



RELIANCE

Nippon Life Insurance



the analyst

**monthly fund
factsheet for July 2016**

Fixed Income Market

investment philosophy

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

Economy Indicators	31st May 16	30th June 16	% Change
\$ / Rs.	67.26	67.69	0.63
CPI Inflation	5.01	5.40	0.39
Forex Reserves (\$ bn)	360.19	360.80	0.17
Brent Crude Price (\$ per Barrel)	49.10	49.88	1.56
Gold (Rs. per 10gm)	28615	30597	6.48

Indices	31st May 16	30th June 16	%Change
BSE Sensex	26668	26740	0.27
S&P CNX Nifty	8160	8204	0.54
CNX Mid Cap	13293	13671	2.77
BSE Small Cap	11142	11692	4.70

Global Indices	31st May 16	30th June 16	%Change
Dow Jones	17787	17695	-0.52
FTSE 100	6231	6360	2.03
Hang Seng	20815	20436	-1.85
Nikkei	17235	15567	-10.72

Sectoral Indices	31st May 16	30th June 16	%Change
CNX Infrastructure	2754	2799	1.61
CNX Energy	8373	8626	2.93
BSE Capital Goods	14465	14697	1.58
BSE Bankex	20112	20236	0.61
BSE Oil & Gas	9322	9654	3.44
BSE IT	11576	11150	-3.82

Fixed Income Indicators (%)	31st May 16	30th June 16	%Change
91 Day T-Bill	6.83	6.65	-0.18
182 Day T-Bill	6.92	6.79	-0.13
1 year GOI Benchmark	7.04	6.97	-0.07
5 Year GOI Benchmark	7.47	7.42	-0.05
10 Year GOI Benchmark	7.47	7.44	-0.03
5 Year Corp Bond Benchmark	8.07	8.01	-0.06
10 Year AAA Corp Bond Benchmark	7.65	7.64	-0.00
10 Year US Treasury	1.85	1.52	-0.33

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

During the month yield on the 10-year benchmark central Government bond ended the month at 7.45 % down by 3 bps over the previous month end. The yield on 10-year AAA Corporate Bond ended the month at 8.21% as against 8.24 % at the end of May 2016. Thus, corporate bond spread during the month was almost flat at 62 bps as against 63 bps in the previous month. Liquidity conditions improved significantly, though it continued to remain negative during the month of June 2016. The overnight rate ended at 6.43 %, as against 6.51% at end May 2016. INR closed at 67.53 versus the USD in June as against 67.26 in May. INR appreciated sharply by ~8% against GBP in June as a fallout of Brexit. The net FII investment in equities & debt was an inflow of ~US\$ 0.2 billion in June 2016. The annual rate of retail inflation, CPI came in at ~5.8% YoY in May 2016, up from 5.5% in April 2016 largely on account of food inflation. Wholesale inflation has shown a second consecutive positive reading at 0.79% (provisional) for the month of May, 2016 (over May, 2015) as compared to -0.34% (provisional) for the previous month and -2.2% during the corresponding month of the previous year.

4QFY16 CAD narrowed to US\$0.3 bn (0.1% of GDP), lower than US\$7.1 bn (1.3% of GDP) in 3QFY16 and US\$0.7 bn (0.1% of GDP) in 4QFY15. BoP surplus stood at US\$3.3 bn in 4QFY16 (US\$4.1 bn 3QFY16) and US\$17.9 bn in FY2016.

The credit policy of June '16 was along expected lines with RBI staying on hold until further clarity emerges on monsoon and its impact on food prices. RBI has reaffirmed that the stance of monetary policy will remain accommodative. The expectations of strong monsoon, low MSP hikes for kharif crops of 2016-17, continued reforms by the government and higher public capital expenditure to augment supply side capacity forms the basis for our positive view on inflation going forward. Additionally, continuing fiscal consolidation, and low current account deficit are also supportive of lower yields.

Fixed Income Outlook:

Going forward, we expect interest rate to be benign due to expectation of favorable turn in the macro outlook as well as good demand from the investors.

Equity Market

Equity Outlook:

Indian equities (+1.6%) traded sideways ahead of the EU referendum and Fed rate hike concerns but then rallied post the Brexit event even as domestic triggers of 7th Pay Commission and good monsoon were back in the spotlight. Also monsoons have progressed well in the latter part of Jun despite the late start. Upper House Elections earlier in the month gave an edge to the ruling party raising hopes of GST bill passage in the upcoming monsoon session.

Government announced a slew of FDI measures in 7 key sectors including aviation, defense, media, single brand retail and pharma sectors. The notable ones are 100% FDI in defense via Govt. approval route and 100% FDI in local airlines. Also the Union Cabinet approved the implementation of 7th Central Pay Commission (CPC) recommendations, effective from 1 Jan 16 (arrear to be paid out in FY17). The 16% effective pay hike (pension hikes at 24%) will be applicable to the ~4.7mn Central Govt employees and ~5.2mn pensioners.

Banks were marginal outperformers in the month and notably we saw some renewed interest in few public sector banks. Axis Bank decided to follow its peers into the high growth urban microfinance sector. SBI announced merger of its 5 associates, a deal which has long term benefits albeit the short term pain.

IT stocks were key laggards in Jun as growth challenges in the sector compounded with global uncertainty post Brexit led to wary investors. Infosys highlighted the near term pain in retail division which raised investor concerns. Post the Brexit vote, Tech Mahindra reported it could see a mark to market impact on its receivables.

In Metals & Mining, uncertainty on MIP extension has weighed down steel stocks such as Tata Steel. Apart from steel other commodity prices have held up and could partly attribute to the performance of Hindalco & Hindustan Zinc over the month. In **Cement** space, pricing trajectory was up across regions – possibly to preempt price cuts in monsoon season.

Autos continued to see investor interest as good monsoon estimates and implementation of 7th Pay Commission are expected to stimulate rural demand despite headwinds from Brexit and currency volatility. Tata Motors saw a sharp correction post Brexit vote on concerns of JLR sales impact.

In Pharma, Dr Reddy's announced acquisition of 8 brands from Teva and also recorded completion of its buyback offer. Sun Pharma announced the board approval for buyback of 7.5mn shares.

In Consumer space, Government approved Model Shops and Establishment Act 2015, which allows malls, local markets, restaurants and movie theatres (not covered under the Factories Act 1948 and with >10 employees) to be open for 24 hrs and 7 days a week. Note this Act is expected to be a long term positive for retail and consumer discretionary companies

FIIs remained buyers in Jun with slight uptick (\$716mn) compared to May bringing in their YTD tally to net inflows of \$2.9bn. Domestic investors reversed their position to net sellers from notable buying in May with net outflows of \$324mn in the month totaling their YTD tally to \$1.5bn. Among DIIs, Insurance companies led the selling with \$364mn of outflows while Mutual funds were marginal buyers of \$40mn in Jun.

