

# Fund Assure

*Investment Report, September 2014*



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

**Dear Friends,**

**The month of September 2014 saw the benchmark index BSE Sensex losing 0.03% even as the CNX Nifty gained a modest 0.13%. The Mid-cap index, CNX Mid-cap surged 2.74 % during the same period.**

The US Federal Reserve (Fed) renewed its pledge to keep interest rates near zero for a considerable time but announced a further USD 10bn reduction in its monthly purchases, leaving the Quantitative Easing (QE) on course to be brought to a close next month. The European Central Bank (ECB) has announced its asset backed securities (ABS) and covered bond purchase programme in the wake of deteriorating inflation expectations and a weak recovery in Euro Zone.

The RBI, in its Bi-month monetary policy on September 30<sup>th</sup>, kept the key policy rates unchanged, in line with market expectations and acknowledged that the ongoing disinflationary momentum made the near-term inflation target of 8% by January 2015 achievable. The RBI wants to focus on achieving the medium term CPI inflation target of 6% by January 2016.

HSBC's India manufacturing PMI fell to a nine-month low to 51.0 in September as against 52.4 in the prior month, due to a dip in output and new orders. The slowdown was due to weaker domestic demand since new export orders picked up over the month. On the inflation front, both input prices and output prices moderated.

The cumulative southwest monsoon rainfall till September 30<sup>th</sup> was 12.3% below normal and the reservoir levels as on October 1<sup>st</sup> were surplus by 2.4% over the last 10 year average levels but deficient by 9.1% over the last-year level.

Standard & Poor's (S&P) revised its outlook on India to stable from negative and affirmed their 'BBB-' long-term sovereign credit ratings on India. S&P stated that outlook revision reflected their view that India's improved political setting offered a conducive environment for reforms, which could boost growth prospects and improve fiscal management. The stable outlook for the next 24 months reflected S&P's view that the new government had both the willingness and capacity to implement reforms necessary to restore some of India's lost growth potential, consolidate its fiscal accounts, and permit the RBI to carry out an effective monetary policy.

Prime Minister launched the "Make in India" campaign aimed at accelerating manufacturing growth to double digits in order to generate jobs in the manufacturing sector. The government is aiming to attract higher FDI from Japan, China and the US by improving the ease of doing business.

The Index of Industrial Production (IIP) growth for July 2014 came in at 0.5% year on year, much lower than the consensus of around 1.8%, at a slowest pace in four months. Cumulative IIP for the first four months of fiscal FY 2015 was at a modest 3.3%, an improvement over the contraction of 0.1% in the same period, prior fiscal. Going forward, an improvement in IIP growth will be on the back of higher manufacturing activity, a favourable base effect and a revival in domestic demand aided by an uptick in real incomes as inflation eases.

The infrastructure output, comprising eight core sectors of the IIP with a combined weight of around 38% in the IIP, grew at an acceptable 5.8% in August 2014, as against the more modest growth of 2.6% in July. The sectors of coal, electricity and cement registered robust double digit growth even as sectors such as natural gas, crude oil, refinery production and fertilizer contracted. The core industries growth for the first five months of the fiscal has printed a year on year growth of 4.4 %.

The Consumer Price Index (CPI) inflation for August 2014 came in at 7.8%, marginally higher than the market expectation of around 7.7%. CPI inflation for the first five months of FY 2015 was at 8 %, in line with RBI's January 2015 glide path. Going forward, market watchers expect CPI inflation to ease, both at headline and core levels. Moderating global food prices, stable INR and softer energy prices can enable this easing in inflationary pressures. Wholesale Price Index (WPI) inflation for August 2014 trended lower, falling sharply to 3.74%, lowest since November 2009. This was also lower than the consensus of around 4.4% and the 5.2% print in the prior month.

In the near term, the markets would be waiting for more decisive policy action from the government to raise the economic activity. We believe that the equity markets offer comfort of reasonable valuations for a long-term investor with a 3-5 year view.

## Market Outlook - Debt

Fund Assure, Investment Report, September 2014

Debt market in the month of September 2014 saw the 10 year Government security (G-sec) close the month at 8.51% levels, easing by 5 bps from the August levels. On the corporate bond side, the 10 year AAA corporate bonds closed the month at around 9.17% levels.

