new set of currency notes. This will help discover the unaccounted funds as well as remove the counterfeit currency notes from the circulation. In the shorter term this will impact the economy adversely while in the longer run, it will propel informal economy to merge with the formal economy. This will improve the tax base as well as collection & thus moderating fiscal deficit. Better tax compliance will also happen with the advent of GST. This event will usher India to less cash economy, which, along with various other structural reform catalyze country to transform into new digital era in the longer run.

Banking liquidity has risen dramatically before it goes down by way of withdrawal of the cash. Further lazy funds lying with the household now will become part of the banking channel, which will permanently augment the deposits of the banks. This has softened the yield on benchmark 10 year Government bond by 55 bps to 6.25% during the month. It is expected that due to the adverse impact on the economy in the shorter term, there would be subdued demand for the loans. It can be inferred that banks will be reducing the rates on the loans while they have already reduced the deposit rates. This can reduce the spreads on the corporate bonds as there would be less issuance of the corporate bonds due to lack of demand for funds.

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Equity Outlook:

Going forward, it is expected that benign interest rate environment to prevail in the light of softening in economy before it gains momentum in a while after the currency change episode gets over.

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 October 16 | 30th November 16 | % Change |
|--|-----------------|------------------|----------|
| \$ / Rs. | 66.78 | 68.39 | 2.35 |
| CPI Inflation | 4.20 | 3.63 | -0.57 |
| ¹ Forex Reserves (\$ bn) | 367157.0 | N/A | N/A |
| ² Brent Crude Price (\$ per Barrel) | 48.70 | 49.44 | 1.50 |
| ³ Gold (Rs. per 10gm) | 30049.00 | 28837.00 | -4.20 |

| Indices | 31st October 16 | 30th November 16 | %Change |
|----------------------------|-----------------|------------------|---------|
| ¹ BSE Sensex | 27941.51 | 26652.81 | -4.84 |
| ² S&P CNX Nifty | 8638.00 | 8224.50 | -5.03 |
| ³ CNX Mid Cap | 15841.35 | 14907.10 | -6.27 |
| ⁴ BSE Small Cap | 13454.03 | 12329.65 | -9.12 |

| Global Indices | 31st October 16 | 30th November 16 | %Change |
|------------------------|-----------------|------------------|---------|
| ¹ Dow Jones | 18161.19 | 19123.58 | 5.03 |
| ² FTSE 100 | 6996.26 | 6783.79 | -3.13 |
| ³ Hang Seng | 22954.81 | 22789.77 | -0.72 |
| ⁴ Nikkei | 17446.41 | 18308.48 | 4.71 |

| Sectoral Indices | 31st October 16 | 30th November 16 | %Change |
|---------------------------------|-----------------|------------------|---------|
| ¹ CNX Infrastructure | 2869.75 | 2791.95 | -2.79 |
| ² CNX Energy | 10092.25 | 9938.95 | -1.54 |
| ³ BSE Capital Goods | 14874.24 | 14044.51 | -5.91 |
| ⁴ BSE Bankex | 22384.14 | 21316.01 | -5.01 |
| ⁵ BSE Oil & Gas | 12296.39 | 11964.32 | -2.78 |
| ⁶ BSE IT | 9994.78 | 9851.55 | -1.45 |

| Fixed Income Indicators (%) | 31st October 16 | 30th November 16 | %Change |
|--|-----------------|------------------|---------|
| ¹ 91 Day T-Bill | 6.37 | 5.94 | -0.43 |
| ² 182 Day T-Bill | 6.42 | 6.00 | -0.42 |
| ³ 1 year GOI Benchmark | 6.55 | 6.05 | -0.50 |
| ⁴ 5 Year GOI Benchmark | 6.79 | 6.27 | -0.52 |
| ⁵ 10 Year GOI Benchmark | 6.79 | 6.25 | -0.55 |
| ⁶ 5 Year Corp Bond Benchmark | 7.34 | 6.95 | -0.39 |
| ⁷ 10 Year AAA Corp Bond Benchmark | 7.14 | 6.65 | -0.49 |
| ⁸ 10 Year US Treasury | 1.85 | 2.38 | 0.53 |

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

fund snapshot

Gross CAGR Returns as on 30th November, 2016

| asset allocation | funds | Last 1 Year | Last 3 Year | Last 5 Year | Page No. |
|-------------------------------|-----------------------------|-------------|-------------|-------------|----------|
| 100% Equity | Group Equity Fund 3 | 6.30 | 15.37 | 15.56 | 4 |
| 100% Equity | Group Equity Fund 4 | 4.09 | - | - | 5 |
| 100% Pure Equity | Group Pure Equity Fund 1 | 4.84 | 16.60 | 14.49 | 6 |
| 100% Equity | Group Infrastructure Fund 1 | 12.35 | 19.05 | 9.88 | 7 |
| 100% Equity | Group Energy Fund 1 | 18.53 | 18.07 | 11.21 | 8 |
| 100% Equity | Group Midcap Fund 1 | 20.30 | 27.74 | 23.12 | 9 |
| 40% Equity, 60% Debt | Group Growth Fund 1 | 12.42 | 14.01 | 13.02 | 10 |
| 20% Equity, 80% Debt | Group Balanced Fund 1 | 14.55 | 13.56 | 11.93 | 11 |
| 20% Equity, 80% Debt | Group Balanced Fund 2 | 14.63 | 13.79 | 12.27 | 12 |
| 20% Equity, 80% Debt | Group Balanced Fund 4 | 14.66 | - | - | 13 |
| 100% Bond Instruments | Group Corporate Bond Fund 2 | 16.63 | 13.52 | 11.70 | 14 |
| 100% Bond Instruments | Group Corporate Bond Fund 3 | 16.68 | - | - | 15 |
| 100% Money Market Instruments | Group Capital Secure Fund 1 | 8.48 | 8.88 | 9.17 | 16 |
| 100% Government Securities | Group Gilt Fund 2 | 18.63 | 14.33 | 11.91 | 17 |

Group Equity Fund 3

Fund Performance As on 30th November, 2016

SFIN :

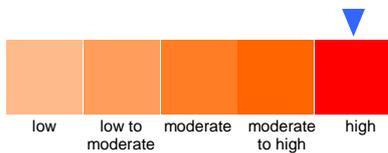
ULGF01808/06/09GEQUITYF03121

Inception Date : 08-Jun-09

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%

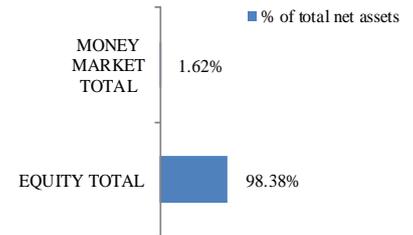
| gross return | | | |
|---------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Equity Fund 3 | 6.30 | 15.37 | 15.56 |
| Benchmark | 3.65 | 10.02 | 11.22 |