Equity Outlook:

Come Jul, the market will be on the lookout for Q1 earnings and the monsoon session of the Parliament.

fund snapshot

Gross CAGR Returns as on 30th June, 2016

asset allocation	funds	Last 1 Year	Last 3 Year	Last 5 Year	Page No.
100% Equity	Group Equity Fund 3	1.85	17.41	15.78	4
100% Equity	Group Equity Fund 4	3.17	-	-	5
100% Pure Equity	Group Pure Equity Fund 1	4.40	20.49	11.82	6
100% Equity	Group Infrastructure Fund 1	0.12	19.10	3.88	7
100% Equity	Group Energy Fund 1	5.91	14.21	5.98	8
100% Equity	Group Midcap Fund 1	16.20	30.19	17.57	9
40% Equity, 60% Debt	Group Growth Fund 1	6.70	12.75	10.76	10
20% Equity, 80% Debt	Group Balanced Fund 1	8.27	10.59	10.05	11
20% Equity, 80% Debt	Group Balanced Fund 2	8.61	10.99	10.49	12
20% Equity, 80% Debt	Group Balanced Fund 4	8.48	-	-	13
100% Bond Instruments	Group Corporate Bond Fund 2	10.18	9.48	10.12	14
100% Bond Instruments	Group Corporate Bond Fund 3	10.13	-	-	15
100% Money Market Instruments	Group Capital Secure Fund 1	8.26	9.11	9.23	16
100% Government Securities	Group Gilt Fund 2	10.29	8.85	9.74	17

SFIN :

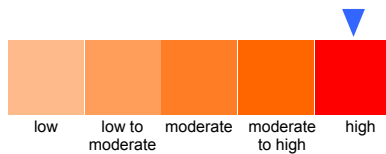
ULGF01808/06/09GEQUITYF03121

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%

Group Equity Fund 3

Fund Performance As on 30th June, 2016

gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Equity Fund 3	1.85	17.41	15.78
Benchmark	-0.96	12.36	7.97

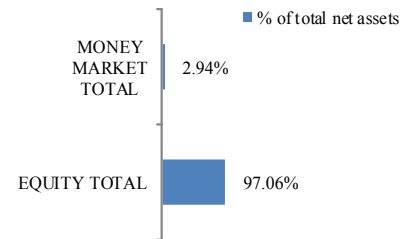
*Returns above 12 months are CAGR (Compounded Annual Growth Rate) returns.

portfolio

Name of the instrument % total net assets

INFOSYS LTD	7.71%
HDFC BANK LTD	6.84%
DIVIS LABORATORIES LTD	6.43%
YES BANK LTD	6.11%
LARSEN & TOUBRO LTD	4.77%
TATA MOTORS LTD	4.77%
ITC LTD	4.68%
MARUTI SUZUKI INDIA LTD	4.06%
ICICI BANK LTD	4.05%
RELIANCE INDUSTRIES LTD	3.89%
ULTRATECH CEMENT LTD	3.50%
HCL TECHNOLOGIES LTD	3.34%
SUN PHARMACEUTICALS INDUSTRIES LTD	3.03%
GUJARAT FLUOROCEMICALS LTD	3.01%
MOTHERSON SUMI SYSTEMS LTD	2.52%
CUMMINS INDIA LTD	2.49%
SANOFI INDIA LTD	2.46%
AXIS BANK LTD	2.10%
TATA CONSULTANCY SERVICES LTD	1.92%
TECH MAHINDRA LTD	1.83%
INOX WIND LTD	1.59%
UNITED BREWERIES LTD	1.56%
VEDANTA LTD	1.33%
JUBLANT FOODWORKS LTD	1.27%
D.B.CORP LTD	1.25%
HERO MOTOCORP LTD	1.21%
STATE BANK OF INDIA	1.18%
IDFC LTD	1.07%
EQUITAS HOLDINGS LIMITED	1.03%
INDIABULLS HOUSING FINANCE LTD	1.03%
COFFEE DAY ENTERPRISES LIMITED	1.03%
INDIAN HOTELS CO LTD	1.00%
CASTROL INDIA LTD	0.88%
PURAVANKARA PROJECTS LTD	0.80%
SHOPPERS STOP LTD	0.69%
HEALTHCARE GLOBAL ENTERPRISES LTD.	0.62%
EQUITY TOTAL	97.06%
MONEY MARKET TOTAL	2.94%
GRAND TOTAL	100.00%

asset allocation



SFIN :

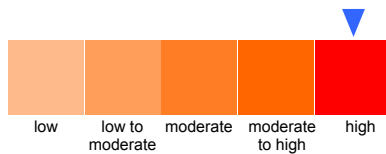
ULGF02205/06/13GEQUITYF04121

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%

Group Equity Fund 4

Fund Performance As on 30th June, 2016

gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Equity Fund 4	3.17	-	-
Benchmark	-0.96	-	-

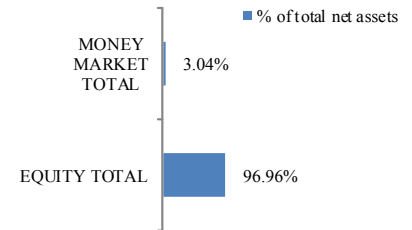
*Returns above 12 months are CAGR (Compounded Annual Growth Rate) returns.

portfolio

Name of the instrument % total net assets

INFOSYS LTD	7.71%
HDFC BANK LTD	6.84%
DIVIS LABORATORIES LTD	6.43%
YES BANK LTD	6.19%
LARSEN & TOUBRO LTD	4.77%
TATA MOTORS LTD	4.77%
ITC LTD	4.68%
ICICI BANK LTD	4.05%
MARUTI SUZUKI INDIA LTD	3.90%
RELIANCE INDUSTRIES LTD	3.90%
ULTRATECH CEMENT LTD	3.50%
HCL TECHNOLOGIES LTD	3.34%
SUN PHARMACEUTICALS INDUSTRIES LTD	3.08%
GUJARAT FLUOROCEMICALS LTD	2.97%
CUMMINS INDIA LTD	2.56%
SANOFI INDIA LTD	2.55%
MOTHERSON SUMI SYSTEMS LTD	2.51%
AXIS BANK LTD	2.08%
TATA CONSULTANCY SERVICES LTD	1.92%
TECH MAHINDRA LTD	1.85%
UNITED BREWERIES LTD	1.59%
JUBILANT FOODWORKS LTD	1.35%
VEDANTA LTD	1.35%
D.B.CORP LTD	1.29%
HERO MOTOCORP LTD	1.26%
INOX WIND LTD	1.23%
STATE BANK OF INDIA	1.18%
INDIAN HOTELS CO LTD	1.11%
IDFC LTD	1.10%
EQUITAS HOLDINGS LIMITED	1.04%
COFFEE DAY ENTERPRISES LIMITED	0.96%
INDIABULLS HOUSING FINANCE LTD	0.91%
CASTROL INDIA LTD	0.88%
PURAVANKARA PROJECTS LTD	0.80%
SHOPPERS STOP LTD	0.72%
HEALTHCARE GLOBAL ENTERPRISES LTD.	0.62%
EQUITY TOTAL	96.96%
MONEY MARKET TOTAL	3.04%
GRAND TOTAL	100.00%

asset allocation



SFIN :