The FIIs were buyers of Indian debt to the tune of USD 2.5 bn over the month of September with the cumulative FII inflows in the Indian debt standing at around USD 19.5 bn in CYTD thus far.

The Government's borrowing calendar for the second half of 2014-15 is set at INR 2.4 tn on a gross basis, with the overall gross borrowing at INR 5.92 tn for the entire fiscal 2014-15 as against the budgeted INR 6.0 tn. The weekly auctions size is around INR140 bn with no borrowings scheduled in the month of March. The G-sec issuance in the second half is concentrated in the 10 year to 14 year segment, which accounts for around 40 % of the gross borrowing. The borrowing calendar for the first half of 2014-15 was estimated at INR 3.68 tn with the actual borrowing lower at INR 3.52 tn.

On a cumulative basis, the fiscal deficit for the period April-August 2014 came in at 75% of budget estimates higher than the five-year average of 64% of estimates. Going forward, there would be sustained pressures on the fiscal deficit from weak tax revenue growth while lower subsidy bill due to benign crude prices as well as higher proceeds from divestment programme could help the government meet its budgeted fiscal deficit target of 4.1% of GDP.

In line with market expectations, the RBI in its Bi-monthly monetary policy left key policy rates unchanged while announcing measures on liquidity and development of the G-Sec market. The RBI announced timelines for a step-wise reduction in Held to Maturity (HTM) limits from 24% to 22% during the period January 2015 to September 2015

The RBI noted that the headline inflation, since June 2014, had ebbed to levels which were consistent with their desired near-term glide path of disinflation at 8 % by January 2015. The RBI was

satisfied with the steady decline in inflation excluding food and fuel since January 2014. They opined that the softening of international crude prices and relative stability of the INR were positive for headline inflation in the near term. However, the RBI highlighted risks from food price shocks on the back of sub-par monsoons as well as the impact of adverse geo-political developments on the inflation trajectory . The RBI opined that favourable base effects could temper inflation in the next few months only to reverse towards the end of the year and added that it would look through these base effects.

The RBI guided that the risks around the baseline path of inflation were broadly balanced in the near term, though with a downward bias. In what was perceived by market watchers as a reflection of its hawkish stance, the RBI stated that there were upside risks on the balance, as regards to the medium-term objective of 6 % by January 2016 and that they were prepared to contain inflationary pressures if the risks did actually materialize. The RBI summarized that their future policy stance would be influenced by their projections of inflation relative to the medium term objective, while being contingent on incoming data.

The market watchers are bracing for an extended pause from the RBI as it seems determined to achieve its stated objective on inflation even though growth concerns remain. Further, the expected tightening of the interest rates by the US Fed along with its global ramifications will be a key input for the RBI in setting the domestic policy rates.

The yield on the 10-year benchmark G-Sec has been on a steady decline over the past few months due to the favourable trajectory of the CPI inflation as well as falling global commodity prices. Strong flows in Indian debt market from Foreign portfolio investors (FPI) have enabled the easing in the G-sec yields. The next leg of meaningful easing in G-sec yields in the near term could require the RBI to ease the limit for the FPI debt while a sustained easing in G-sec yields in the medium term would be contingent on the trajectory of inflation following the projected glide path . We believe that the sovereign ratings outlook upgrade by S&P from negative to stable is a key positive for the market sentiment and has lifted a major overhang from the Indian debt market.

## Market Outlook - Equity

Fund Assure, Investment Report, September 2014

The month of September 2014 saw the benchmark index BSE Sensex losing just 0.03% even as the CNX Nifty gained a modest 0.13%. The Mid-cap index, CNX Mid-cap surged 2.74 % during the same period.

FIIIs were net buyers with inflows of around USD 0.85 bn in the month of September 2014 and the DIIs were net seller to the tune of around USD 0.18 bn, with Insurance companies' net sellers of around USD 0.71 bn and domestic mutual funds, net buyers to the extent of around USD 0.53 bn over the same period. In the first nine months of the calendar year 2014, the FIIIs had been net buyers to the tune of USD 13.7 bn with the DIIs net sellers to the tune of USD 5.4 bn, Insurance companies net sellers to the tune of USD 6.8 bn and mutual funds buying Indian equities to the tune of USD 1.4 bn.

