

# Fund Assure

*Investment Report, February 2015*



*IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER.*

**Dear Friends,**

***The month of February 2015 saw the benchmark index BSE Sensex and CNX Nifty gain a modest 0.61% and 1.06% respectively. The Mid-cap index, CNX Mid-cap shed 0.05% during the same period.***

On the global front, the minutes of the US Federal reserve (Fed) and congressional testimony by the Fed chairperson Janet Yellen revealed a continued dovish tone to monetary policy as inflation in the US continued to be low. In the Euro zone, Greece managed to reach an agreement with the European Central Bank, European Union and International Monetary Fund to extend their funding by four months, averting a near term crisis. This gives some time for negotiations on the reforms and austerity measures which need to be implemented by Greece to secure a long term bailout package.

On the domestic front, the Union budget focused on enabling growth oriented policies even as the government relaxed the fiscal deficit target to 3.9% of GDP in FY 2016. In a major development, the government implemented the recommendations of the Fourteenth Finance Commission (FFC), which entail 42% of the divisible pool of gross taxation revenues for states as against the 32% earlier. Thus, the central government's net taxation revenues in FY 2016 is budgeted higher by just 1.3% year on year compared to FY 2015 revised estimates due to its lower share in central taxes. Consequently, there has been a modest 6% increase in overall expenditure and 1% decline in plan expenditure budgeted for FY2016 as against the FY2015 revised estimates.

The Union budget has laid a credible roadmap for critical reforms around fiscal consolidation over the next three years and attempted to increase the ease of doing business as well as encouraged higher financial savings. The commitment to implementation of Goods & Services Tax (GST) and Direct Benefit Transfers and simplifying the tax structure are the key fiscal reforms. "Plug and play" mode for faster progress in big ticket infrastructure projects, revamping bankruptcy laws and remodeling Public private partnership (PPP) contracts are seen as key initiatives aimed at increasing the ease of doing business. Innovative attempts have been made to encourage financial savings in pension schemes and monetize gold holdings. The budget proposed a phased reduction in corporate tax rate to 25% over the next 4 years from the current 30% to improve India's competitiveness as an investment destination. The government also highlighted the medium term plan for skilling youth and helping job creation through revival of growth and investment.

The Economic survey 2015 reiterated the need to boost public investment in order to lead the capex cycle as the private capex cycle has been constrained owing to debt overhang in infrastructure and stress in the public sector bank balance sheets. The survey suggested channelizing the benefits of subsidy reduction, higher disinvestment proceeds and additional tax revenue gains from excise hike in petroleum products towards public investment. These views have found expression in the Union budget where the government has increased allocation in the key sectors of roads, railways and urban infrastructure.

The RBI has nudged the repo rate downwards by 25 bps to 7.5% by acting outside the policy review cycle in response to the quality of the fiscal consolidation in the Union budget. The RBI stated that there were many important and valuable structural reforms embedded in the budget, which would help improve supply over the medium term even though the postponement of fiscal consolidation to the 3% target by one year would add to aggregate demand and was a near term concern.

HSBC's India manufacturing PMI in February fell to a 5 month low at 51.2 as against 52.9 in January, as both output and new orders decelerated further even as new export orders grew at a robust pace. Meanwhile, inflationary pressures continued their downward trend as input prices and output prices eased further.

The advance real GDP estimates at market price for FY2015 showed an uptick of 7.4% from 6.9% in FY2014 and 5.1% in FY2013 as per the new base and methodology.

January trade deficit narrowed to an eleven month low of USD 8.3 bn from USD9.4 bn in the prior month, helped by sharp fall in oil import bill. Exports contracted by 11.2% year on year while imports contracted by 11.4% year on year.

The Consumer Price Index (CPI) inflation for January 2015 came in at 5.1% year on year under the new series, lower than the market expectation of around 5.5%. WPI inflation for the month of January also surprised on the downside, contracting 0.39% from a positive 0.11% in the prior month. A downward bias in January CPI inflation level, negative WPI inflation print in January as well as downward revision in previous reading of CPI and WPI inflation augur well for further rate action from the RBI in the medium term.

In the near term, the markets would be factoring in the impact of the Union budget as well as the RBI's repo rate cut in response to the quality of the government's fiscal consolidation. We believe that the equity markets continue to offer the comfort of reasonable valuations for a long-term investor with a 3-5 year view.

**Team Investment**

## Market Outlook - Debt

Fund Assure, Investment Report, February 2015

Debt market in the month of February 2015 saw the 10 year Government security (G-sec) close the month at 7.72% levels, hardening by 3 bps from the January levels. The muted performance of the benchmark 10 year G-sec did not reflect the positive sentiments seen in the G-sec market over the month of February as the market was in anticipation of the issuance of the new 10 year government security. On the corporate bond side, the 10 year AAA corporate bonds closed the month at around 8.27% levels, hardening by 3 bps over the month. The foreign portfolio investors (FPIs) have bought Indian debt to the tune of USD 1.7 bn in the month of February 2015 taking the cumulative purchase to around USD 5.5 bn in the first two months of the calendar year 2015.

In a landmark event expected to shape the Indian fixed income market in the long term, the RBI and the government have finalized the monetary policy framework, where the CPI inflation target has been set at 4% (+/-) 2% for FY2017 and beyond after aiming to bring inflation below 6% by January 2016. The RBI, every six months, shall publish documents explaining the sources of inflation and the inflation forecasts for a period of 6-18 months from publication of the document. The framework details that the RBI will have failed to meet the inflation target either if inflation is more than 6%, or if inflation is less than 2% for three consecutive quarters in FY2016 and subsequent years. The framework mandates the RBI to report to the central government the reasons for failure to achieve target, remedial action proposed to be taken by the RBI and estimate of time period within which the target would be achieved pursuant to timely implementation of the proposed remedial actions if the RBI fails to meet the inflation target.