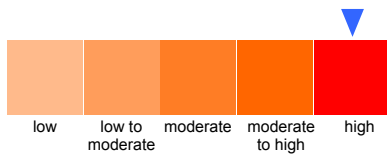
ULGF01528/11/08GPUREEQF01121

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 June, 2016

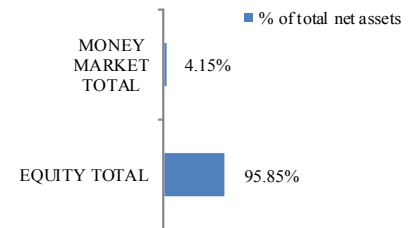
gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Pure Equity Fund 1	4.40	20.49	11.82
Benchmark	-1.06	13.21	8.55

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

portfolio

Name of the instrument	% total net assets
TATA CONSULTANCY SERVICES LTD	6.86%
HCL TECHNOLOGIES LTD	6.54%
MARUTI SUZUKI INDIA LTD	6.53%
BHARTI AIRTEL LTD	6.38%
HINDUSTAN UNILEVER LTD	6.15%
ULTRATECH CEMENT LTD	5.18%
RELIANCE INDUSTRIES LTD	5.17%
HERO MOTOCORP LTD	4.89%
INFOSYS LTD	4.75%
SUN PHARMACEUTICALS INDUSTRIES LTD	4.70%
ASIAN PAINTS LTD	4.65%
LARSEN & TOUBRO LTD	3.63%
LUPIN LTD	3.57%
TATA MOTORS LTD	3.50%
CUMMINS INDIA LTD	2.85%
MOTHERSON SUMI SYSTEMS LTD	2.47%
GAIL (INDIA) LTD	2.34%
JUBILANT FOODWORKS LTD	2.14%
ECLERX SERVICES LTD	2.07%
CASTROL INDIA LTD	2.05%
BHARTI INFRAEL LIMITED	2.04%
HEALTHCARE GLOBAL ENTERPRISES LTD.	2.01%
SANOFI INDIA LTD	1.83%
BATA INDIA LTD	1.56%
ALSTOM INDIA LIMITED	0.98%
INOX WIND LTD	0.96%
DIVIS LABORATORIES LTD	0.02%
EQUITY TOTAL	95.85%
MONEY MARKET TOTAL	4.15%
GRAND TOTAL	100.00%

asset allocation



SFIN :

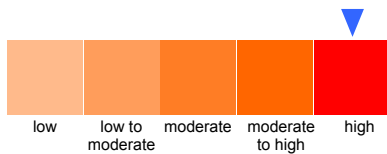
ULGF01908/06/09GINFRASF01121

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 June, 2016

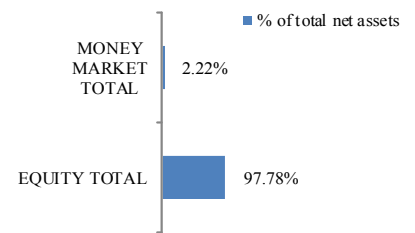
gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Infrastructure Fund 1	0.12	19.10	3.88
Benchmark	-12.56	8.06	-1.81

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

portfolio

Name of the instrument	% total net assets
BHARTI AIRTEL LTD	8.84%
POWER GRID CORPORATION OF INDIA LTD	8.73%
LARSEN & TOUBRO LTD	8.69%
CUMMINS INDIA LTD	8.62%
NTPC LTD	8.33%
ULTRATECH CEMENT LTD	7.04%
ADANI PORTS AND SPECIAL ECONOMIC ZONE LTD	5.41%
INDIAN HOTELS CO LTD	4.79%
MOTHERSON SUMI SYSTEMS LTD	4.54%
TATA MOTORS LTD	4.53%
BHARTI INFRA TEL LIMITED	4.08%
ADITYA BIRLA NUVO LTD	3.42%
BHARAT HEAVY ELECTRICALS LTD	3.26%
CESC LTD	3.06%
ALSTOM INDIA LIMITED	2.94%
CASTROL INDIA LTD	2.92%
VOLTAS LTD	2.34%
ENGINEERS INDIA LTD	2.31%
INOX WIND LTD	2.24%
TEXMACO RAIL & ENGINEERING LTD	1.68%
EQUITY TOTAL	97.78%
MONEY MARKET TOTAL	2.22%
GRAND TOTAL	100.00%

asset allocation



SFIN :

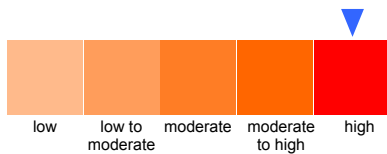
ULGF01428/11/08GENERGYF01121

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%

Group Energy Fund 1

Fund Performance As on 30th June, 2016

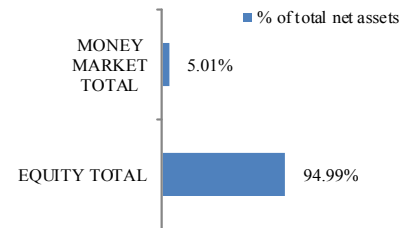
gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Energy Fund 1	5.91	14.21	5.98
Benchmark	-2.11	2.86	0.21

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

portfolio

Name of the instrument	% total net assets
POWER GRID CORPORATION OF INDIA LTD	8.61%
LARSEN & TOUBRO LTD	8.50%
OIL INDIA LTD	8.23%
GUJARAT STATE PETRONET LTD	8.01%
CUMMINS INDIA LTD	7.66%
RELIANCE INDUSTRIES LTD	7.43%
NTPC LTD	7.40%
GAIL (INDIA) LTD	6.08%
VEDANTA LTD	5.46%
OIL & NATURAL GAS CORPORATION LTD	4.72%
INDRAPRASTHA GAS LTD	4.70%
MANGALORE REFINERY & PETROCHEMICALS LTD	3.81%
MOTHERSON SUMI SYSTEMS LTD	2.49%
INOX WIND LTD	2.44%
ENGINEERS INDIA LTD	2.39%
CASTROL INDIA LTD	2.15%
VOLTAS LTD	1.83%
TEXMACO RAIL & ENGINEERING LTD	1.54%
PETRONET LNG LTD	1.54%
EQUITY TOTAL	94.99%
MONEY MARKET TOTAL	5.01%
GRAND TOTAL	100.00%

asset allocation



SFIN :