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

portfolio

| Name of the instrument | % to AUM |
|------------------------------------|----------------|
| ASIAN PAINTS LTD | 0.18% |
| CIPLA LTD | 0.97% |
| COFFEE DAY ENTERPRISES LIMITED | 1.07% |
| CUMMINS INDIA LTD | 2.72% |
| D.B.CORP LTD | 1.48% |
| DIVIS LABORATORIES LTD | 6.68% |
| EQUITAS HOLDINGS LIMITED | 1.11% |
| GE POWER INDIA LIMITED | 0.45% |
| GUJARAT FLUORO CHEMICALS LTD | 2.69% |
| HCL TECHNOLOGIES LTD | 3.97% |
| HDFC BANK LTD | 6.61% |
| HEALTHCARE GLOBAL ENTERPRISES LTD. | 0.81% |
| HERO MOTOCORP LTD | 1.42% |
| HINDUS TAN UNILEVER LTD | 0.29% |
| KICIBANK LTD | 3.43% |
| IDFC LTD | 1.05% |
| INDIABULLS HOUSING FINANCE LTD | 0.86% |
| INDIAN HOTELS CO LTD | 0.76% |
| INFOSYS LTD | 7.74% |
| INOX WIND LTD | 1.22% |
| ITC LTD | 5.02% |
| JUBILANT FOODWORKS LTD | 1.18% |
| KOTAK MAHINDRA BANK LTD | 0.83% |
| LARSEN & TOUBRO LTD | 4.94% |
| MARUTISUZUKIINDIA LTD | 5.07% |
| MINDTREE LTD | 0.96% |
| MOTHERSONSUMISYSTEMS LTD | 3.74% |
| PURAVANKARA PROJECTS LTD | 0.40% |
| RELIANCE INDUSTRIES LTD | 2.51% |
| SANOFIINDIA LTD | 2.37% |
| SHOPPERS STOP LTD | 0.52% |
| STATE BANK OF INDIA | 2.86% |
| SUN PHARMACEUTICALS INDUSTRIES LTD | 3.38% |
| TATA MOTORS LTD | 4.47% |
| TECH MAHINDRA LTD | 2.39% |
| ULTRATECH CEMENT LTD | 3.54% |
| UNITED BREWERIES LTD | 1.75% |
| YES BANK LTD | 6.95% |
| EQUITY TOTAL | 98.38% |
| MONEY MARKET TOTAL | 1.62% |
| GRAND TOTAL | 100.00% |

asset allocation



Group Equity Fund 4

Fund Performance As on 30th November, 2016

SFIN :

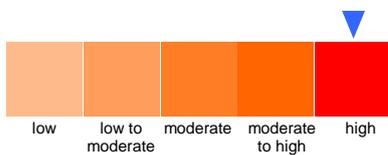
ULGF02205/06/13GEQUITYF04121

Inception Date : 29-Dec-14

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%

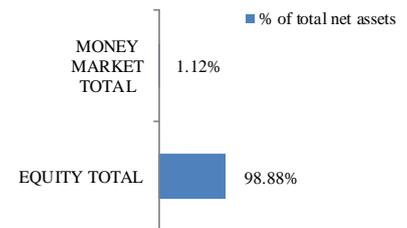
| gross return | | | |
|---------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Equity Fund 4 | 4.09 | - | - |
| Benchmark | 3.65 | - | - |

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

portfolio

| Name of the instrument | % to AUM |
|------------------------------------|----------------|
| ASIAN PAINTS LTD | 0.18% |
| CIPLA LTD | 0.90% |
| COFFEE DAY ENTERPRISES LIMITED | 1.04% |
| CUMMINS INDIA LTD | 2.60% |
| D.B.CORP LTD | 1.36% |
| DIVIS LABORATORIES LTD | 6.50% |
| EQUITAS HOLDINGS LIMITED | 1.29% |
| GE POWER INDIA LIMITED | 0.45% |
| GUJARAT FLUORO CHEMICALS LTD | 3.07% |
| HCL TECHNOLOGIES LTD | 3.92% |
| HDFC BANK LTD | 6.60% |
| HEALTHCARE GLOBAL ENTERPRISES LTD. | 0.93% |
| HERO MOTOCORP LTD | 1.36% |
| HINDUS TAN UNILEVER LTD | 0.29% |
| KCIBANK LTD | 3.43% |
| IDFC LTD | 1.03% |
| INDIABULLS HOUSING FINANCE LTD | 0.88% |
| INDIAN HOTELS CO LTD | 0.94% |
| INFOSYS LTD | 7.80% |
| INOX WIND LTD | 1.23% |
| ITC LTD | 4.96% |
| JUBILANT FOODWORKS LTD | 1.28% |
| KOTAK MAHINDRA BANK LTD | 0.84% |
| LARSEN & TOUBRO LTD | 5.08% |
| MARUTI SUZUKI INDIA LTD | 5.01% |
| MINDTREE LTD | 0.94% |
| MOTHERSON SUMISYSTEMS LTD | 3.66% |
| PURAVANKARA PROJECTS LTD | 0.39% |
| RELIANCE INDUSTRIES LTD | 2.38% |
| SANOFI INDIA LTD | 2.79% |
| SHOPPERS STOP LTD | 0.61% |
| STATE BANK OF INDIA | 2.86% |
| SUN PHARMACEUTICALS INDUSTRIES LTD | 3.39% |
| TATA MOTORS LTD | 4.32% |
| TECH MAHINDRA LTD | 2.19% |
| ULTRATECH CEMENT LTD | 3.50% |
| UNITED BREWERIES LTD | 2.04% |
| YES BANK LTD | 6.86% |
| EQUITY TOTAL | 98.88% |
| MONEY MARKET TOTAL | 1.12% |
| GRAND TOTAL | 100.00% |

asset allocation



SFIN :

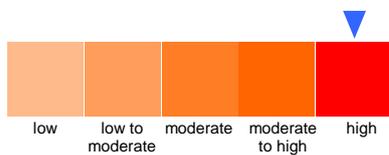
ULGF01528/11/08GPUREEQF01121

Inception Date : 15-Dec-08

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

S&P CNX Nifty Shariah Index 100%

Group Pure Equity Fund 1

Fund Performance As on 30th November, 2016

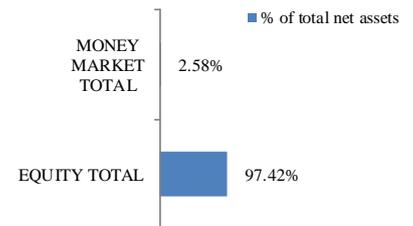
| gross return | | | |
|--------------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Pure Equity Fund 1 | 4.84 | 16.60 | 14.49 |
| Benchmark | 4.94 | 10.45 | 10.61 |

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

portfolio

| Name of the instrument | % to AUM |
|------------------------------------|----------------|
| ASIAN PAINTS LTD | 5.82% |
| BATA INDIA LTD | 1.20% |
| BHARTIARTEL LTD | 4.24% |
| CASTROL INDIA LTD | 1.00% |
| CIPLA LTD | 3.84% |
| COLGATE PALMOLIVE INDIA LTD | 1.28% |
| CUMMINS INDIA LTD | 2.24% |
| ECLERX SERVICES LTD | 0.10% |
| GAIL (INDIA) LTD | 2.80% |
| GE POWER INDIA LIMITED | 1.68% |
| HCL TECHNOLOGIES LTD | 7.69% |
| HEALTHCARE GLOBAL ENTERPRISES LTD. | 2.29% |
| HERO MOTOCORP LTD | 4.87% |
| HINDUS TAN UNILEVER LTD | 6.89% |
| INFOSYS LTD | 7.07% |
| NOX WIND LTD | 1.31% |
| JUBILANT FOODWORKS LTD | 1.75% |
| LARSEN & TOUBRO LTD | 3.69% |
| LUPIN LTD | 2.57% |
| MARUTIS UZUKINDIA LTD | 8.55% |
| MOTHERSONSUMISYSTEMS LTD | 2.05% |
| POWER MECHPROJECTS LTD. | 0.30% |
| RELIANCEINDUSTRIES LTD | 5.31% |
| SANOFINDIA LTD | 1.81% |
| SUN PHARMACEUTICALS INDUSTRIES LTD | 4.91% |
| TATA MOTORS LTD | 3.32% |
| TECH MAHINDRA LTD | 3.90% |
| ULTRATECH CEMENT LTD | 4.93% |
| EQUITY TOTAL | 97.42% |
| MONEY MARKET TOTAL | 2.58% |
| GRAND TOTAL | 100.00% |

asset allocation



SFIN :