The government has expressed its intention to amend the RBI Act, in order to provide for a Monetary Policy Committee to formalize inflation targeting. In addition, it announced the creation of a public debt management agency, bringing external and domestic borrowings under one roof for better coordination.

The government's net borrowing in FY 2016 is estimated at ₹4,564 bn, around FY 2015 levels.

The pro-growth budget committed to high quality fiscal consolidation over the next three years is expected to form a backdrop for sustained easing in interest rates over the next fiscal. The RBI has nudged the repo rate downwards by 25 bps to 7.5% by acting outside the policy review cycle in response to the quality of the fiscal consolidation in the Union budget.

The RBI stated that the need to act outside the policy review cycle was prompted by two factors: First, while the next bi-monthly policy statement would be issued on April 7<sup>th</sup>, 2015 the still weak state of certain sectors of the economy as well as the global trend towards easing suggested that any policy action should be anticipatory once sufficient data support the policy stance. Second, with the release of the agreement on the monetary policy framework, it was appropriate for the RBI to offer guidance on how it will implement the mandate.

Going forward, the RBI will seek to bring the inflation rate to the mid-point of the band of 4 +/- 2 % provided for in the agreement, i.e., to 4% by the end of a two year period starting fiscal year 2016-17.

The guidance on policy action given in the fifth Bi-monthly monetary policy statement of December 2014 was kept largely unchanged. The RBI stated that further monetary actions will be conditioned by incoming data, especially on the easing of supply constraints, improved availability of key inputs such as power, land, minerals and infrastructure, continuing progress on high-quality fiscal consolidation, the pass through of past rate cuts into lending rates, the monsoon outturn and developments in the international environment.

The bond markets have reacted positively to the repo rate cut as well as the guidance from the RBI.

## Market Outlook - Equity

Fund Assure, Investment Report, February 2015

The month of February 2015 saw the benchmark index BSE Sensex and CNX Nifty gain a modest 0.61% and 1.06% respectively. The Mid-cap index, CNX Mid-cap shed 0.05% during the same period.

FIIIs were net buyers with inflows of around USD 1.1 bn in the month of February 2015 and the DIIs were net buyers to the tune of around USD 0.4 bn, with insurance companies' net sellers of around USD 0.15 bn and domestic mutual funds, net buyers to the extent of around USD 0.54 bn over the same period. FIIIs have bought Indian equities to the tune of USD 4 bn in the first two months of the calendar year even as the DIIs have been net sellers of around USD 0.9 bn in the same period, with insurance companies selling around USD 1.6 bn even as domestic mutual funds bought around USD 0.7 bn.

The third quarter FY 2015 earnings season has been subpar with the improving macro situation not flowing through into corporate earnings. The results largely signaled weak revenue growth and the continued asset quality pressures in the financial system. Aggregate PAT of companies making up the BSE Sensex contracted 0.7% year on year even as aggregate Sensex EBITDA margins missed market estimates to remain flat on a year on year basis. Companies linked to consumption and exports fared relatively better even as revenue growth for domestic investment linked sectors and commodity sectors remained weak.

The Union budget provided a much needed boost to the infrastructure sector through robust allocation, predominantly to the railways and roads and provided a roadmap for higher spending in the power sector, especially in renewable energy. The roads sector saw the outlay in the budget increasing by 54% year on year in FY 2016. The Railway budget outlined a 5-year plan targeting aggressive investments of ₹8.5tn. The plan outlay for FY2016 has been budgeted at ₹1.0 tn, 52% higher than the outlay for FY2015 revised estimates.

The capex cycle is expected to be driven by state owned companies with the government augmenting fund availability by announcing setting up of the National Investment and Infrastructure Fund (NIIF), which will leverage an annual ₹200bn contribution for investments in infra projects. In addition, tax-free infrastructure bonds for projects in the rail, road and irrigation sectors have also been introduced.

There were a slew of proposals to boost sentiment by easing policy bottlenecks and promoting a positive investment climate. In an effort to address the issue of non-performing loans, the government proposed to create a new bankruptcy law to replace the Sick Industrial Companies Act and the Board for Industrial and Financial Reconstruction.

In a welcome move, the finance ministry deferred the applicability of General Anti Avoidance Rule (GAAR) by two years and clarified that when implemented, GAAR would apply prospectively to investments made on or after April 2017.

In the Union budget, the finance minister announced key changes in the tax laws governing Real Estate Investment Trusts (REITs) in India which include exemption of capital gains tax on listing of REIT units by the sponsor, and pass through status for rental income arising to the REIT from property directly held by it.

The Union budget proposed to introduce a gold monetization scheme to bring in efficiency in gold consumption, encourage a shift from physical to financial assets as well as moderate gold imports. The government seeks to facilitate the Indian households in monetizing its large gold holdings estimated at 20,000 tons.

The first round of coal block bidding has been completed for 18 mines and the state governments are expected to get revenues of ₹1.1tn over the next 30 years. The aggressive bidding in the first round of auctions for coal mines clearly indicates that the companies have given priority to long-term coal supply over near term pricing issues.