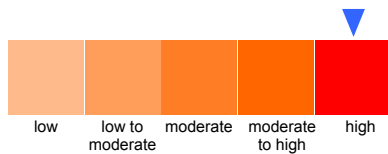
ULGF02008/06/09GMIDCAPF01121

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 June, 2016

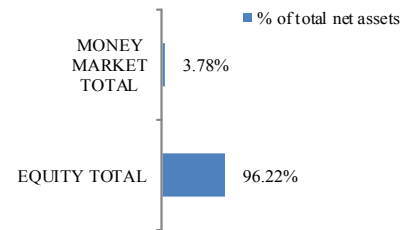
gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Midcap Fund 1	16.20	30.19	17.57
Benchmark	8.73	22.68	7.62

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

portfolio

Name of the instrument	% total net assets
YES BANK LTD	7.33%
STATE BANK OF INDIA	4.99%
D.B.CORP LTD	4.28%
IDFC LTD	4.19%
INDIAN HOTELS CO LTD	3.95%
SHARDA CROPHEM LIMITED	3.89%
DIVIS LABORATORIES LTD	3.81%
PETRONET LNG LTD	3.43%
MOTHERSON SUMI SYSTEMS LTD	3.26%
GUJARAT FLUOROCHEMICALS LTD	3.16%
INDIAN OIL CORPORATION LTD	3.13%
CESC LTD	3.08%
JUBILANT FOODWORKS LTD	3.05%
HEALTHCARE GLOBAL ENTERPRISES LTD.	2.95%
CASTROL INDIA LTD	2.88%
TATA MOTORS LTD	2.76%
SHOPPERS STOP LTD	2.51%
COLGATE PALMOLIVE INDIA LTD	2.40%
ENGINEERS INDIA LTD	2.30%
BATA INDIA LTD	2.29%
ADITYA BIRLA NUVO LTD	2.27%
EQUITAS HOLDINGS LIMITED	2.25%
PURAVANKARA PROJECTS LTD	2.19%
INDRAPRASTHA GAS LTD	2.16%
HEXAWARE TECHNOLOGIES LTD	2.12%
LUPIN LTD	1.98%
ECLERX SERVICES LTD	1.97%
UNITED BREWERIES LTD	1.93%
VOLTAS LTD	1.87%
CYIENT LIMITED	1.51%
MANGALORE REFINERY & PETROCHEMICALS LTD	1.51%
INDIABULLS HOUSING FINANCE LTD	1.42%
RELIANCE COMMUNICATIONS LTD	1.37%
DR. LAL PATHLABS LIMITED	1.06%
ALSTOM INDIA LIMITED	1.00%
EQUITY TOTAL	96.22%
MONEY MARKET TOTAL	3.78%
GRAND TOTAL	100.00%

asset allocation



SFIN :

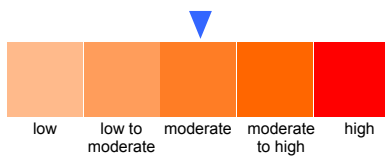
ULGF00310/10/03GGROWTHF01121

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 June, 2016

gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Growth Fund 1	6.70	12.75	10.76
Benchmark	5.93	10.40	8.95

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

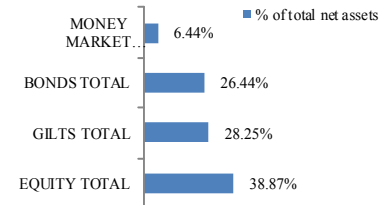
portfolio

Name of the instrument	% total net assets	Rating
9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/24)	6.81%	LAAA
8.36% POWER FIN CORP LTD NCD (MD 26/02/2020)	6.52%	AAA
10% INDIABULLS HOUSING FIN LTD NCD(MD 29/09/2019)	2.27%	AAA
9.43% TATA SONS LTD NCD (MD 02/06/2019)	2.23%	LAAA
BONDS TOTAL	26.44%	
7.72% GOI (MD 25/05/2025)	8.69%	SOVEREIGN
7.68% GOI (MD 15/12/2023)	5.11%	SOVEREIGN
7.88% GOI (MD 19/03/2030)	5.10%	SOVEREIGN
8.27% GOI (MD 09/06/2020)	4.83%	SOVEREIGN
7.61% GOI(MD 09/05/2030)	2.15%	SOVEREIGN
7.8% GOI (MD 11/04/2021)	1.50%	SOVEREIGN
7.59% GOI(MD 11/01/2026)	0.87%	SOVEREIGN
GILTS TOTAL	28.25%	
INFOSYS LTD	3.30%	
HDFC BANK LTD	2.92%	
YES BANK LTD	2.77%	
DIVIS LABORATORIES LTD	2.32%	
ICICI BANK LTD	1.84%	
ITC LTD	1.68%	
LARSEN & TOUBRO LTD	1.65%	
TATA MOTORS LTD	1.58%	
HCL TECHNOLOGIES LTD	1.54%	
RELIANCE INDUSTRIES LTD	1.43%	
MARUTI SUZUKI INDIA LTD	1.39%	
SUN PHARMACEUTICALS INDUSTRIES LTD	1.38%	
MOTHERSON SUMI SYSTEMS LTD	1.16%	
ULTRATECH CEMENT LTD	1.15%	
AXIS BANK LTD	1.12%	
CUMMINS INDIA LTD	1.07%	
TECH MAHINDRA LTD	0.95%	
IDFC LTD	0.90%	
INDIAN HOTELS CO LTD	0.86%	
CIPLA LTD	0.85%	
CESC LTD	0.77%	
HEALTHCARE GLOBAL ENTERPRISES LTD.	0.74%	
LUPIN LTD	0.73%	
BATA INDIA LTD	0.73%	
CASTROL INDIA LTD	0.72%	
INOX WIND LTD	0.68%	
JUBILANT FOODWORKS LTD	0.67%	
ENGINEERS INDIA LTD	0.66%	
HERO MOTOCORP LTD	0.53%	
MANGALORE REFINERY & PETROCHEMICALS LTD	0.41%	
TATA CONSULTANCY SERVICES LTD	0.38%	
EQUITY TOTAL	38.87%	
MONEY MARKET TOTAL	6.44%	
GRAND TOTAL	100.00%	

fund characteristics

Modified Duration of Debt Portfolio (Yrs) 4.83
YTM of debt portfolio (%) 7.65

asset allocation



SFIN :