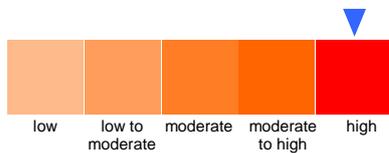
ULGF01908/06/09GINFRASF01121

Inception Date : 08-Jun-09

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%

Group Infrastructure Fund 1

Fund Performance As on 30th November, 2016

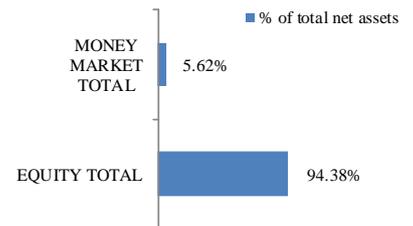
| gross return | | | |
|-----------------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Infrastructure Fund 1 | 12.35 | 19.05 | 9.88 |
| Benchmark | 0.74 | 4.77 | 2.85 |

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

portfolio

| Name of the instrument | % to AUM |
|---|----------------|
| ADANI PORTS AND SPECIAL ECONOMIC ZONE LTD | 4.93% |
| ADVANCED ENZYME TECHNOLOGIES LIMITED | 2.00% |
| ASIAN PAINTS LTD | 1.97% |
| BHARTI AIRTEL LTD | 7.24% |
| BHARTI INFRA TEL LIMITED | 6.35% |
| CASTROL INDIA LTD | 2.98% |
| CUMMINS INDIA LTD | 6.51% |
| ENGINEERS INDIA LTD | 1.01% |
| GE POWER INDIA LIMITED | 3.03% |
| GUJARAT STATE PETRONET LTD | 1.36% |
| HDFC BANK LTD | 4.87% |
| HEALTHCARE GLOBAL ENTERPRISES LTD. | 2.12% |
| INDIAN HOTELS CO LTD | 3.54% |
| INOX WIND LTD | 2.16% |
| KOTAK MAHINDRA BANK LTD | 4.67% |
| LARSEN & TOUBRO LTD | 8.54% |
| MOTHERS ON S U M I S Y S T E M S LTD | 1.80% |
| NTPC LTD | 8.71% |
| POWER GRID CORPORATION OF INDIA LTD | 8.65% |
| POWER MECH PROJECTS LTD. | 1.85% |
| TATA MOTORS LTD | 3.62% |
| ULTRATECH CEMENT LTD | 4.54% |
| VA TECH WABAG LTD | 1.94% |
| EQUITY TOTAL | 94.38% |
| MONEY MARKET TOTAL | 5.62% |
| GRAND TOTAL | 100.00% |

asset allocation



Group Energy Fund 1

Fund Performance As on 30th November, 2016

SFIN :

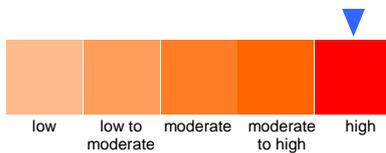
ULGF01428/11/08GENERGYF01121

Inception Date : 18-Dec-08

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%

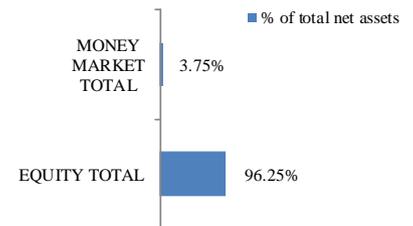
| gross return | | | |
|---------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Energy Fund 1 | 18.53 | 18.07 | 11.21 |
| Benchmark | 20.58 | 8.42 | 5.83 |

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

portfolio

| Name of the instrument | % to AUM |
|-------------------------------------|----------------|
| CASTROL INDIA LTD | 2.39% |
| COAL INDIA LTD | 2.26% |
| CUMMINS INDIA LTD | 6.58% |
| GAIL (INDIA) LTD | 8.41% |
| GE POWER INDIA LIMITED | 1.41% |
| GUJARAT STATE PETRONET LTD | 8.64% |
| HDFC BANK LTD | 5.26% |
| INDIAN OIL CORPORATION LTD | 4.43% |
| INDRAPRAS THA GAS LTD | 3.21% |
| INOX WIND LTD | 2.35% |
| JET AIRWAYS INDIA LTD | 3.31% |
| LARSEN & TOUBRO LTD | 8.69% |
| MOTHERS ON S UMIS YSTEMS LTD | 1.92% |
| NTPC LTD | 8.97% |
| OIL & NATURAL GAS CORPORATION LTD | 7.33% |
| PETRONET LNG LTD | 2.01% |
| POWER GRID CORPORATION OF INDIA LTD | 8.82% |
| POWER MECH PROJECTS LTD. | 2.46% |
| RELIANCE INDUS TRIES LTD | 6.82% |
| VA TECH WABAG LTD | 0.98% |
| EQUITY TOTAL | 96.25% |
| MONEY MARKET TOTAL | 3.75% |
| GRAND TOTAL | 100.00% |

asset allocation



SFIN :

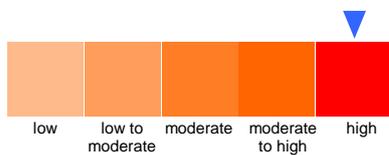
ULGF02008/06/09GMIDCAPF01121

Inception Date : 08-Jun-09

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 30th November, 2016

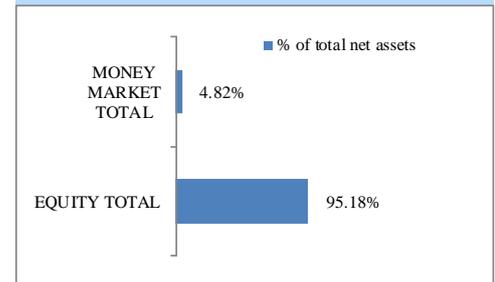
| gross return | | | |
|---------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Midcap Fund 1 | 20.30 | 27.74 | 23.12 |
| Benchmark | 10.10 | 19.86 | 14.37 |