The announcements in the Union budget to kick start public spend; simplify tax laws as well as improve the investment climate have been well received by the global investors. Focus now shifts to the legislative agenda of the government, especially the important economic bills which need to be passed in the budget session of the parliament. A productive budget session could act as a near term catalyst to sustain the investor sentiment.

Going forward, the transmission of rate cuts by the banks will be a positive for domestic consumption as well as a tailwind for corporate earnings. We believe that the equity markets continue to offer comfort of reasonable valuations for a long-term investor with a 3-5 year view.

**Equity Fund**

**Short Term Fixed  
Income Fund**

**Income Fund**

**Liquid Fund**

**Bond Fund**

**Balanced Fund**

**Growth Fund**

**Pension Schemes**

## Equity Fund

ULGF 001 02/03/04 E1 110

Fund Assure, Investment Report, February 2015

### Fund Details

**Investment Objective** : The primary investment objective of the fund is to generate long term capital appreciation from a portfolio that is invested predominantly in equity and equity linked securities.

**NAV as on 28 Feb, 15** : ₹55.6139

**Benchmark** : S&P BSE Sensex - 100%

### Investment Style

Investment Style			
Value	Blend	Growth	Size
			Large
			Mid
			Small

### Portfolio

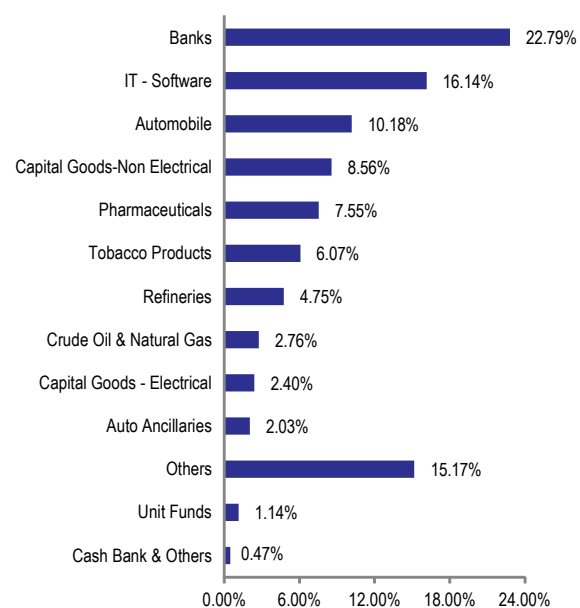
Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		<b>98.39</b>
Infosys Technologies Ltd.	IT - Software	8.90
HDFC Bank Ltd.	Banks	7.61
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	7.54
ICICI Bank Ltd.	Banks	6.26
ITC Ltd.	Tobacco Products	6.07
Tata Consultancy Services Ltd.	IT - Software	5.18
Reliance Industries Ltd.	Refineries	4.75
Tata Motors Ltd.	Automobile	4.60
Axis Bank Ltd.	Banks	3.17
State Bank of India	Banks	3.12
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	2.94
Maruti Suzuki India Ltd.	Automobile	2.10
Oil and Natural Gas Corpn Ltd.	Crude Oil & Natural Gas	2.10
Motherson Sumi Systems Ltd.	Auto Ancillaries	2.03
IndusInd Bank Ltd.	Banks	1.78
Other Equity		30.25
<b>Unit Funds</b>		<b>1.14</b>
JPMorgan India Liquid Fund - Super Institutional Plan - Growth Option		1.14
<b>Cash Bank &amp; Others</b>		<b>0.47</b>
<b>Total</b>		<b>100.00</b>

### Fund Performance

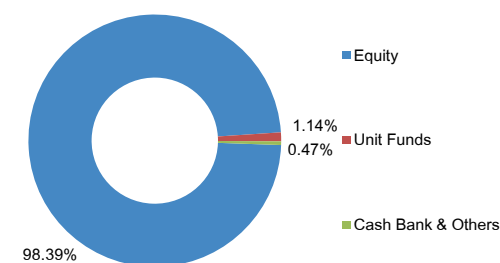
PERIOD	DATE	NAV	S&P BSE Sensex	NAV Change	INDEX Change
Last 3 Months	28-Nov-14	53.9675	28693.99	3.05%	2.33%
Last 6 Months	28-Aug-14	50.0885	26638.11	11.03%	10.22%
Last 1 Year	28-Feb-14	40.1037	21120.12	38.68%	39.02%
Last 2 Years	28-Feb-13	35.5413	18861.54	25.09%	24.77%
Last 3 Years	29-Feb-12	33.4592	17752.68	18.46%	18.26%
Last 4 Years	28-Feb-11	33.2751	17823.40	13.70%	13.29%
Last 5 Years	26-Feb-10	30.1960	16429.55	12.99%	12.31%
Since Inception	29-Mar-04	10.0000	5571.37	17.00%	16.43%

**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

### Sector Allocation



### Asset Allocation



Pension Schemes

# Short Term Fixed Income Fund

ULGF 004 01/07/06 S1 110

Fund Assure, Investment Report, February 2015

## Fund Details

**Investment Objective** : Short Term Fixed Income Fund is a unit linked fund devised with the objective of generating stable returns by investing in fixed income securities having shorter maturity periods. Under normal circumstances, the average maturity of the fund may be in the range of 1-3 years.