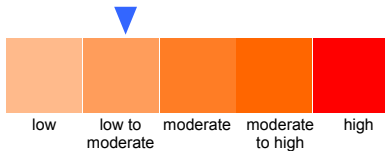
ULGF00110/10/03GBALANCE01121

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 June, 2016

gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Balanced Fund 1	8.27	10.59	10.05
Benchmark	8.09	9.54	9.05

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

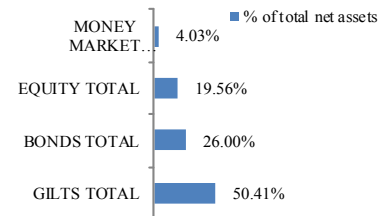
portfolio

Name of the instrument	% total net assets	Rating
9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/24)	7.83%	LAAA
8.93% NTPC LTD NCD (MD 19/01/2021)	6.11%	LAAA
9.25% TATA SONS LTD NCD (MD 19/06/2019)	4.60%	LAAA
8.60% LIC HSG FIN LTD NCD OPT 2 (MD 28/12/2020)	3.02%	AAA
8.30% RECL LTD NCD (MD 10/04/2025)	2.97%	AAA
8.11% RECL LTD NCD (MD 07/10/2025)	1.47%	AAA
BONDS TOTAL	26.00%	
7.72% GOI (MD 25/05/2025)	24.37%	SOVEREIGN
7.88% GOI (MD 19/03/2030)	7.02%	SOVEREIGN
7.68% GOI (MD 15/12/2023)	6.31%	SOVEREIGN
8.15% RAJASTHAN SPL SDL (MD 23/06/2021)	4.47%	SOVEREIGN
7.61% GOI(MD 09/05/2030)	2.67%	SOVEREIGN
8.27% GOI (MD 09/06/2020)	2.22%	SOVEREIGN
7.8% GOI (MD 11/04/2021)	2.02%	SOVEREIGN
7.59% GOI(MD 11/01/2026)	1.34%	SOVEREIGN
GILTS TOTAL	50.41%	
INFOSYS LTD	1.65%	
HDFC BANK LTD	1.46%	
YES BANK LTD	1.38%	
DIVIS LABORATORIES LTD	1.16%	
ICICI BANK LTD	0.93%	
ITC LTD	0.84%	
LARSEN & TOUBRO LTD	0.83%	
TATA MOTORS LTD	0.80%	
HCL TECHNOLOGIES LTD	0.78%	
RELIANCE INDUSTRIES LTD	0.72%	
SUN PHARMACEUTICALS INDUSTRIES LTD	0.69%	
MARUTI SUZUKI INDIA LTD	0.65%	
MOTHERSON SUMI SYSTEMS LTD	0.58%	
ULTRATECH CEMENT LTD	0.58%	
AXIS BANK LTD	0.56%	
CUMMINS INDIA LTD	0.54%	
TECH MAHINDRA LTD	0.48%	
CESC LTD	0.45%	
IDFC LTD	0.45%	
INDIAN HOTELS CO LTD	0.44%	
CIPLA LTD	0.43%	
HEALTHCARE GLOBAL ENTERPRISES LTD.	0.38%	
LUPIN LTD	0.37%	
BATA INDIA LTD	0.36%	
CASTROL INDIA LTD	0.36%	
INOX WIND LTD	0.34%	
JUBILANT FOODWORKS LTD	0.34%	
ENGINEERS INDIA LTD	0.33%	
HERO MOTOCORP LTD	0.26%	
MANGALORE REFINERY & PETROCHEMICALS LTD	0.20%	
TATA CONSULTANCY SERVICES LTD	0.19%	
EQUITY TOTAL	19.56%	
MONEY MARKET TOTAL	4.03%	
GRAND TOTAL	100.00%	

fund characteristics

Modified Duration of Debt Portfolio (Yrs)	5.39
YTM of debt portfolio (%)	7.72

asset allocation



SFIN :

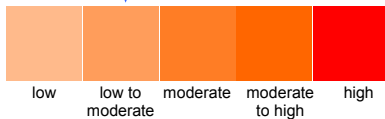
ULGF00210/10/03GBALANCE02121

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 June, 2016

gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Balanced Fund 2	8.61	10.99	10.49
Benchmark	8.09	9.54	9.05

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

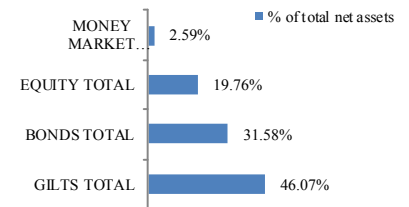
portfolio

Name of the instrument	% total net assets	Rating
9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/24)	8.28%	LAAA
10% INDIABULLS HOUSING FIN LTD NCD(MD 29/09/2019)	4.81%	AAA
9.25% TATA SONS LTD NCD (MD 19/06/2019)	3.24%	LAAA
8.45% HDFC LTD NCD (MD 18/05/2026)	3.19%	LAAA
8.36% POWER FIN CORP LTD NCD OPT B (04/09/2020)	3.16%	LAAA
8.30% RECL LTD NCD (MD 10/04/2025)	2.36%	AAA
8.11% RECL LTD NCD (MD 07/10/2025)	2.18%	AAA
8.45% POWER FIN CORP LTD NCD (MD 10/08/2020)	1.59%	LAAA
9.70% TATA SONS LTD NCD (MD 25/07/2022)	1.00%	LAAA
8.93% NTPC LTD NCD (MD 19/01/2021)	0.97%	LAAA
8.97% TATA SONS LTD NCD (MD 15/07/2020)	0.81%	LAAA
BONDS TOTAL	31.58%	
7.72% GOI (MD 25/05/2025)	18.60%	SOVEREIGN
7.88% GOI (MD 19/03/2030)	7.22%	SOVEREIGN
8.27% GOI (MD 09/06/2020)	6.37%	SOVEREIGN
8.15% RAJASTHAN SPL SDL (MD 23/06/2021)	5.99%	SOVEREIGN
7.61% GOI(MD 09/05/2030)	2.49%	SOVEREIGN
7.68% GOI (MD 15/12/2023)	2.06%	SOVEREIGN
7.8% GOI (MD 11/04/2021)	2.05%	SOVEREIGN
7.59% GOI(MD 11/01/2026)	1.30%	SOVEREIGN
GILTS TOTAL	46.07%	
INFOSYS LTD	1.66%	
HDFC BANK LTD	1.44%	
YES BANK LTD	1.42%	
DIVIS LABORATORIES LTD	1.17%	
ICICI BANK LTD	0.94%	
ITC LTD	0.84%	
LARSEN & TOUBRO LTD	0.84%	
TATA MOTORS LTD	0.82%	
HCL TECHNOLOGIES LTD	0.79%	
RELIANCE INDUSTRIES LTD	0.73%	
SUN PHARMACEUTICALS INDUSTRIES LTD	0.71%	
MARUTI SUZUKI INDIA LTD	0.66%	
MOTHERSON SUMI SYSTEMS LTD	0.59%	
ULTRATECH CEMENT LTD	0.59%	
AXIS BANK LTD	0.57%	
CUMMINS INDIA LTD	0.56%	
TECH MAHINDRA LTD	0.49%	
IDFC LTD	0.46%	
INDIAN HOTELS CO LTD	0.45%	
CIPLA LTD	0.44%	
CESC LTD	0.40%	
HEALTHCARE GLOBAL ENTERPRISES LTD.	0.38%	
LUPIN LTD	0.38%	
BATA INDIA LTD	0.37%	
CASTROL INDIA LTD	0.37%	
JUBILANT FOODWORKS LTD	0.35%	
INOX WIND LTD	0.35%	
ENGINEERS INDIA LTD	0.34%	
HERO MOTOCORP LTD	0.26%	
MANGALORE REFINERY & PETROCHEMICALS LTD	0.21%	
TATA CONSULTANCY SERVICES LTD	0.19%	
EQUITY TOTAL	19.76%	
MONEY MARKET TOTAL	2.59%	
GRAND TOTAL	100.00%	