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

portfolio

| Name of the instrument | % to AUM |
|--------------------------------------|----------------|
| ADVANCED ENZYME TECHNOLOGIES LIMITED | 2.19% |
| BAJAJ AUTO LTD | 2.01% |
| BATA INDIA LTD | 1.63% |
| CASTROL INDIA LTD | 1.99% |
| COLGATE PALMOLIVE INDIA LTD | 2.25% |
| CYIENT LIMITED | 1.84% |
| D.B.CORP LTD | 3.85% |
| DABUR INDIA LTD | 1.51% |
| DIVIS LABORATORIES LTD | 3.71% |
| EQUITAS HOLDINGS LIMITED | 2.19% |
| GE POWER INDIA LIMITED | 2.57% |
| GUJARAT FLUORO CHEMICALS LTD | 2.70% |
| GUJARAT STATE PETRONET LTD | 0.99% |
| HEALTHCARE GLOBAL ENTERPRISES LTD. | 2.62% |
| IDFC LTD | 3.45% |
| INDIAN HOTELS CO LTD | 3.51% |
| INDIAN OIL CORPORATION LTD | 4.04% |
| INDRAPRASATHA GAS LTD | 1.75% |
| JUBILANT FOODWORKS LTD | 2.03% |
| MINDTREE LTD | 1.38% |
| MOTHERS AND SHIRTS LTD | 2.85% |
| NIIT TECHNOLOGIES LTD | 3.15% |
| PETRONET LNG LTD | 2.95% |
| POWER MECH PROJECTS LTD. | 1.86% |
| PURAVANKARA PROJECTS LTD | 1.40% |
| RELIANCE COMMUNICATIONS LTD | 0.96% |
| REPCO HOME FINANCE LTD | 2.35% |
| SHARDA CROP CHEM LIMITED | 3.49% |
| SHOPPERS STOP LTD | 1.80% |
| STATE BANK OF INDIA | 4.57% |
| SUN PHARMACEUTICALS INDUSTRIES LTD | 2.94% |
| TATA MOTORS LTD | 1.81% |
| THYROCARE TECHNOLOGIES LTD | 2.96% |
| TITAN COMPANY LIMITED | 1.01% |
| UFO MOVIEZ INDIA LTD | 2.01% |
| UNITED BREWERIES LTD | 2.09% |
| VA TECH WABAG LTD | 1.00% |
| VOLTAS LTD | 2.24% |
| YES BANK LTD | 5.51% |
| EQUITY TOTAL | 95.18% |
| MONEY MARKET TOTAL | 4.82% |
| GRAND TOTAL | 100.00% |

asset allocation



SFIN :

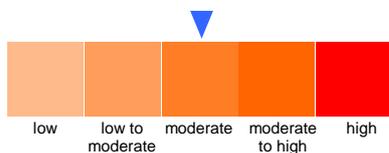
ULGF00310/10/03GGROWTHF01121

Inception Date : 31-Jan-07

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

Equity 40%
Debt 60%

benchmark construction

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

Group Growth Fund 1

Fund Performance As on 30th November, 2016

| gross return | | | |
|---------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Growth Fund 1 | 12.42 | 14.01 | 13.02 |
| Benchmark | 10.63 | 11.84 | 10.90 |

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

portfolio

| Name of the instrument | % to AUM | Rating |
|------------------------|----------|--------|
|------------------------|----------|--------|

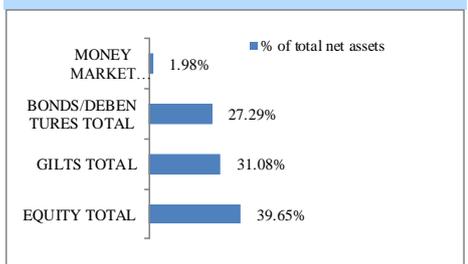
| | | |
|---|---------------|-----------|
| 10% INDIABULLS HOUSING FIN LTD NCD(MD 29/09/ | 2.28% | AAA |
| 7.53% ULTRATECH CEMENT LTD NCD (MD 21/08/20 | 2.18% | AAA |
| 8.05% NTPC LTD NCD (MD 05/05/2026) | 6.76% | LAAA |
| 8.40% POWER GRID CORP NCD STRP D (MD 27/05/ | 4.47% | LAAA |
| 9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/ | 7.08% | LAAA |
| 9.55% HINDALCO INDUSTRIES LTD NCD (MD 25/04/ | 4.53% | AA- |
| BONDS/DEBENTURES TOTAL | 27.29% | |
| 7.06% GOI(MD10/10/2046) | 4.01% | SOVEREIGN |
| 7.59% GOI(MD 11/01/2026) | 6.49% | SOVEREIGN |
| 7.61% GOI(MD 09/05/2030) | 5.51% | SOVEREIGN |
| 7.68% GOI(MD 15/12/2023) | 1.84% | SOVEREIGN |
| 7.72% GOI(MD 25/05/2025) | 6.58% | SOVEREIGN |
| 7.88% GOI(MD 19/03/2030) | 6.64% | SOVEREIGN |
| GILTS TOTAL | 31.08% | |

| | |
|--|----------------|
| BAJAJ AUTO LTD | 0.56% |
| BATA INDIA LTD | 0.43% |
| CASTROL INDIA LTD | 0.60% |
| CIPLA LTD | 0.91% |
| CUMMINS INDIA LTD | 0.94% |
| DABUR INDIA LTD | 0.52% |
| DIVIS LABORATORIES LTD | 2.27% |
| HCL TECHNOLOGIES LTD | 1.77% |
| HDFC BANK LTD | 2.81% |
| HEALTHCARE GLOBAL ENTERPRISES LTD. | 0.95% |
| HERO MOTOCORP LTD | 0.49% |
| HINDUSTAN UNILEVER LTD | 0.52% |
| KCIBANK LTD | 1.59% |
| IDFC LTD | 0.72% |
| INDIAN HOTELS CO LTD | 0.56% |
| INFOSYS LTD | 3.01% |
| NOX WIND LTD | 0.67% |
| ITC LTD | 1.92% |
| JUBLANT FOODWORKS LTD | 0.53% |
| KOTAK MAHINDRA BANK LTD | 0.97% |
| LARSEN & TOUBRO LTD | 1.43% |
| LUPIN LTD | 0.36% |
| MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD | 0.55% |
| MARUTIS UZUKINDIA LTD | 1.94% |
| MOTHERS CONSUMER SYSTEMS LTD | 1.16% |
| NIT TECHNOLOGIES LTD | 0.95% |
| RELIANCE INDUSTRIES LTD | 1.38% |
| REPCO HOME FINANCE LTD | 0.31% |
| STATE BANK OF INDIA | 1.10% |
| SUN PHARMACEUTICALS INDUSTRIES LTD | 1.43% |
| TATA MOTORS LTD | 1.39% |
| TECH MAHINDRA LTD | 0.99% |
| ULTRATECH CEMENT LTD | 1.14% |
| YES BANK LTD | 2.77% |
| EQUITY TOTAL | 39.65% |
| MONEY MARKET TOTAL | 1.98% |
| GRAND TOTAL | 100.00% |

fund characteristics

| | |
|---|------|
| Modified Duration of Debt Portfolio (Yrs) | 6.54 |
| YTM of debt portfolio (%) | 6.79 |

asset allocation



SFIN :

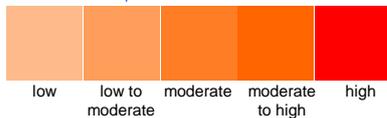
ULGF00110/10/03GBALANCE01121

Inception Date : 13-Feb-06

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

Equity 20%
Debt 80%

benchmark construction

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

Group Balanced Fund 1

Fund Performance As on 30th November, 2016

| gross return | | | |
|-----------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Balanced Fund 1 | 14.55 | 13.56 | 11.93 |
| Benchmark | 12.85 | 12.27 | 10.59 |