Indian equity markets were unscathed given the risk-off pressure faced by many of its EM peers in September 2014 even as MSCI EM posted its worst monthly performance in CY 2014. MSCI India currently trades at a one-year forward PE multiple of around 16 times, with the premium to MSCI EM expanding, as other markets have underperformed India.

The second quarter FY 2015 earnings season is expected to see improved profit performance from the automobiles, banking, consumers, pharmaceuticals and technology sectors. The net profit of the companies making up BSE Sensex is expected to increase by around 10% year on year, even as sales momentum continues to weaken due to muted demand environment.

Corporate credit quality is showing early signs of recovery as reflected by CRISIL's ratio of the number of rating upgrades to downgrades at 1.64 times for the first half of 2014-15, the highest in three years. Export-linked sectors and non-discretionary consumer segments such as packaged foods, pharmaceuticals, textiles and agricultural products saw the highest rate of upgrades.

The government has deferred the decision on rationalization of

domestic gas prices until November 15<sup>th</sup>, 2014. Market watchers believe that the government needed to announce the pricing policies for gas in order to augment India's energy security as non-remunerative pricing and policy uncertainties have led to sluggish domestic production, resulting in rising energy imports.

In a landmark ruling, the Supreme Court of India cancelled 214 of the 218 coal blocks which have been allotted by the screening committee or under government dispensation as the process under which the same had been allotted was proclaimed illegal and arbitrary by the court. The court has also ruled that 42 blocks which were operational or near production would continue to remain operational till March, 2015 and if not auctioned by then would be transferred to Coal India for mining. A penalty of ₹295/tonne has been levied on operational coal mines from date of commencement of the mines to 31<sup>st</sup> March 2015.

The rating agency Moody's estimates that public-sector Indian banks that it rates could need up to USD 37 billion in external capital between FY 2015 and the full implementation of Basel III in FY 2019, assuming a moderate recovery in India's GDP growth, and a gradual decline in nonperforming loans from current levels. Moody's rating universe of Indian public sector banks represents 62% of net loans in the Indian banking system.

Indian equity markets have been the recipients of robust FII flows of USD 13.7 billion over the calendar year 2014, thus far. Moreover, improved sentiments have resulted in a nascent revival in the inflows from domestic retail investors.

The global investors would be keenly watching the policy initiatives of the government aimed at attracting FDI in the manufacturing sector. The success of the government's "Make in India" campaign as well as the efforts to get concrete investment proposals from the global business corporations post the PM's meetings overseas could hinge on the progress made on crucial policy reforms to facilitate the ease of doing business in India. We believe that the equity markets offer comfort of reasonable valuations for a long-term investor with a 3-5 year view.

Pension Schemes

**Equity Fund**

**Short Term Fixed  
Income Fund**

**Income Fund**

**Liquid Fund**

**Bond Fund**

**Balanced Fund**

**Growth Fund**

**Maxima Fund**

**Pension Schemes**

# Equity Fund

ULGF 001 02/03/04 E1 110

Fund Assure, Investment Report, September 2014

## 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 30 Sep, 14** : ₹50.2017

**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>99.51</b>
HDFC Bank Ltd.	Banks	8.70
ITC Ltd.	Tobacco Products	7.91
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	7.89
Infosys Technologies Ltd.	IT - Software	7.74
ICICI Bank Ltd.	Banks	7.35
Reliance Industries Ltd.	Refineries	7.07
Tata Consultancy Services Ltd.	IT - Software	5.85
Tata Motors Ltd.	Automobile	5.01
Oil and Natural Gas Corpn Ltd.	Crude Oil & Natural Gas	3.49
Mahindra and Mahindra Ltd.	Automobile	3.10
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	3.05
State Bank of India	Banks	2.79
Maruti Suzuki India Ltd.	Automobile	2.18
Bharti Airtel Ltd.	Telecomm-Service	2.02
HCL Technologies Ltd.	IT - Software	1.95
Wipro Ltd.	IT - Software	1.70