fund characteristics

Modified Duration of Debt Portfolio (Yrs)	5.24
YTM of debt portfolio (%)	7.78

asset allocation



SFIN :

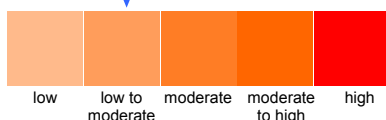
ULGF02105/06/13GBALANCE04121

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 June, 2016

gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Balanced Fund 4	8.48	-	-
Benchmark	8.09	-	-

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

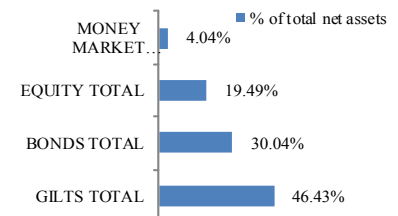
portfolio

Name of the instrument	% total net assets	Rating
8.525% LIC HOUSING FINANCE LTD NCD (24/09/2020)	2.43%	AAA
8.27% RECL LTD NCD (MD 06/02/2025)	2.40%	LAAA
8.13% POWER GRID CORP NCD STRRP 4 (MD 25/04/2023)	2.38%	LAAA
8.75% RELIANCE INDUSTRIES LTD NCD (MD 07/05/2020)	2.34%	AAA
8.11% RECL LTD NCD (MD 07/10/2025)	2.09%	AAA
8.45% POWER FIN CORP LTD NCD (MD 10/08/2020)	2.08%	LAAA
8.30% RECL LTD NCD (MD 10/04/2025)	1.82%	AAA
8.40% NUCLEAR POWER CORPN NCD OP A (MD 28/11/2025)	1.47%	AAA
8.45% HDFC LTD NCD (MD 18/05/2026)	1.46%	LAAA
8.36% POWER FIN CORP LTD NCD OPT B (04/09/2020)	1.45%	LAAA
8.36% POWER FIN CORP LTD NCD (MD 26/02/2020)	1.36%	AAA
8.75% HDFC LTD NCD (MD 04/03/2021)PUT 14/04/2017	0.98%	LAAA
8.40% POWER GRID CORP NCD STRP H (MD 27/05/2026)	0.97%	LAAA
8.57% RECL LTD NCD (MD 21/12/2024)	0.73%	AAA
9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/24)	0.56%	LAAA
9.70% TATA SONS LTD NCD (MD 25/07/2022)	0.36%	LAAA
8.13% POWER GRID CORP NCD STRRP 5 (MD 25/04/2024)	0.28%	LAAA
8.67% LIC HOUS FIN LTD NCD (MD 26/08/2020)	0.24%	AAA
8.93% NTPC LTD NCD (MD 19/01/2021)	0.15%	LAAA
9.25% TATA SONS LTD NCD (MD 19/06/2019)	0.10%	LAAA
BONDS TOTAL	30.04%	
7.72% GOI (MD 25/05/2025)	20.39%	SOVEREIGN
7.88% GOI (MD 19/03/2030)	7.02%	SOVEREIGN
8.27% GOI (MD 09/06/2020)	4.84%	SOVEREIGN
7.8% GOI (MD 11/04/2021)	3.89%	SOVEREIGN
8.15% RAJASTHAN SPL SDL (MD 23/06/2021)	3.51%	SOVEREIGN
7.68% GOI (MD 15/12/2023)	2.78%	SOVEREIGN
7.61% GOI (MD 09/05/2030)	2.71%	SOVEREIGN
7.59% GOI (MD 11/01/2026)	1.29%	SOVEREIGN
GILTS TOTAL	46.43%	
INFOSYS LTD	1.65%	
HDFC BANK LTD	1.41%	
YES BANK LTD	1.36%	
DIVIS LABORATORIES LTD	1.16%	
ICICI BANK LTD	0.92%	
ITC LTD	0.84%	
LARSEN & TOUBRO LTD	0.82%	
TATA MOTORS LTD	0.80%	
HCL TECHNOLOGIES LTD	0.78%	
RELIANCE INDUSTRIES LTD	0.72%	
MARUTI SUZUKI INDIA LTD	0.69%	
SUN PHARMACEUTICALS INDUSTRIES LTD	0.69%	
MOTHERSON SUMI SYSTEMS LTD	0.58%	
ULTRATECH CEMENT LTD	0.57%	
AXIS BANK LTD	0.56%	
CUMMINS INDIA LTD	0.55%	
TECH MAHINDRA LTD	0.49%	
IDFC LTD	0.45%	
CESC LTD	0.45%	
INDIAN HOTELS CO LTD	0.43%	
CIPLA LTD	0.43%	
BATA INDIA LTD	0.37%	
LUPIN LTD	0.37%	
HEALTHCARE GLOBAL ENTERPRISES LTD.	0.36%	
CASTROL INDIA LTD (FV RS. 5-)	0.36%	
INOX WIND LTD	0.34%	
JUBILANT FOODWORKS LTD	0.34%	
ENGINEERS INDIA LTD	0.34%	
HERO MOTOCORP LTD	0.26%	
MANGALORE REFINERY & PETROCHEMICALS LTD	0.20%	
TATA CONSULTANCY SERVICES LTD	0.19%	
EQUITY TOTAL	19.49%	
MONEY MARKET TOTAL	4.04%	
GRAND TOTAL	100.00%	

fund characteristics

Modified Duration of Debt Portfolio (Yrs)	5.23
YTM of debt portfolio (%)	7.71

asset allocation



SFIN :