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

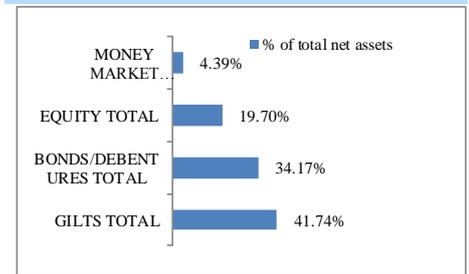
portfolio

| Name of the instrument | % to AUM | Rating |
|--|----------|-----------|
| BONDS / DEBENTURES TOTAL 34.17% | | |
| 6.72% NTPC LTD SER 65 NCD (MD 24/11/2021) | 5.54% | LAAA |
| 7.53% ULTRATECH CEMENT LTD NCD (MD 21/08/20) | 2.90% | AAA |
| 7.95% HDFC BANK LTD NCD (MD 21/09/2026) | 1.49% | AAA |
| 8% YES BANK LTD NCD (MD 30/09/2026) | 5.84% | LAA+ |
| 8.05% NTPC LTD NCD (MD 05/05/2026) | 1.50% | LAAA |
| 8.30% LIC HS G FIN LTD NCD (MD 15/07/2021) | 2.97% | AAA |
| 8.47% LIC HS G FIN LTD OP 2 NCD (10/06/26) P 28/06 | 4.61% | AAA |
| 9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/) | 7.83% | LAAA |
| 9.55% HINDALCO INDUS TRES LTD NCD (MD 25/04/) | 1.50% | AA- |
| GILTS TOTAL 41.74% | | |
| 7.06% GOI (MD 10/10/2046) | 5.36% | SOVEREIGN |
| 7.59% GOI (MD 11/01/2026) | 5.49% | SOVEREIGN |
| 7.61% GOI (MD 09/05/2030) | 7.44% | SOVEREIGN |
| 7.68% GOI (MD 15/12/2023) | 3.19% | SOVEREIGN |
| 7.72% GOI (MD 25/05/2025) | 11.01% | SOVEREIGN |
| 7.88% GOI (MD 19/03/2030) | 9.25% | SOVEREIGN |
| EQUITY TOTAL 19.70% | | |
| BAJAJ AUTO LTD | 0.27% | |
| BATA INDIA LTD | 0.21% | |
| CAS TROL INDIA LTD | 0.30% | |
| CIPLA LTD | 0.45% | |
| CUMMINS INDIA LTD | 0.47% | |
| DABUR INDIA LTD | 0.25% | |
| DIVIS LABORATORIES LTD | 1.13% | |
| HCL TECHNOLOGIES LTD | 0.88% | |
| HDFC BANK LTD | 1.39% | |
| HEALTHCARE GLOBAL ENTERPRISES LTD. | 0.48% | |
| HERO MOTOCORP LTD | 0.25% | |
| HINDUSTAN UNILEVER LTD | 0.26% | |
| ICICIBANK LTD | 0.79% | |
| IDFC LTD | 0.36% | |
| INDIAN HOTELS CO LTD | 0.28% | |
| INFOSYS LTD | 1.47% | |
| INOX WIND LTD | 0.33% | |
| ITC LTD | 0.94% | |
| JUBILANT FOODWORKS LTD | 0.26% | |
| KOTAK MAHINDRA BANK LTD | 0.48% | |
| LARS EN & TOUBRO LTD | 0.71% | |
| LUPIN LTD | 0.18% | |
| MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD | 0.27% | |
| MARUTIS UZUKINDIA LTD | 0.96% | |
| MOTHERS ON S UMIS YSTEMS LTD | 0.58% | |
| NIT TECHNOLOGIES LTD | 0.48% | |
| RELIANCE INDUS TRES LTD | 0.69% | |
| REPCO HOME FINANCE LTD | 0.16% | |
| STATE BANK OF INDIA | 0.54% | |
| SUN PHARMACEUTICALS INDUS TRES LTD | 0.72% | |
| TATA MOTORS LTD | 0.69% | |
| TECH MAHINDRA LTD | 0.49% | |
| ULTRATECH CEMENT LTD | 0.57% | |
| YES BANK LTD | 1.37% | |
| MONEY MARKET TOTAL 4.39% | | |
| GRAND TOTAL 100.00% | | |

fund characteristics

Modified Duration of Debt Portfolio (Yrs) 6.35
YTM of debt portfolio (%) 6.56

asset allocation



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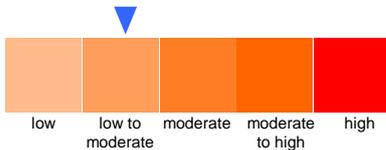
ULGF00210/10/03GBALANCE02121

Inception Date : 31-Jan-07

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

Equity 20%
Debt 80%

benchmark construction

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

Group Balanced Fund 2

Fund Performance As on 30th November, 2016

| gross return | | | |
|-----------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Balanced Fund 2 | 14.63 | 13.79 | 12.27 |
| Benchmark | 12.85 | 12.27 | 10.59 |

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

portfolio

| Name of the instrument | % to AUM | Rating |
|---|----------|--------|
| 10% INDIABULLS HOUSING FIN LTD NCD(MD 29/09/ | 3.12% | AAA |
| 6.72% NTPC LTD SER 65 NCD (MD 24/11/2021) | 0.20% | LAAA |
| 7.52% RECL LTD NCD (MD 07/11/2026) | 6.39% | AAA |
| 7.53% ULTRATECH CEMENT LTD NCD (MD 21/08/20 | 2.77% | AAA |
| 7.95% HDFC BANK LTD NCD (MD 21/09/2026) | 6.57% | AAA |
| 8% YES BANK LTD NCD (MD 30/09/2026) | 2.79% | LAA+ |
| 8.05% NTPC LTD NCD (MD 05/05/2026) | 3.08% | LAAA |
| 8.30% LIC HSG FIN LTD NCD (MD 15/07/2021) | 2.18% | AAA |
| 8.40% POWER GRID CORP NCD STRP D (MD 27/05/ | 2.18% | LAAA |
| 8.46% HDFC LTD NCD (MD 15/06/2026) P 15/07/2017 | 4.51% | LAAA |
| 8.47% LIC HSG FIN LTD OP2 NCD(10/06/26) P 28/06 | 1.13% | AAA |
| 9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/ | 4.61% | LAAA |
| 9.70% TATASONS LTD NCD (MD 25/07/2022) | 1.39% | LAAA |

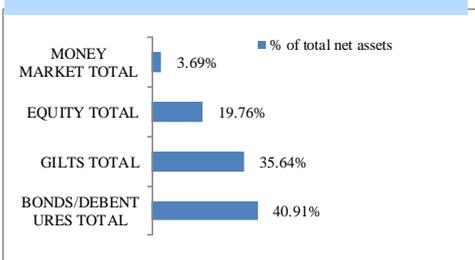
| BONDS / DEBENTURES TOTAL | 40.91% |
|--------------------------|------------------|
| 7.06% GOI(MD10/10/2046) | 5.42% SOVEREIGN |
| 7.59% GOI(MD 11/01/2026) | 2.39% SOVEREIGN |
| 7.61% GOI(MD 09/05/2030) | 6.56% SOVEREIGN |
| 7.68% GOI(MD 15/12/2023) | 2.30% SOVEREIGN |
| 7.72% GOI(MD 25/05/2025) | 10.15% SOVEREIGN |
| 7.88% GOI(MD 19/03/2030) | 8.82% SOVEREIGN |