Instrument	Industry/Rating	% Of NAV
Cipla Ltd.	Pharmaceuticals	1.65
Tata Steel Ltd.	Steel	1.56
Bajaj Auto Ltd.	Automobile	1.34
IndusInd Bank Ltd.	Banks	1.33
IDFC Ltd.	Finance	1.17
Ultratech Cement Ltd.	Cement	1.12
Motherson Sumi Systems Ltd.	Auto Ancillaries	1.11
United Spirits Ltd.	Alcoholic Beverages	1.03
Yes Bank Ltd.	Banks	1.01
Grasim Industries Ltd.	Cement	1.01
Hindalco Industries Ltd.	Non Ferrous Metals	1.00
Other Equity below 1% corpus		8.35
<b>Unit Funds</b>		<b>0.48</b>
Axis Liquid Fund - Direct Plan - Growth Option		0.48
<b>Cash Bank &amp; Others</b>		<b>0.01</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

PERIOD	DATE	NAV	S&P BSE Sensex	NAV Change	INDEX Change
Last 6 Months	31-Mar-14	42.2978	22386.27	18.69%	18.96%
Last 1 Year	30-Sep-13	36.3815	19379.77	37.99%	37.41%
Last 2 Years	30-Sep-12	35.3040	18762.74	19.25%	19.14%
Last 3 Years	30-Sep-11	30.8995	16453.76	17.56%	17.41%
Last 4 Years	30-Sep-10	37.9836	20069.12	7.22%	7.33%
Last 5 Years	30-Sep-09	30.4295	17126.84	10.53%	9.23%
Since Inception	29-Mar-04	10.0000	5571.37	16.59%	16.05%

**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.

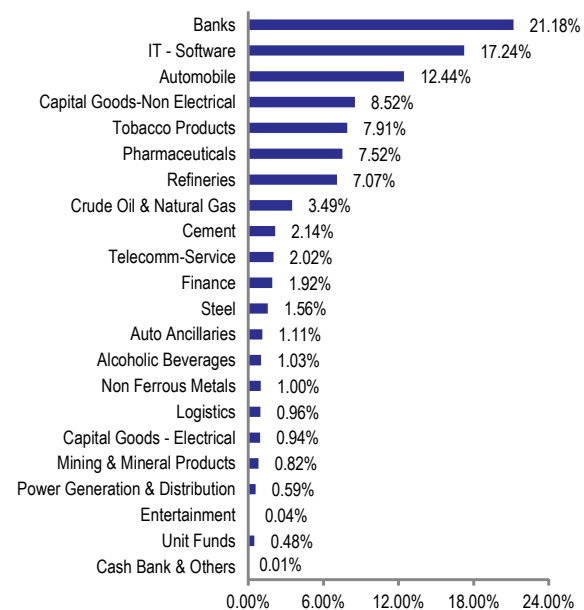
## Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	Up to 100%	100%
Debt *	Up to 40%	0%
Cash & Money Market **	Up to 40%	0%

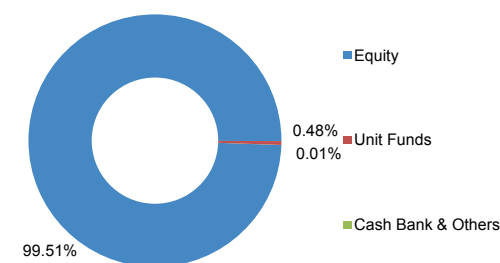
\* Exposure to Debt is restricted to exposure to Cash & Money Market