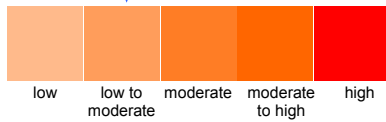
ULGF01213/10/08GCBOND02121

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 June, 2016

gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Corporate Bond Fund 2	10.18	9.48	10.12
Benchmark	10.19	8.59	9.03

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

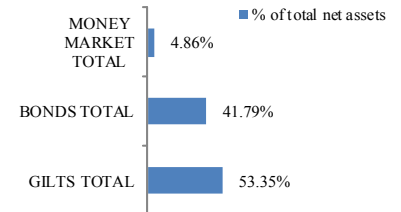
portfolio

Name of the instrument	% total net assets	Rating
9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/24)	8.71%	LAAA
8.75% RELIANCE INDUSTRIES LTD NCD (MD 07/05/2020)	3.98%	AAA
8.30% RECL LTD NCD (MD 10/04/2025)	3.95%	AAA
8.75% HDFC LTD NCD (MD 04/03/2021)PUT 14/04/2017	3.33%	LAAA
8.35% LIC HOUSING FINANCE LTD NCD (MD 23/10/2020)	3.32%	AAA
8.11% RECL LTD NCD (MD 07/10/2025)	2.86%	AAA
8.60% LIC HSG FIN LTD NCD OPT 1 (MD 26/02/2021)	2.40%	AAA
8.36% POWER FIN CORP LTD NCD (MD 26/02/2020)	2.14%	AAA
8.93%POWER GRID CORP LTD STRP H NCD(MD20/OCT/2025)	2.12%	LAAA
8.13% POWER GRID CORP NCD STRRP 6 (MD 25/04/2025)	2.02%	LAAA
8.93% NTPC LTD NCD (MD 19/01/2021)	1.68%	LAAA
8.45% HDFC LTD NCD (MD 18/05/2026)	1.65%	LAAA
8.60% LIC HSG FIN LTD NCD OPT 2 (MD 28/12/2020)	1.53%	AAA
8.36% POWER FIN CORP LTD NCD OPT B (04/09/2020)	1.23%	LAAA
10% INDIABULLS HOUSING FIN LTD NCD(MD 29/09/2019)	0.60%	AAA
9.25% TATA SONS LTD NCD (MD 19/06/2019)	0.21%	LAAA
8.40% POWER GRID CORP NCD STRP H (MD 27/05/2026)	0.08%	LAAA
BONDS TOTAL	41.79%	
7.72% GOI (MD 25/05/2025)	21.23%	SOVEREIGN
7.88% GOI (MD 19/03/2030)	8.94%	SOVEREIGN
7.68% GOI (MD 15/12/2023)	7.00%	SOVEREIGN
7.8% GOI (MD 11/04/2021)	5.42%	SOVEREIGN
7.61% GOI(MD 09/05/2030)	3.33%	SOVEREIGN
8.27% GOI (MD 09/06/2020)	3.24%	SOVEREIGN
8.15% RAJASTHAN SPL SDL (MD 23/06/2021)	2.57%	SOVEREIGN
7.59% GOI(MD 11/01/2026)	1.62%	SOVEREIGN
GILTS TOTAL	53.35%	
MONEY MARKET TOTAL	4.86%	
GRAND TOTAL	100.00%	

fund characteristics

Modified Duration of Debt Portfolio (Yrs)	5.19
YTM of debt portfolio (%)	7.73

asset allocation



SFIN :

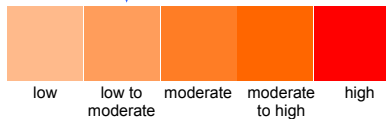
ULGF02305/06/13GCORBOND03121

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 June, 2016

gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Corporate Bond Fund 3	10.13	-	-
Benchmark	10.19	-	-

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

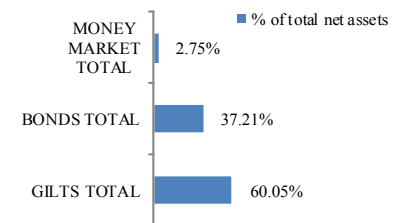
portfolio

Name of the instrument	% total net assets	Rating
8.36% POWER FIN CORP LTD NCD (MD 26/02/2020)	5.60%	AAA
8.30% RECL LTD NCD (MD 10/04/2025)	4.38%	AAA
8.40% NUCLEAR POWER CORPN NCD OP A (MD 28/11/2025)	3.48%	AAA
9.25% RELIANCE JIO INFOCOM LTD NCD (MD 16/06/24)	3.03%	LAAA
8.60% LIC HSG FIN LTD NCD OPT 1 (MD 26/02/2021)	2.47%	AAA
8.40% POWER GRID CORP NCD STRP G (MD 27/05/2025)	2.46%	LAAA
8.45% POWER FIN CORP LTD NCD (MD 10/08/2020)	2.46%	LAAA
8.13% POWER GRID CORP NCD STRRP 7 (MD 24/04/2026)	2.42%	LAAA
8.67% LIC HOUS FIN LTD NCD (MD 26/08/2020)	2.23%	AAA
8.11% RECL LTD NCD (MD 07/10/2025)	1.93%	AAA
9.43% TATA SONS LTD NCD (MD 02/06/2019)	1.77%	LAAA
8.75% RELIANCE INDUSTRIES LTD NCD (MD 07/05/2020)	1.54%	AAA
8.93% NTPC LTD NCD (MD 19/01/2021)	0.85%	LAAA
8.35% LIC HOUSING FINANCE LTD NCD (MD 23/10/2020)	0.69%	AAA
9.25% TATA SONS LTD NCD (MD 19/06/2019)	0.55%	LAAA
8.57% RECL LTD NCD (MD 21/12/2024)	0.49%	AAA
8.45% HDFC LTD NCD (MD 18/05/2026)	0.49%	LAAA
10% INDIABULLS HOUSING FIN LTD NCD(MD 29/09/2019)	0.36%	AAA
BONDS TOTAL	37.21%	
7.72% GOI (MD 25/05/2025)	24.21%	SOVEREIGN
7.88% GOI (MD 19/03/2030)	8.74%	SOVEREIGN
7.68% GOI (MD 15/12/2023)	6.05%	SOVEREIGN
8.15% RAJASTHAN SPL SDL (MD 23/06/2021)	5.86%	SOVEREIGN
7.8% GOI (MD 11/04/2021)	5.33%	SOVEREIGN
8.27% GOI (MD 09/06/2020)	4.78%	SOVEREIGN
7.61% GOI(MD 09/05/2030)	3.45%	SOVEREIGN
7.59% GOI(MD 11/01/2026)	1.62%	SOVEREIGN
GILTS TOTAL	60.05%	
MONEY MARKET TOTAL	2.75%	
GRAND TOTAL	100.00%	

fund characteristics

Modified Duration of Debt Portfolio (Yrs)	5.33
YTM of debt portfolio (%)	7.75

asset allocation



Group Capital Secure Fund 1

Fund Performance As on 30th June, 2016

gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Capital Secure Fund 1	8.26	9.11	9.23
Benchmark	7.68	8.10	8.14