| GILTS TOTAL | 35.64% |
|--|---------------|
| BAJAJ AUTO LTD | 0.28% |
| BATA INDIA LTD | 0.21% |
| CAS TROL INDIA LTD | 0.30% |
| CPLA LTD | 0.46% |
| CUMMINS INDIA LTD | 0.48% |
| DABUR INDIA LTD | 0.26% |
| DIVIS LABORATORIES LTD | 1.12% |
| HCL TECHNOLOGIES LTD | 0.88% |
| HDFC BANK LTD | 1.38% |
| HEALTHCARE GLOBAL ENTERPRISES LTD. | 0.48% |
| HERO MOTOCORP LTD | 0.24% |
| HINDUSTAN UNILEVER LTD | 0.26% |
| KCIBANK LTD | 0.79% |
| IDFC LTD | 0.35% |
| INDIAN HOTELS CO LTD | 0.27% |
| NFOSYS LTD | 1.51% |
| NOX WIND LTD | 0.33% |
| ITC LTD | 0.96% |
| JUBLANT FOODWORKS LTD | 0.27% |
| KOTAK MAHINDRA BANK LTD | 0.48% |
| LARSEN & TOUBRO LTD | 0.72% |
| LUPIN LTD | 0.18% |
| MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD | 0.28% |
| MARUTIS UZUKI INDIA LTD | 0.98% |
| MOTHERSON SUMISYSTEMS LTD | 0.59% |
| NIIT TECHNOLOGIES LTD | 0.48% |
| RELIANCE INDUSTRIES LTD | 0.63% |
| REPCO HOME FINANCE LTD | 0.16% |
| STATE BANK OF INDIA | 0.55% |
| SUN PHARMACEUTICALS INDUSTRIES LTD | 0.72% |
| TATA MOTORS LTD | 0.69% |
| TECH MAHINDRA LTD | 0.49% |
| ULTRATECH CEMENT LTD | 0.57% |
| YES BANK LTD | 1.40% |
| EQUITY TOTAL | 19.76% |

fund characteristics

| | |
|---|------|
| Modified Duration of Debt Portfolio (Yrs) | 6.29 |
| YTM of debt portfolio (%) | 6.31 |

asset allocation



SFIN :

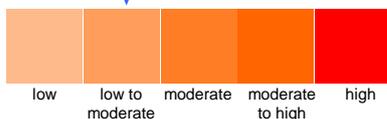
ULGF02105/06/13GBALANCE04121

Inception Date : 17-Dec-13

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

| | |
|--------|-----|
| Equity | 20% |
| Debt | 80% |

benchmark construction

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

Group Balanced Fund 4

Fund Performance As on 30th November, 2016

| gross return | | | |
|-----------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Balanced Fund 4 | 14.66 | - | - |
| Benchmark | 12.85 | - | - |

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

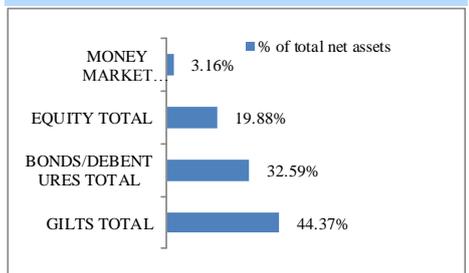
portfolio

| Name of the instrument | % to AUM | Rating |
|---|---------------|-----------|
| 7.52% RECL LTD NCD (MD 07/11/2026) | 2.27% | AAA |
| 7.53% ULTRATECH CEMENT LTD NCD (MD 21/08/2026) | 2.91% | AAA |
| 7.63% POWER FN CORP LTD NCD OP 150 B (14/08/2026) | 0.69% | LAAA |
| 7.9% HDFC LTD NCD (MD 24/08/2026) | 2.33% | LAAA |
| 7.95% HDFC BANK LTD NCD (MD 21/09/2026) | 1.17% | AAA |
| 8% YES BANK LTD NCD (MD 30/09/2026) | 4.58% | LAA+ |
| 8.05% NTPC LTD NCD (MD 05/05/2026) | 5.02% | LAAA |
| 8.30% LIC HSG FN LTD NCD (MD 15/07/2021) | 2.56% | AAA |
| 8.40% POWER GRID CORP NCD S TRP D (MD 27/05/2022) | 2.52% | LAAA |
| 8.40% POWER GRID CORP NCD S TRP H (MD 27/05/2026) | 0.96% | LAAA |
| 8.45% HDFC LTD NCD (MD 18/05/2026) | 2.40% | LAAA |
| 8.47% LIC HSG FN LTD OP 2 NCD (10/06/26) P 28/06/19 | 0.10% | AAA |
| 8.60% LIC HSG FN LTD NCD OPT 1 (MD 26/02/2021) | 4.21% | AAA |
| 9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/24) | 0.54% | LAAA |
| 9.70% TATA SONS LTD NCD (MD 25/07/2022) | 0.34% | LAAA |
| BONDS / DEBENTURES TOTAL | 32.59% | |
| 7.06% GOI (MD 10/10/2046) | 5.34% | SOVEREIGN |
| 7.59% GOI (MD 11/01/2026) | 3.58% | SOVEREIGN |
| 7.61% GOI (MD 09/05/2030) | 7.26% | SOVEREIGN |
| 7.68% GOI (MD 15/12/2023) | 6.94% | SOVEREIGN |
| 7.72% GOI (MD 25/05/2025) | 10.06% | SOVEREIGN |
| 7.88% GOI (MD 19/03/2030) | 11.19% | SOVEREIGN |
| GILTS TOTAL | 44.37% | |
| BAJAJ AUTO LTD | 0.28% | |
| BATA INDIA LTD | 0.22% | |
| CAS TROL INDIA LTD | 0.30% | |
| CIPLA LTD | 0.46% | |
| CUMMINS INDIA LTD | 0.49% | |
| DABUR INDIA LTD | 0.26% | |
| DIVIS LABORATORIES LTD | 1.14% | |
| HCL TECHNOLOGIES LTD | 0.90% | |
| HDFC BANK LTD | 1.44% | |
| HEALTHCARE GLOBAL ENTERPRISES LTD. | 0.47% | |
| HERO MOTOCORP LTD | 0.24% | |
| HINDUSTAN UNILEVER LTD | 0.26% | |
| ICICIBANK LTD | 0.79% | |
| IDFC LTD | 0.36% | |
| INDIAN HOTELS CO LTD | 0.28% | |
| INFOSYS LTD | 1.51% | |
| INOX WIND LTD | 0.34% | |
| ITC LTD | 0.97% | |
| JUBILANT FOODWORKS LTD | 0.27% | |
| KOTAK MAHINDRA BANK LTD | 0.49% | |
| LARSEN & TOUBRO LTD | 0.72% | |
| LUPIN LTD | 0.18% | |
| MAHINDRA & MAHINDRA FINANCIAL SERVICES LTD | 0.28% | |
| MARUTIS UZUKI INDIA LTD | 0.98% | |
| MOTHERSON SUMISYSTEMS LTD | 0.59% | |
| NIIT TECHNOLOGIES LTD | 0.47% | |
| RELIANCE INDUSTRIES LTD | 0.63% | |
| REPCO HOME FINANCE LTD | 0.16% | |
| STATE BANK OF INDIA | 0.56% | |
| SUN PHARMACEUTICALS INDUSTRIES LTD | 0.72% | |
| TATAMOTORS LTD | 0.71% | |
| TECH MAHINDRA LTD | 0.50% | |
| ULTRATECH CEMENT LTD | 0.57% | |
| YES BANK LTD | 1.37% | |
| EQUITY TOTAL | 19.88% | |
| MONEY MARKET TOTAL | 3.16% | |
| GRAND TOTAL | ### | |

fund characteristics

| | |
|---|------|
| Modified Duration of Debt Portfolio (Yrs) | 6.78 |
| YTM of debt portfolio (%) | 6.67 |

asset allocation



SFIN :