\*\* Cash & Money Market includes current assets

## Sector Allocation



## Asset Allocation



Pension Schemes

# Short Term Fixed Income Fund

ULGF 004 01/07/06 S1 110

Fund Assure, Investment Report, September 2014

## 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 30 Sep, 14** : ₹17.5232

**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>CD/CP's</b>		
ANDHRA BANK CD 04-May-15	A1+	9.59
ICICI BANK CD 05-Jun-15	A1+	9.53
Punjab National Bank CD 02-Mar-15	A1+	7.67
<b>Government Securities</b>		
8.78% Haryana SDL 23-Jul-17	Sovereign	10.63
<b>Corporate Bonds</b>		
10.18% LIC Hsg. Finance Ltd. 19-Sep-16	AAA	8.66
8.85% PGC Ltd. 19-Oct-16	AAA	6.61
9.655% NABARD 18-Oct-14	AAA	5.31
8.97% AIRPORT AUTHORITY OF INDIA 11-Oct-16	AAA	5.30
8.80% SAIL 26-Oct-15	AAA	5.30
7.65% REC Ltd. 31-Jan-16	AAA	5.22
9.40% NABARD 24-May-17	AAA	3.21
9.61% PFC Ltd. 01-Jun-17	AAA	2.69
9.63% PFC Ltd. 15-Dec-14	AAA	2.66
8.45% REC Ltd. 19-Feb-15	AAA	2.65
9.35% HDFC Ltd. 04-Mar-16	AAA	2.13
9.46% PFC Ltd. 02-May-15	AAA	2.13
8.70% PFC Ltd. 14-May-15	AAA	2.12
9.15% IDFC Ltd. 19-Feb-16	AAA	1.06
8.30% HDFC Ltd. 23-Jun-15	AAA	1.06
9.20% PGC Ltd. 12-Mar-15	AAA	0.66
9.70% HDFC Ltd. 07-Jun-17	AAA	0.54
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>		
Sundaram Money Fund - Direct Plan - Growth Option		0.42
<b>Cash Bank &amp; Others</b>		
		3.28
<b>Total</b>		<b>100.00</b>

## Fund Performance

PERIOD	DATE	NAV	CRISIL Short-Term Bond Index	NAV Change	INDEX Change
Last 6 Months	31-Mar-14	16.7946	2205.82	4.34%	4.80%
Last 1 Year	30-Sep-13	16.0962	2099.30	8.87%	10.12%
Last 2 Years	30-Sep-12	14.9777	1948.67	8.16%	8.92%
Last 3 Years	30-Sep-11	13.6786	1784.00	8.61%	9.02%
Last 4 Years	30-Sep-10	12.8388	1670.28	8.09%	8.46%
Last 5 Years	30-Sep-09	12.1130	1591.88	7.66%	7.75%
Since Inception	3-Jul-06	10.0000	1242.33	7.04%	7.82%

**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.

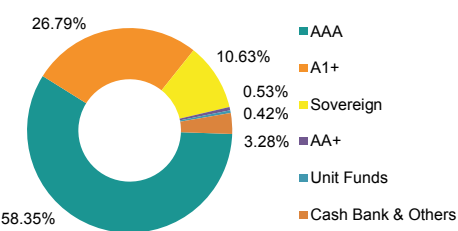
## Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	0%	0%
Debt *	60% - 100%	100%
Cash & Money Market **	Up to 40%	30%

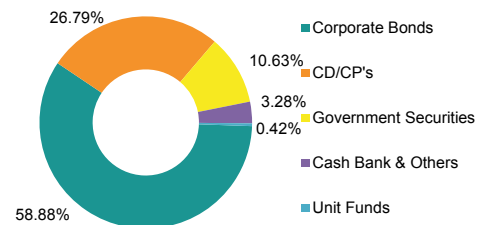
\* Exposure to Debt includes Cash & Money Market

\*\* Cash & Money Market includes current assets

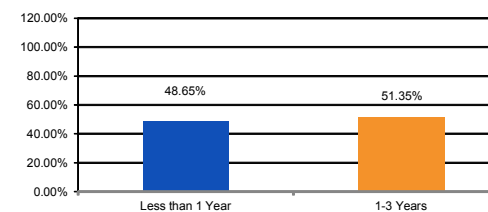
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes

# Income Fund

ULGF 002 02/03/04 11 110

Fund Assure, Investment Report, September 2014

## 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 30 Sep, 14** : ₹19.7368

**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>59.02</b>		
9.23% GOI 23-Dec-43	Sovereign	12.66
7.16% GOI 20-May-23	Sovereign	8.78
8.40% Gsec 28-Jul-24	Sovereign	7.78
8.12% GOI 10-Dec-20	Sovereign	6.80
8.19% GOI 16-Jan-20	Sovereign	4.58
8.60% Gsec 02-Jun-28	Sovereign	4.32
9.20% GOI 30-Sep-30	Sovereign	2.77
8.27% Gsec 09-Jun-20	Sovereign	1.88
9.11% Maharashtra SDL 28-May-24	Sovereign	1.80
8.33% GOI 09-Jul-26	Sovereign	1.71
8.15% GOI 11-Jun-22	Sovereign	1.54
8.79% Gujarat SDL 25-Oct-22	Sovereign	1.40
8.28% GOI 21-Sep-27	Sovereign	1.22
9.37% Gujarat SDL 04-Dec-23	Sovereign	1.13
8.79% GOI 08-Nov-21	Sovereign	0.33
7.38% GOI 03-Sep-15	Sovereign	0.29
<b>Corporate Bonds</b> <b>34.88</b>		
2.00% Tata Steel Ltd. 23-Apr-22	AA	5.34
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	3.75
9.39% PFC Ltd. 27-Aug-29	AAA	3.20
9.38% REC Ltd. 06-Nov-18	AAA	2.90
9.75% HDFC Ltd. 07-Dec-16	AAA	2.69