**NAV as on 28 Feb, 15** : ₹18.2274

**Benchmark** : CRISIL India Short Term Bond Index -100%

## Investment Style

Credit Quality			Interest Rate Sensivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio\*

Instrument	Industry/Rating	% of NAV
<b>Government Securities</b>		<b>35.80</b>
8.78% Haryana SDL 23-Jul-17	Sovereign	16.09
6.49% GOI 08-Jun-15	Sovereign	6.57
8.77% Karnataka SDL 21-Nov-16	Sovereign	5.34
8.67% Karnataka SDL 18-Jul-17	Sovereign	4.28
7.38% GOI 03-Sep-15	Sovereign	3.52
<b>Corporate Bonds</b>		<b>51.15</b>
10.18% LIC Hsg. Finance Ltd. 19-Sep-16	AAA	8.67
8.43% IDFC Ltd. 02-Feb-18	AAA	6.36
8.97% AIRPORT AUTHORITY OF INDIA 11-Oct-16	AAA	5.34
8.80% SAIL 26-Oct-15	AAA	5.28
7.65% REC Ltd. 31-Jan-16	AAA	5.23
9.40% NABARD 24-May-17	AAA	3.24
8.38% SAIL Ltd. 16-Dec-17	AAA	3.17
9.61% PFC Ltd. 01-Jun-17	AAA	2.71
9.30% Blue Dart Express Ltd. 20-Nov-17	AA	2.67
9.35% HDFC Ltd. 04-Mar-16	AAA	2.12
9.46% PFC Ltd. 02-May-15	AAA	2.11
8.90% PFC Ltd. 21-Oct-17	AAA	1.60
9.15% IDFC Ltd. 19-Feb-16	AAA	1.06
7.50% Bank of India 16-Apr-15	AAA	0.53
7.45% Bank of Baroda LT II 28-Apr-15	AAA	0.53
7.45% Union Bank of India 23-Apr-15	AA+	0.53
<b>Unit Funds</b>		<b>8.34</b>
Reliance Liquid Fund-Treasury Plan -Growth Option		4.43
ICICI Prudential Liquid - Regular Plan - Growth		3.91
<b>Cash Bank &amp; Others</b>		<b>4.72</b>
<b>Total</b>		<b>100.00</b>

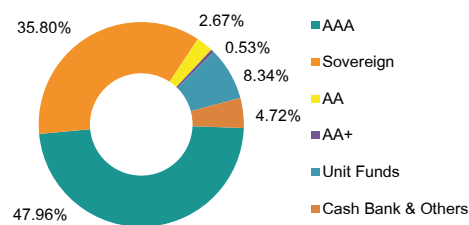
## Fund Performance

PERIOD	DATE	NAV	CRISIL Short-Term Bond Index	NAV Change	INDEX Change
Last 3 Months	28-Nov-14	17.8301	2357.70	2.23%	2.33%
Last 6 Months	28-Aug-14	17.3796	2291.16	4.88%	5.30%
Last 1 Year	28-Feb-14	16.6371	2179.98	9.56%	10.67%
Last 2 Years	28-Feb-13	15.4372	2009.60	8.66%	9.57%
Last 3 Years	29-Feb-12	14.1397	1847.91	8.83%	9.30%
Last 4 Years	28-Feb-11	13.0187	1701.47	8.78%	9.12%
Last 5 Years	26-Feb-10	12.4252	1621.98	7.97%	8.27%
Since Inception	03-Jul-06	10.0000	1242.33	7.18%	7.96%

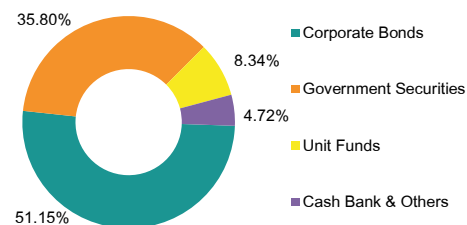
**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

\* **Note**: The details are as on 27th February, 2015

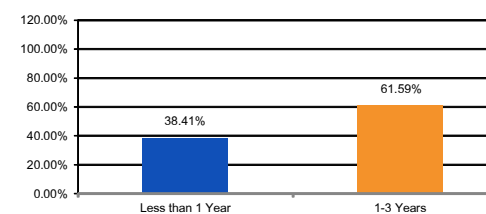
## Rating Profile\*



## Asset Allocation\*



## Maturity Profile\*



Pension Schemes



# Income Fund

ULGF 002 02/03/04 11 110

Fund Assure, Investment Report, February 2015

## Fund Details

**Investment Objective** : The primary investment objective of the fund is to generate income through investing in a range of debt and money market instruments of various maturities with a view to maximizing the optimal balance between yield, safety and liquidity. The fund will have no investments in equity or equity linked instruments at any point in time.

**NAV as on 28 Feb, 15** : ₹21.4874

**Benchmark** : CRISIL Composite Bond Index -100%

## Investment Style

Credit Quality			Interest Rate Sensivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

Instrument	Industry/Rating	% of NAV
<b>Government Securities</b> <b>64.49</b>		
8.15% GOI 24-Nov-26	Sovereign	17.04
7.16% GOI 20-May-23	Sovereign	8.76
8.83% GOI 25-Nov-23	Sovereign	6.99
8.28% GOI 21-Sep-27	Sovereign	6.18
8.60% GOI 02-Jun-28	Sovereign	6.03
9.23% GOI 23-Dec-43	Sovereign	4.39
8.30% GOI 31-Dec-42	Sovereign	3.77
8.05% Gujarat SDL 25-Feb-25	Sovereign	3.62
9.20% GOI 30-Sep-30	Sovereign	2.90
8.33% GOI 09-Jul-26	Sovereign	1.73
8.17% GOI 01-Dec-44	Sovereign	1.54
8.15% GOI 11-Jun-22	Sovereign	1.53
<b>Corporate Bonds</b> <b>33.09</b>		
2.00% Tata Steel Ltd. 23-Apr-22	AA	5.47
9.34% HDFC Ltd. 28-Aug-24	AAA	3.99
8.85% Yes Bank Ltd. 24-Feb-25	AA+	3.68
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	3.66