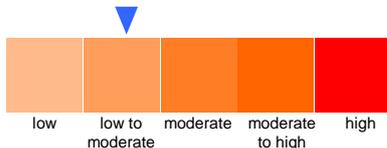
ULGF01213/10/08GCBOND02121

Inception Date : 13-Oct-08

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 30th November, 2016

| gross return | | | |
|-----------------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Corporate Bond Fund 2 | 16.63 | 13.52 | 11.70 |
| Benchmark | 15.02 | 12.60 | 10.25 |

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

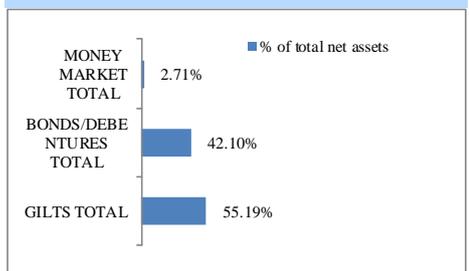
portfolio

| Name of the instrument | % to AUM | Rating |
|---|----------------|-----------|
| 10% INDIABULLS HOUSING FIN LTD NCD(MD 29/09/ | 0.54% | AAA |
| 6.72% NTPC LTD SER 65 NCD (MD 24/11/2021) | 0.45% | LAAA |
| 7.52% RECL LTD NCD (MD 07/11/2026) | 0.94% | AAA |
| 7.53% ULTRATECH CEMENT LTD NCD (MD 21/08/20 | 3.49% | AAA |
| 7.63% POWER FIN CORP LTD NCD OP 150 B (14/08/ | 3.70% | LAAA |
| 7.95% HDFC BANK LTD NCD (MD 21/09/2026) | 4.76% | AAA |
| 8% YES BANK LTD NCD (MD 30/09/2026) | 0.86% | LAA+ |
| 8.05% NTPC LTD NCD (MD 05/05/2026) | 4.58% | LAAA |
| 8.30% LIC HSG FIN LTD NCD (MD 15/07/2021) | 4.16% | AAA |
| 8.40% POWER GRID CORP NCD STRP D (MD 27/05/ | 2.91% | LAAA |
| 8.40% POWER GRID CORP NCD STRP H (MD 27/05/ | 0.10% | LAAA |
| 8.45% HDFC LTD NCD (MD 18/05/2026) | 5.00% | LAAA |
| 8.47% LIC HSG FIN LTD OP2 NCD(10/06/26) P 28/06 | 0.20% | AAA |
| 8.60% LIC HSG FIN LTD NCD OPT 1 (MD 26/02/2021) | 2.24% | AAA |
| 9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/ | 8.17% | LAAA |
| BONDS/DEBENTURES TOTAL | 42.10% | |
| 7.06% GOI(MD10/10/2046) | 6.92% | SOVEREIGN |
| 7.59% GOI(MD 11/01/2026) | 5.70% | SOVEREIGN |
| 7.61% GOI(MD 09/05/2030) | 8.44% | SOVEREIGN |
| 7.68% GOI(MD 15/12/2023) | 6.58% | SOVEREIGN |
| 7.72% GOI(MD 25/05/2025) | 10.70% | SOVEREIGN |
| 7.88% GOI(MD 19/03/2030) | 16.84% | SOVEREIGN |
| GILTS TOTAL | 55.19% | 00-Jan-00 |
| MONEY MARKET TOTAL | 2.71% | 00-Jan-00 |
| GRAND TOTAL | 100.00% | |

fund characteristics

| | |
|---|------|
| Modified Duration of Debt Portfolio (Yrs) | 6.89 |
| YTM of debt portfolio (%) | 6.68 |

asset allocation



SFIN :

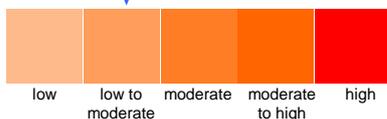
ULGF02305/06/13GCORBOND03121

Inception Date : 31-Dec-13

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 30th November, 2016

| gross return | | | |
|-----------------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Corporate Bond Fund 3 | 16.68 | - | - |
| Benchmark | 15.02 | - | - |

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

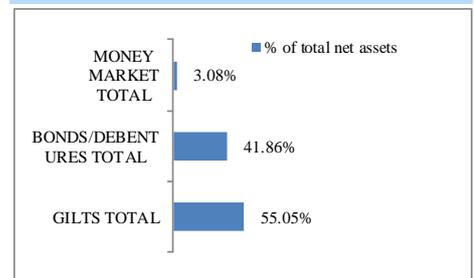
portfolio

| Name of the instrument | % to AUM | Rating |
|---|----------------|-----------|
| 10% INDIABULLS HOUSING FIN LTD NCD (MD 29/09/ | 0.41% | AAA |
| 6.72% NTPC LTD SER 65 NCD (MD 24/11/2021) | 0.41% | LAAA |
| 7.52% RECL LTD NCD (MD 07/11/2026) | 1.95% | AAA |
| 7.53% ULTRATECH CEMENT LTD NCD (MD 21/08/20 | 3.48% | AAA |
| 7.63% POWER FIN CORP LTD NCD OP 150 B (14/08/ | 2.04% | LAAA |
| 7.9% HDFC LTD NCD (MD 24/08/2026) | 2.00% | LAAA |
| 7.95% HDFC BANK LTD NCD (MD 21/09/2026) | 3.98% | AAA |
| 8% YES BANK LTD NCD (MD 30/09/2026) | 4.33% | LAA+ |
| 8.05% NTPC LTD NCD (MD 05/05/2026) | 2.87% | LAAA |
| 8.13% POWER GRID CORP NCD STRRP 7 (MD 24/04 | 2.03% | LAAA |
| 8.30% LIC HSG FIN LTD NCD (MD 15/07/2021) | 2.56% | AAA |
| 8.40% POWER GRID CORP NCD S TRP D (MD 27/05/ | 3.45% | LAAA |
| 8.45% HDFC LTD NCD (MD 18/05/2026) | 3.72% | LAAA |
| 8.46% HDFC LTD NCD (MD 15/06/2026) P 15/07/2017 | 2.49% | LAAA |
| 8.47% LIC HSG FIN LTD OP 2 NCD (10/06/26) P 28/06 | 0.08% | AAA |
| 8.60% LIC HSG FIN LTD NCD OPT 1 (MD 26/02/2021) | 0.48% | AAA |
| 9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/ | 5.58% | LAAA |
| BONDS / DEBENTURES TOTAL | 41.86% | |
| 7.06% GOI (MD 10/10/2046) | 6.65% | SOVEREIGN |
| 7.59% GOI (MD 11/01/2026) | 2.52% | SOVEREIGN |
| 7.61% GOI (MD 09/05/2030) | 8.26% | SOVEREIGN |
| 7.68% GOI (MD 15/12/2023) | 10.09% | SOVEREIGN |
| 7.72% GOI (MD 25/05/2025) | 10.75% | SOVEREIGN |
| 7.88% GOI (MD 19/03/2030) | 16.78% | SOVEREIGN |
| GILTS TOTAL | 55.05% | |
| MONEY MARKET TOTAL | 3.08% | |
| GRAND TOTAL | 100.00% | |

fund characteristics

| | |
|---|------|
| Modified Duration of Debt Portfolio (Yrs) | 6.80 |
| YTM of debt portfolio (%) | 6.52 |

asset allocation



Group Capital Secure Fund 1

Fund Performance As on 30th November, 2016

| gross return | | | |
|-----------------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Capital Secure Fund 1 | 8.48 | 8.88 | 9.17 |
| Benchmark | 7.52 | 8.23 | 8.13 |