Instrument	Industry/Rating	% of NAV
8.84% NTPC Ltd. 04-Oct-22	AAA	2.43
9.70% HDFC 09-Feb-16	AAA	2.23
9.70% HDFC Ltd. 07-Jun-17	AAA	1.89
0.00% NABARD 01-Jan-19	AAA	1.68
9.38% IDFC Ltd. 12-Sep-24	AAA	1.44
9.50% HDFC Ltd. 13-Aug-24	AAA	1.36
9.30% PGC Ltd. 28-Jun-21	AAA	1.34
8.50% PFC Ltd. 15-Dec-14	AAA	0.89
9.61% PFC Ltd. 01-Jun-17	AAA	0.58
8.87% REC Ltd. 08-Mar-20	AAA	0.57
9.64% PGC Ltd. 31-May-21	AAA	0.57
9.64% PGC Ltd. 31-May-18	AAA	0.56
8.28% LIC Housing Finance Ltd. 29-Jun-15	AAA	0.44
2.00% Indian Hotels Ltd. 09-Dec-14	AA	0.31
9.35% REC Ltd. 15-Jun-22	AAA	0.22
9.29% PFC Ltd. 21-Aug-22	AAA	0.22
9.39% PFC Ltd. 27-Aug-24	AAA	0.18
8.93% NTPC Ltd. 19-Jan-21	AAA	0.09
<b>Unit Funds</b> <b>3.56</b>		
Sundaram Money Fund - Direct Plan - Growth Option		2.23
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		1.33
<b>Cash Bank &amp; Others</b> <b>2.55</b>		
<b>Total</b>		<b>100.00</b>

## Fund Performance

PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	31-Mar-14	18.6500	2047.13	5.83%	6.21%
Last 1 Year	30-Sep-13	17.7490	1948.06	11.20%	11.61%
Last 2 Years	30-Sep-12	17.0856	1883.05	7.48%	7.45%
Last 3 Years	30-Sep-11	15.3796	1718.92	8.67%	8.15%
Last 4 Years	30-Sep-10	14.4587	1628.02	8.09%	7.50%
Last 5 Years	30-Sep-09	13.6063	1543.70	7.72%	7.09%
Since Inception	2-Mar-04	10.0000	1193.20	6.63%	5.83%

**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.

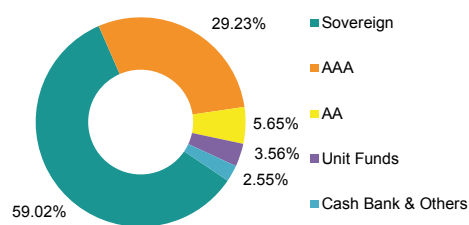
## Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	0%	0%
Debt *	85% - 100%	100%
Cash & Money Market **	Up to 40%	6%

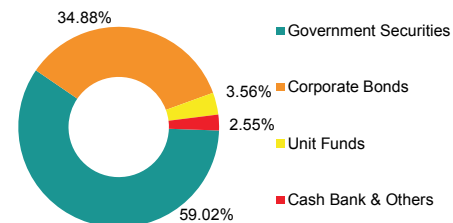
\* Exposure to Debt includes Cash & Money Market

\*\* Cash & Money Market includes current assets

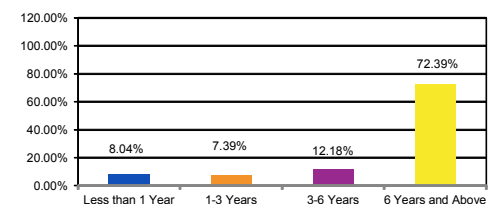
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes