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

SFIN :

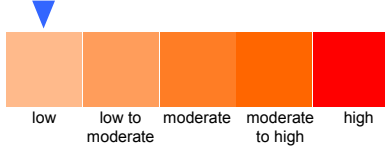
ULGF00431/01/07GCAPISEC01121

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



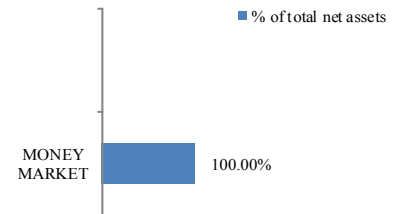
portfolio

Name of the instrument	% total net assets
MONEY MARKET	100.00%
MONEY MARKET TOTAL	100.00%

fund characteristics

Modified Duration of Debt Portfolio (Yrs)	0.1
YTM of debt portfolio (%)	8.19

asset allocation



target asset allocation

Money Market Instruments 100%

benchmark construction

Yield on 182-day T.Bills 100%

SFIN :

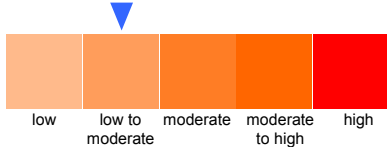
ULGF01610/12/08GGILTFUN02121

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%

Group Gilt Fund 2

Fund Performance As on 30th June, 2016

gross return			
Fund name	12 month returns	36 month returns	60 month returns
Group Gilt Fund 2	10.29	8.85	9.74
Benchmark	10.34	7.70	9.19

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

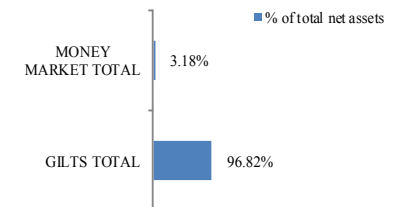
portfolio

Name of the instrument	% total net assets	Rating
7.72% GOI (MD 25/05/2025)	37.95%	SOVEREIGN
7.68% GOI (MD 15/12/2023)	18.12%	SOVEREIGN
7.88% GOI (MD 19/03/2030)	17.58%	SOVEREIGN
8.27% GOI (MD 09/06/2020)	8.34%	SOVEREIGN
7.61% GOI(MD 09/05/2030)	6.73%	SOVEREIGN
7.8% GOI (MD 11/04/2021)	5.03%	SOVEREIGN
7.59% GOI(MD 11/01/2026)	3.08%	SOVEREIGN
GILTS TOTAL	96.82%	
MONEY MARKET TOTAL	3.18%	
GRAND TOTAL	100.00%	

fund characteristics

Modified Duration of Debt Portfolio (Yrs)	6.14
YTM of debt portfolio (%)	7.52

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	26.8177
ULGF02205/06/13GEQUITYF04121	Reliance Life Insurance Group Leave encashment Plus Plan	Group Equity Fund 4	10.6079
ULGF01528/11/08GPUREEQF01121	Reliance Group Savings Linked Insurance Plan	Group Pure Equity Fund 1	30.6333
ULGF01908/06/09GINFRASF01121	Reliance Group Gratuity Plan / Group Superannuation Plan	Group Infrastructure Fund 1	11.0446
ULGF01428/11/08GENERGYF01121	Reliance Group Savings Linked Insurance Plan	Group Energy Fund 1	19.1035
ULGF02008/06/09GMIDCAPF01121	Reliance Group Gratuity Plan / Group Savings Linked Insurance Plan	Group Midcap Fund 1	26.9202
ULGF00310/10/03GGROWTHF01121	Reliance Group Gratuity Plan / Group Superannuation Plan	Group Growth Fund 1	21.3402
ULGF00110/10/03GBALANCE01121	Reliance Group Gratuity Plan / Group Superannuation Plan	Group Balanced Fund 1	25.6072
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	21.86
ULGF02105/06/13GBALANCE04121	Reliance Group Gratuity Plan / Group Savings Linked Insurance Plan	Group Balanced Fund 4	12.1332
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	19.8688
ULGF02305/06/13GCORBOND03121	Reliance Group Gratuity Plan / Group Savings Linked Insurance Plan	Group Corporate Bond Fund 3	12.8898
ULGF00431/01/07GCAPISEC01121	Reliance Group Superannuation Plan / Group Savings Linked Insurance Plan	Group Capital Secure Fund 1	21.0247
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	17.2883

- √ 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

“While every care has been taken in the preparation of this document, Reliance Life Insurance Company Ltd makes no representation or warranty about the accuracy or completeness of any statement in it including, without limitation, any forecasts. Past performance is not a reliable indicator of future performance. This document has been prepared for the purpose of providing general information, without taking account of any particular investor's objectives, financial situation or needs. An investor should, before making any investment decisions, consider the appropriateness of the investor's objectives, financial situation and needs. This document is solely for the use of the party to whom it is provided.”

“Unit Link Life Insurance Products are different from the traditional insurance products and are subject to the risk factors.”

“The premium paid in Unit Linked Life Insurance policies are subject to investment risks associated with capital markets and the NAVs of the units may go up or down based on the performance of fund and factors influencing the capital market and the insured is responsible for his/her decisions.”

“Reliance Life Insurance company Limited is only the name of the Insurance company and the specified Unit Linked funds do not in any way indicate the quality of the contract, its future prospects or returns.”

“For more details on RLIC products and respective risk factors, terms and conditions please read respective sales brochure documents carefully before concluding a sale. The respective sales brochure documents for various products are published in the website “www.reliancelife.com”

“Insurance is the subject matter of solicitation. Reliance Life Fund Insurance company Limited is a licensed life fund Insurance company registered with the Insurance Regulatory and Development Authority (Registration No: 121) in accordance with the provisions of the Insurance Act 1938.”