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

SFIN :

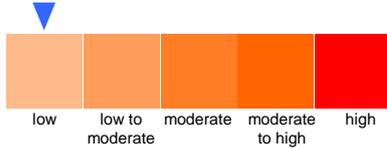
ULGF00431/01/07GCAPISEC01121

Inception Date : 31-Jan-07

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



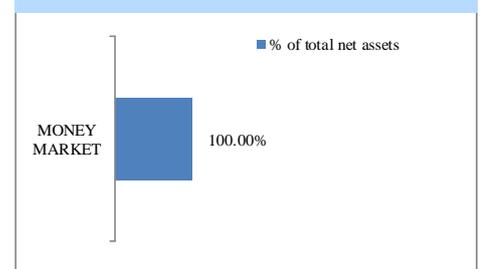
portfolio

| Name of the instrument | % to AUM |
|---------------------------|----------------|
| MONEY MARKET | 100.00% |
| MONEY MARKET TOTAL | 100.00% |

fund characteristics

| | |
|---|------|
| Modified Duration of Debt Portfolio (Yrs) | 0.18 |
| YTM of debt portfolio (%) | 8.09 |

asset allocation



target asset allocation

Money Market Instruments 100%

benchmark construction

Yield on 182-day T.Bills 100%

Group Gilt Fund 2

Fund Performance As on 30th November, 2016

SFIN :

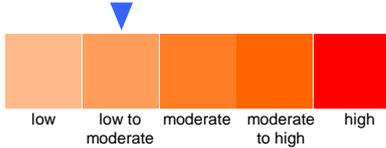
ULGF01610/12/08GGILTFUN02121

Inception Date : 10-Dec-08

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%

| gross return | | | |
|-------------------|------------------|------------------|------------------|
| Fund name | 12 month returns | 36 month returns | 60 month returns |
| Group Gilt Fund 2 | 18.63 | 14.33 | 11.91 |
| Benchmark | 16.91 | 13.46 | 11.13 |

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

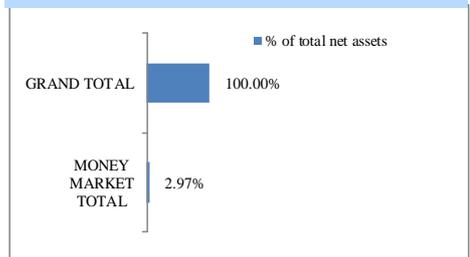
portfolio

| Name of the instrument | % to AUM | Rating |
|---------------------------|----------------|-----------|
| 7.06% GOI(MD10/10/2046) | 12.72% | SOVEREIGN |
| 7.59% GOI(MD 11/01/2026) | 10.86% | SOVEREIGN |
| 7.61% GOI(MD 09/05/2030) | 18.36% | SOVEREIGN |
| 7.72% GOI(MD 25/05/2025) | 19.15% | SOVEREIGN |
| 7.88% GOI(MD 19/03/2030) | 35.94% | SOVEREIGN |
| GILTS TOTAL | 97.03% | |
| MONEY MARKET TOTAL | 2.97% | |
| GRAND TOTAL | 100.00% | |

fund characteristics

| | |
|---|------|
| Modified Duration of Debt Portfolio (Yrs) | 8.28 |
| YTM of debt portfolio (%) | 6.54 |

asset allocation



| SFIN | Plan Name | Fund Name | NAV |
|------------------------------|--|-----------------------------|---------|
| ULGF01808/06/09GEQUITYF03121 | Reliance Group Gratuity Plan / Group Savings Linked Insurance Plan / Life Insurance Group Gratuity Plus Plan / Life Insurance Group Leave encashment Plus Plan | Group Equity Fund 3 | 27.4414 |
| ULGF02205/06/13GEQUITYF04121 | Reliance Life Insurance Group Leave encashment Plus Plan | Group Equity Fund 4 | 10.6242 |
| ULGF01528/11/08GPUREEQF01121 | Reliance Group Savings Linked Insurance Plan | Group Pure Equity Fund 1 | 30.666 |
| ULGF01908/06/09GINFRASF01121 | Reliance Group Gratuity Plan / Group Superannuation Plan | Group Infrastructure Fund 1 | 11.7171 |
| ULGF01428/11/08GENERGYF01121 | Reliance Group Savings Linked Insurance Plan | Group Energy Fund 1 | 21.167 |
| ULGF02008/06/09GMIDCAPF01121 | Reliance Group Gratuity Plan / Group Savings Linked Insurance Plan | Group Midcap Fund 1 | 29.3528 |
| ULGF00310/10/03GGROWTHF01121 | Reliance Group Gratuity Plan / Group Superannuation Plan | Group Growth Fund 1 | 22.7749 |
| ULGF00110/10/03GBALANCE01121 | Reliance Group Gratuity Plan / Group Superannuation Plan | Group Balanced Fund 1 | 27.7137 |
| ULGF00210/10/03GBALANCE02121 | Reliance Group Gratuity Plan / Group Savings Linked Insurance Plan / Life Insurance Group Gratuity Plus Plan / Life Insurance Group Leave encashment Plus Plan | Group Balanced Fund 2 | 23.7286 |
| ULGF02105/06/13GBALANCE04121 | Reliance Group Gratuity Plan / Group Savings Linked Insurance Plan | Group Balanced Fund 4 | 13.1613 |
| ULGF01213/10/08GCORBOND02121 | Reliance Group Gratuity Plan / Group Superannuation Plan / Group Savings Linked Insurance Plan / Life Insurance Group Gratuity Plus Plan / Life Insurance Group Leave encashment Plus Plan | Group Corporate Bond Fund 2 | 21.8797 |
| ULGF02305/06/13GCORBOND03121 | Reliance Group Gratuity Plan / Group Savings Linked Insurance Plan | Group Corporate Bond Fund 3 | 14.2066 |
| ULGF00431/01/07GCAPISEC01121 | Reliance Group Superannuation Plan / Group Savings Linked Insurance Plan | Group Capital Secure Fund 1 | 21.718 |
| ULGF01610/12/08GGILTFUN02121 | Reliance Group Gratuity Plan / Group Superannuation Plan / Group Savings Linked Insurance Plan / Life Insurance Group Gratuity Plus Plan / Life Insurance Group Leave encashment Plus Plan | Group Gilt Fund 2 | 19.3064 |

- ✓ 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 for 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 fund Insurance Company. Hence, even if two funds from two different fund management companies give the same returns, the returns may not reflect that if they are calculated on an NAV basis.

We shall highlight this with the help of an example.

Reliance Life Insurance

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

XYZ Insurance Company

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

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

Benchmark Return

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

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

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

Fund Standard Deviation

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

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

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

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

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

Fund Sharpe Ratio

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

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

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

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

✓ Gross Fund Return

✓ Benchmark Return

✓ Fund Standard Deviation

✓ Fund Sharpe Ratio

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

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

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

Benchmark Sharpe Ratio

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

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

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

Modified Duration of Debt Portfolio

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

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

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

Fund Beta

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

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

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

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

✓ Benchmark Sharpe Ratio

✓ Modified Duration Of Debt Profile

✓ Fund Beta

Disclaimer

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