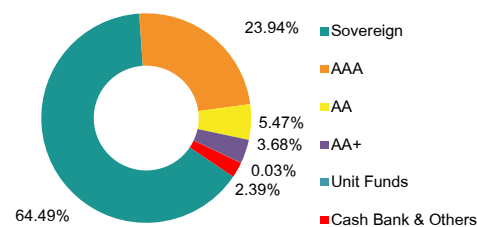
Instrument	Industry/Rating	% of NAV
8.48% PFC Ltd. 09-Dec-24	AAA	3.63
9.39% PFC Ltd. 27-Aug-29	AAA	3.23
8.23% REC Ltd. 23-Jan-25	AAA	2.16
0.00% NABARD 01-Jan-19	AAA	1.83
9.30% PGC Ltd. 28-Jun-21	AAA	1.31
8.40% NPCIL 28-Nov-25	AAA	0.85
9.95% SBI 16-Mar-26	AAA	0.72
9.61% PFC Ltd. 01-Jun-17	AAA	0.68
9.70% HDFC Ltd. 07-Jun-17	AAA	0.60
8.87% REC Ltd. 08-Mar-20	AAA	0.55
8.75% SAIL 23-Apr-20	AAA	0.42
9.35% REC Ltd. 15-Jun-22	AAA	0.22
8.93% NTPC Ltd. 19-Jan-21	AAA	0.09
<b>Unit Funds</b> <b>0.03</b>		
Reliance Liquid Fund-Treasury Plan -Growth Option		0.03
<b>Cash Bank &amp; Others</b> <b>2.39</b>		
<b>Total</b>		<b>100.00</b>

## Fund Performance

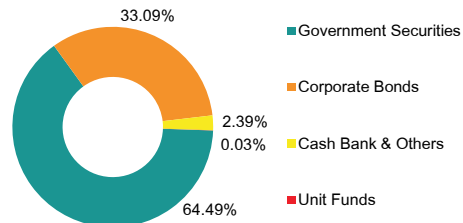
PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 3 Months	28-Nov-14	20.5968	2254.22	4.32%	3.37%
Last 6 Months	28-Aug-14	19.5254	2149.84	10.05%	8.39%
Last 1 Year	28-Feb-14	18.3951	2016.87	16.81%	15.54%
Last 2 Years	28-Feb-13	17.7632	1951.91	9.98%	9.26%
Last 3 Years	29-Feb-12	16.1186	1790.26	10.06%	9.19%
Last 4 Years	28-Feb-11	14.6743	1653.11	10.00%	8.96%
Last 5 Years	26-Feb-10	13.9177	1574.18	9.07%	8.16%
Since Inception	02-Mar-04	10.0000	1193.20	7.20%	6.27%

**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

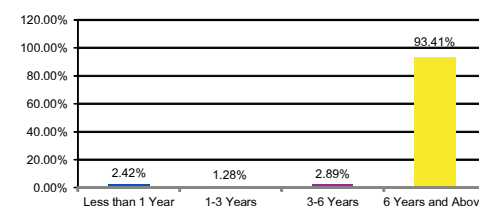
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes



# Liquid Fund

ULGF 003 02/03/04 L1 110

Fund Assure, Investment Report, February 2015

## Fund Details

**Investment Objective** : The primary investment objective of the fund is to provide reasonable returns, commensurate with low risk while providing a high level of liquidity, through investments made primarily in money market and debt securities. The fund will have no investments in equity or equity linked instruments at any point in time.

**NAV as on 28 Feb, 15** : ₹20.7472

**Benchmark** : CRISIL Liquid Fund Index -100%

## Investment Style

Credit Quality			Interest Rate Sensivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

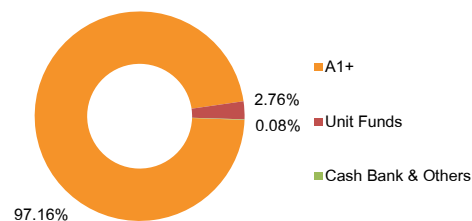
Instrument	Industry/Rating	% of NAV
<b>CD/CP's</b>		<b>97.16</b>
Canara Bank CD 02-Jun-15	A1+	9.68
Bank of India CD 09-Jun-15	A1+	9.67
Corporation Bank CD 19-Jun-15	A1+	9.64
PFC Ltd. CP 29-Jun-15	A1+	9.61
ANDHRA BANK CD 04-May-15	A1+	9.54
ALLAHABAD BANK CD 15-Apr-15	A1+	9.18
Punjab National Bank CD 02-Mar-15	A1+	9.06
Union Bank of India CD 09-Mar-15	A1+	9.05
Axis Bank CD 22-Sep-15	A1+	8.64
State Bank of Patiala CD 06-Jul-15	A1+	5.20
State Bank Of Patiala CD 21-Jul-15	A1+	3.99
HDFC BANK CD 12-Oct-15	A1+	3.91
<b>Unit Funds</b>		<b>2.76</b>
Reliance Liquid Fund-Treasury Plan -Growth Option		2.76
<b>Cash Bank &amp; Others</b>		<b>0.08</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