# Liquid Fund

ULGF 003 02/03/04 L1 110

Fund Assure, Investment Report, September 2014

## 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 30 Sep, 14** : ₹20.0878

**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>86.85</b>
ALLAHABAD BANK CD 15-Apr-15	A1+	9.24
ICICI BANK CD 27-Jan-15	A1+	8.95
EXPORT-IMPORT BANK OF INDIA CD 19-Dec-14	A1+	8.91
Canara Bank CD 02-Jun-15	A1+	8.77
Bank of India CD 09-Jun-15	A1+	8.76
Corporation Bank CD 19-Jun-15	A1+	8.74
PFC Ltd. CP 29-Jun-15	A1+	8.70
ANDHRA BANK CD 04-May-15	A1+	8.64
Axis Bank CD 22-Sep-15	A1+	7.81
State Bank of Patiala CD 06-Jul-15	A1+	4.72
State Bank Of Patiala CD 21-Jul-15	A1+	3.61
<b>Unit Funds</b>		<b>12.34</b>
Sundaram Money Fund - Direct Plan - Growth Option		4.45
L&T Liquid Fund - Direct Plan -Growth		3.94
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		3.94
<b>Cash Bank &amp; Others</b>		<b>0.82</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 6 Months	31-Mar-14	19.2731	2129.38	4.23%	4.46%
Last 1 Year	30-Sep-13	18.5498	2031.60	8.29%	9.49%
Last 2 Years	30-Sep-12	17.1133	1871.69	8.34%	9.01%
Last 3 Years	30-Sep-11	15.7128	1721.98	8.53%	8.91%
Last 4 Years	30-Sep-10	14.6298	1597.83	8.25%	8.62%
Last 5 Years	30-Sep-09	13.9225	1535.67	7.61%	7.69%
Since Inception	25-May-04	10.0000	1113.63	6.97%	6.91%

**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.

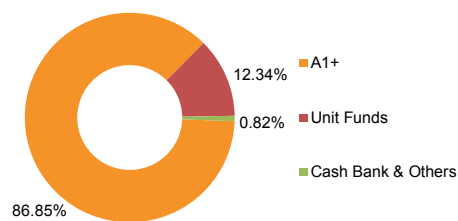
## Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	0%	0%
Debt *	Up to 100%	100%
Cash & Money Market **	Up to 100%	100%

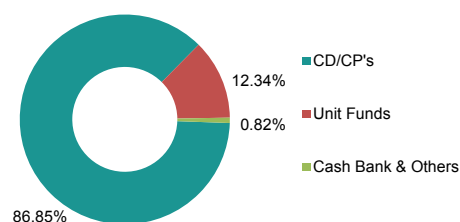
\* Exposure to Debt is restricted to exposure to Cash & Money Market

\*\* Cash & Money Market includes current assets

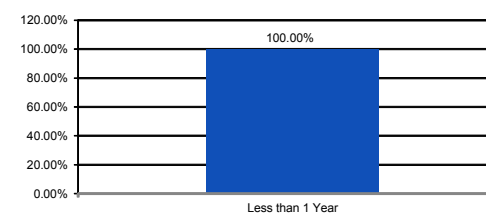
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes

# Bond Fund

ULGF 005 17/08/07 BO 110

Fund Assure, Investment Report, September 2014

## 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 30 Sep, 14** : ₹16.8718

**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>57.41</b>		
8.60% Gsec 02-Jun-28	Sovereign	10.40
9.23% GOI 23-Dec-43	Sovereign	9.49
7.16% GOI 20-May-23	Sovereign	8.97
8.40% Gsec 28-Jul-24	Sovereign	8.96
8.12% GOI 10-Dec-20	Sovereign	6.69
8.33% GOI 09-Jul-26	Sovereign	4.05
8.79% Gujarat SDL 25-Oct-22	Sovereign	2.48
8.27% Gsec 09-Jun-20	Sovereign	2.37
9.20% GOI 30-Sep-30	Sovereign	1.74
8.15% GOI 11-Jun-22	Sovereign	1.70
8.28% GOI 21-Sep-27	Sovereign	0.56
<b>Corporate Bonds</b> <b>39.52</b>		
2.00% Indian Hotels Ltd. 09-Dec-14	AA	7.11
9.75% HDFC Ltd. 07-Dec-16	AAA	5.08
9.38% REC Ltd. 06-Nov-18	AAA	4.21
9.30% PGC LTD. 28-Jun-20	AAA	3.15