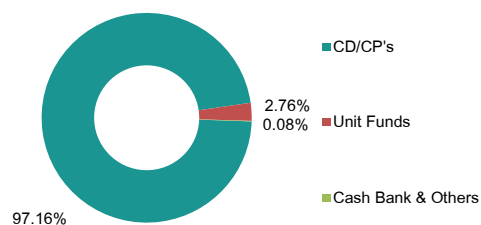
PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 3 Months	28-Nov-14	20.3502	2254.93	1.95%	2.08%
Last 6 Months	28-Aug-14	19.9474	2206.73	4.01%	4.31%
Last 1 Year	28-Feb-14	19.1414	2108.58	8.39%	9.17%
Last 2 Years	28-Feb-13	17.7291	1931.63	8.18%	9.16%
Last 3 Years	29-Feb-12	16.2583	1782.95	8.47%	8.89%
Last 4 Years	28-Feb-11	14.9875	1645.33	8.47%	8.76%
Last 5 Years	26-Feb-10	14.2176	1554.03	7.85%	8.17%
Since Inception	25-May-04	10.0000	1113.63	7.01%	6.97%

**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

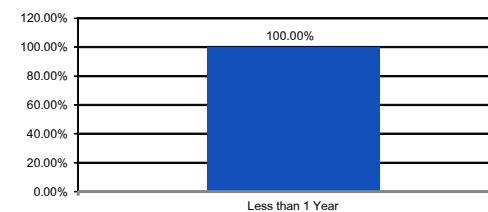
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes

# Bond Fund

ULGF 005 17/08/07 BO 110

Fund Assure, Investment Report, February 2015

## Fund Details

**Investment Objective** : The primary investment objective of the fund is to generate income through investing in a range of debt and money market instruments of various maturities with a view to maximizing the optimal balance between yield, safety and liquidity. The fund will have no investments in equity or equity linked instruments at any point in time.

**NAV as on 28 Feb, 15** : ₹18.3518

**Benchmark** : CRISIL Composite Bond Index -100%

## Investment Style

Credit Quality			Interest Rate Sensivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio\*

Instrument	Industry/Rating	% of NAV
<b>Government Securities</b>		<b>65.35</b>
8.15% GOI 24-Nov-26	Sovereign	19.34
8.60% GOI 02-Jun-28	Sovereign	13.01
7.16% GOI 20-May-23	Sovereign	8.73
9.23% GOI 23-Dec-43	Sovereign	5.71
8.28% GOI 21-Sep-27	Sovereign	4.80
9.20% GOI 30-Sep-30	Sovereign	3.73
8.05% Gujarat SDL 25-Feb-25	Sovereign	3.68
8.83% GOI 25-Nov-23	Sovereign	3.26
8.15% GOI 11-Jun-22	Sovereign	1.64
8.17% GOI 01-Dec-44	Sovereign	1.46
<b>Corporate Bonds</b>		<b>31.88</b>
8.48% PFC Ltd. 09-Dec-24	AAA	5.13
8.75% SAIL 23-Apr-20	AAA	4.69

Instrument	Industry/Rating	% of NAV
8.85% Yes Bank Ltd. 24-Feb-25	AA+	3.74
9.34% HDFC Ltd. 28-Aug-24	AAA	3.60
9.48% REC Ltd. 10-Aug-21	AAA	3.07
9.30% PGC LTD. 28-Jun-20	AAA	3.00
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	2.36
9.39% PFC Ltd. 27-Aug-29	AAA	2.35
8.23% REC Ltd. 23-Jan-25	AAA	2.14
0.00% NABARD 01-Jan-19	AAA	1.69
9.75% SBI Series 3 Lower Tier II 16-Mar-21	AAA	0.11
<b>Unit Funds</b>		<b>1.47</b>
Reliance Liquid Fund-Treasury Plan -Growth Option		1.47
<b>Cash Bank &amp; Others</b>		<b>1.29</b>
<b>Total</b>		<b>100.00</b>

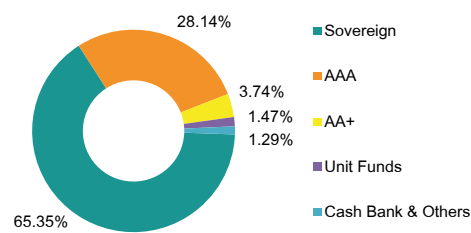
## Fund Performance

PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 3 Months	28-Nov-14	17.5792	2254.22	4.39%	3.37%
Last 6 Months	28-Aug-14	16.6965	2149.84	9.91%	8.39%
Last 1 Year	28-Feb-14	15.7379	2016.87	16.61%	15.54%
Last 2 Years	28-Feb-13	15.1625	1951.91	10.02%	9.26%
Last 3 Years	29-Feb-12	13.7478	1790.26	10.11%	9.19%
Last 4 Years	28-Feb-11	12.5241	1653.11	10.02%	8.96%
Last 5 Years	26-Feb-10	11.8724	1574.18	9.10%	8.16%
Since Inception	17-Aug-07	10.0000	1339.53	8.39%	7.62%

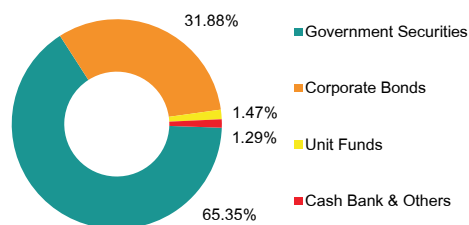
**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

\* **Note**: The details are as on 27th February, 2015

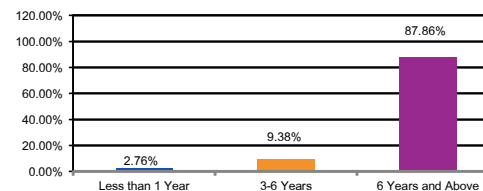
## Rating Profile\*



## Asset Allocation\*



## Maturity Profile\*



Pension Schemes

# Balanced Fund

ULGF 006 17/08/07 BL 110

Fund Assure, Investment Report, February 2015

## Fund Details

**Investment Objective** : The objective of the fund is to supplement the income generation from the fixed income instruments with capital appreciation of the equity assets.

**NAV as on 28 Feb, 15** : ₹17.9794

**Benchmark** : Nifty - 10%  
CRISIL Composite Bond Index - 90%

### Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

### Equity Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

## Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 3 Months	28-Nov-14	17.3541	3.60%	3.40%
Last 6 Months	28-Aug-14	16.5123	8.88%	8.74%
Last 1 Year	28-Feb-14	15.0593	19.39%	18.17%
Last 2 Years	28-Feb-13	14.2843	12.19%	10.84%
Last 3 Years	29-Feb-12	13.1486	10.99%	10.09%
Last 4 Years	28-Feb-11	12.2532	10.06%	9.43%
Last 5 Years	26-Feb-10	11.6486	9.07%	8.60%
Since Inception	17-Aug-07	10.0000	8.09%	7.94%

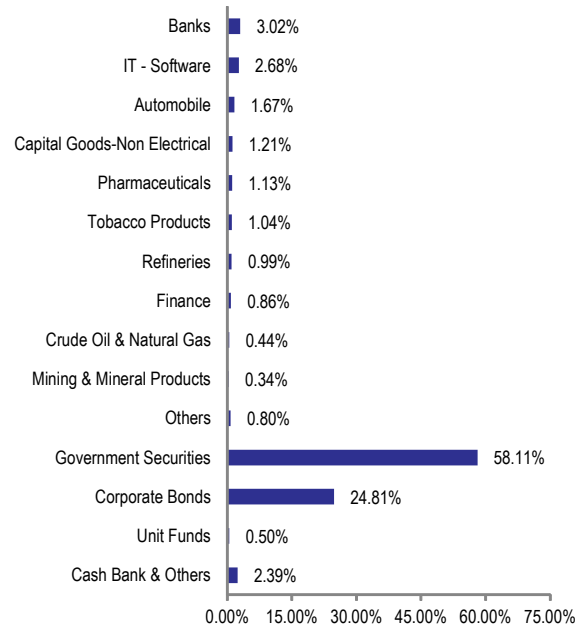
**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

## Portfolio

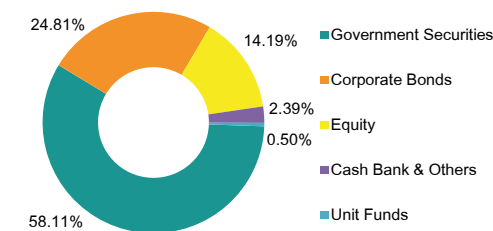
Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		<b>14.19</b>
Infosys Technologies Ltd.	IT - Software	1.47
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	1.21
HDFC Bank Ltd.	Banks	1.20
ICICI Bank Ltd.	Banks	1.18
ITC Ltd.	Tobacco Products	1.04
Tata Consultancy Services Ltd.	IT - Software	0.97
HDFC Ltd.	Finance	0.86
Tata Motors Ltd.	Automobile	0.76
Reliance Industries Ltd.	Refineries	0.69
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	0.51
Oil and Natural Gas Corpn Ltd.	Crude Oil & Natural Gas	0.44
Maruti Suzuki India Ltd.	Automobile	0.41
Dr. Reddys Laboratories Ltd.	Pharmaceuticals	0.40
State Bank of India	Banks	0.36
Bharat Petroleum Corporation Ltd.	Refineries	0.30
Other Equity		2.38
<b>Government Securities</b>		<b>58.11</b>
8.15% GOI 24-Nov-26	Sovereign	23.68
9.23% GOI 23-Dec-43	Sovereign	9.60

Instrument	Industry/Rating	% Of NAV
8.83% GOI 25-Nov-23	Sovereign	8.13
8.60% GOI 02-Jun-28	Sovereign	7.35
8.79% GOI 08-Nov-21	Sovereign	7.24
9.15% GOI 14-Nov-24	Sovereign	2.10
<b>Corporate Bonds</b>		<b>24.81</b>
8.57% REC Ltd. 21-Dec-24	AAA	5.41
9.97% IL&FS 28-Sep-16	AAA	4.93
8.35% HDFC Ltd. 19-Jul-15	AAA	4.81
8.84% PFC Ltd. 04-Mar-23	AAA	3.31
9.30% SAIL 25-May-19	AAA	2.16
8.97% PFC Ltd. 15-Jan-18	AAA	1.63
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	1.06
8.84% PGC Ltd. 21-Oct-18	AAA	0.82
9.95% SBI 16-Mar-26	AAA	0.48
9.25% PGC Ltd. 26-Dec-20	AAA	0.21
<b>Unit Funds</b>		<b>0.50</b>
Reliance Liquid Fund-Treasury Plan -Growth Option		0.50
<b>Cash Bank &amp; Others</b>		<b>2.39</b>
<b>Total</b>		<b>100.00</b>

## Sector Allocation



## Asset Allocation



Pension Schemes

# Growth Fund

ULGF 007 17/08/07 G2 110

Fund Assure, Investment Report, February 2015

## Fund Details

**Investment Objective** : The objective of this fund is to grow the portfolio by generating capital appreciation alongwith a steady income stream.

**NAV as on 28 Feb, 15** : ₹17.5596

**Benchmark** : Nifty - 30%  
CRISIL Composite Bond Index - 70%

### Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

### Equity Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

## Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 3 Months	28-Nov-14	16.8402	4.27%	3.46%
Last 6 Months	28-Aug-14	15.9480	10.11%	9.45%
Last 1 Year	28-Feb-14	14.5272	20.87%	23.42%
Last 2 Years	28-Feb-13	13.8302	12.68%	14.00%
Last 3 Years	29-Feb-12	12.9125	10.79%	11.90%
Last 4 Years	28-Feb-11	12.3419	9.22%	10.37%
Last 5 Years	26-Feb-10	11.7400	8.39%	9.49%
Since Inception	17-Aug-07	10.0000	7.75%	8.57%

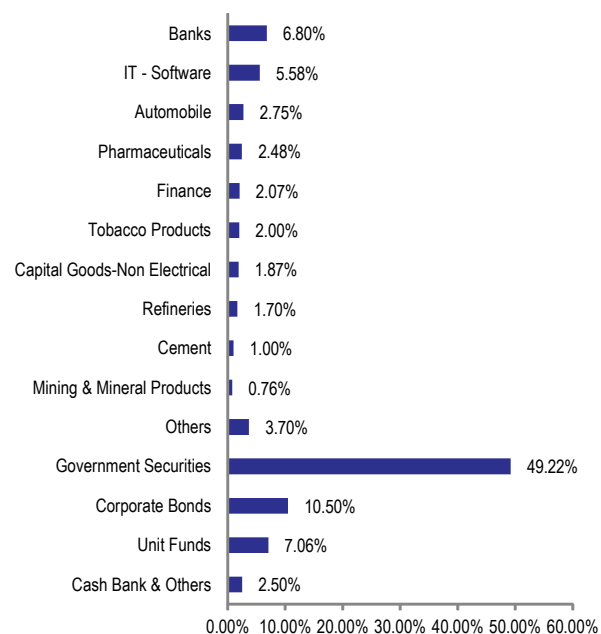
**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

## Portfolio

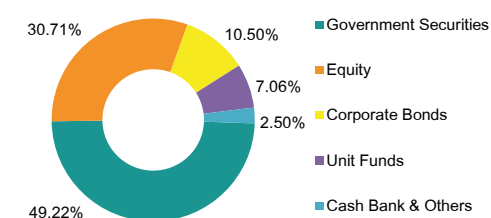
Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		<b>30.71</b>
HDFC Bank Ltd.	Banks	2.48
Infosys Technologies Ltd.	IT - Software	2.31
ICICI Bank Ltd.	Banks	2.01
ITC Ltd.	Tobacco Products	2.00
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	1.87
HDFC Ltd.	Finance	1.55
Tata Consultancy Services Ltd.	IT - Software	1.46
Reliance Industries Ltd.	Refineries	1.40
Tata Motors Ltd.	Automobile	1.32
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	1.10
Axis Bank Ltd.	Banks	0.99
HCL Technologies Ltd.	IT - Software	0.92
Maruti Suzuki India Ltd.	Automobile	0.73
Tech Mahindra Ltd.	IT - Software	0.72
State Bank of India	Banks	0.70
Other Equity		9.16

Instrument	Industry/Rating	% Of NAV
<b>Government Securities</b>		<b>49.22</b>
8.15% GOI 24-Nov-26	Sovereign	17.38
9.23% GOI 23-Dec-43	Sovereign	10.83
8.60% GOI 02-Jun-28	Sovereign	8.85
8.83% GOI 25-Nov-23	Sovereign	7.08
8.79% GOI 08-Nov-21	Sovereign	5.09
<b>Corporate Bonds</b>		<b>10.50</b>
9.57% IRFC Ltd. 31-May-21	AAA	4.31
8.57% REC Ltd. 21-Dec-24	AAA	4.12
8.84% PFC Ltd. 04-Mar-23	AAA	2.08
<b>Unit Funds</b>		<b>7.06</b>
JPMorgan India Liquid Fund - Super Institutional Plan - Growth Option		4.23
ICICI Prudential Liquid - Regular Plan - Growth		2.82
<b>Cash Bank &amp; Others</b>		<b>2.50</b>
<b>Total</b>		<b>100.00</b>

## Sector Allocation



## Asset Allocation



Pension Schemes

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### Tata AIA Life Insurance's Investment team

Name	Designation
Harshad Patil	Chief Investment Officer
Rajeev Tewari	Head of Equities
Jayanth Udupa	Head of Credit Analysis & Economist
Nitin Bansal	Senior Analyst & Fund Manager
Cheenu Gupta	Senior Analyst & Fund Manager
Pankaj Khetan	Fund Manager
Nimesh Mistry	Analyst
Anirban Ray	Analyst
Nalin Ladiwala	Analyst
HS Bharath	Dealer
Pankaj Agarwal	Dealer

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Registered and Corporate Office: 14th Floor, Tower A, Peninsula Business Park, Senapati Bapat Marg, Lower Parel, Mumbai 400013

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