Instrument	Industry/Rating	% of NAV
9.38% IDFC Ltd. 12-Sep-24	AAA	2.54
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	2.48
9.39% PFC Ltd. 27-Aug-29	AAA	2.38
9.64% PGC Ltd. 31-May-21	AAA	2.14
9.64% PGC Ltd. 31-May-18	AAA	2.13
0.00% NABARD 01-Jan-19	AAA	1.73
9.48% REC Ltd. 10-Aug-21	AAA	1.70
9.70% HDFC 09-Feb-16	AAA	1.68
9.57% IRFC Ltd. 31-May-21	AAA	1.21
9.50% HDFC Ltd. 13-Aug-24	AAA	0.85
9.39% PFC Ltd. 27-Aug-24	AAA	0.85
8.84% NTPC Ltd. 04-Oct-22	AAA	0.16
9.75% SBI Series 3 Lower Tier II 16-Mar-21	AAA	0.12
<b>Unit Funds</b> <b>0.33</b>		
Sundaram Money Fund - Direct Plan - Growth Option		0.33
<b>Cash Bank &amp; Others</b> <b>2.73</b>		
<b>Total</b>		<b>100.00</b>

## Fund Performance

PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	31-Mar-14	15.9451	2047.13	5.81%	6.21%
Last 1 Year	30-Sep-13	15.2032	1948.06	10.98%	11.61%
Last 2 Years	30-Sep-12	14.5717	1883.05	7.60%	7.45%
Last 3 Years	30-Sep-11	13.1256	1718.92	8.73%	8.15%
Last 4 Years	30-Sep-10	12.3470	1628.02	8.12%	7.50%
Last 5 Years	30-Sep-09	11.5844	1543.70	7.81%	7.09%
Since Inception	17-Aug-07	10.0000	1339.53	7.62%	7.03%

**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.

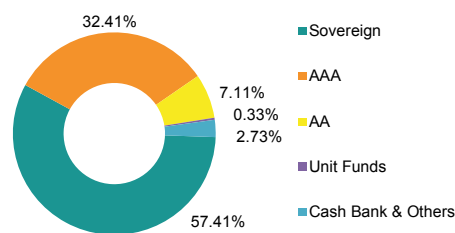
## Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	0%	0%
Debt *	Up to 100%	100%
Cash & Money Market **	Up to 40%	3%

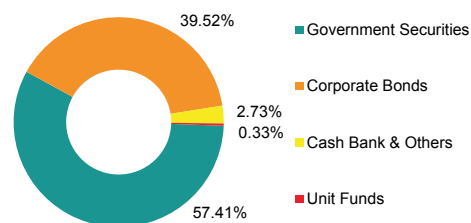
\* Exposure to Debt includes Cash & Money Market

\*\* Cash & Money Market includes current assets

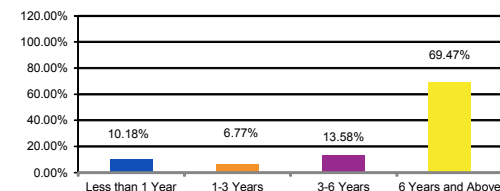
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes

# Balanced Fund

ULGF 006 17/08/07 BL 110

Fund Assure, Investment Report, September 2014

## 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 30 Sep, 14** : ₹16.6433

**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 6 Months	31-Mar-14	15.3813	8.20%	7.47%
Last 1 Year	30-Sep-13	14.4072	15.52%	14.34%
Last 2 Years	30-Sep-12	13.8487	9.63%	8.53%
Last 3 Years	30-Sep-11	12.5718	9.80%	9.06%
Last 4 Years	30-Sep-10	12.3924	7.65%	7.47%
Last 5 Years	30-Sep-09	11.5073	7.66%	7.32%
Since Inception	17-Aug-07	10.0000	7.41%	7.30%

**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.

### Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	Up to 20%	14%
Debt *	80% - 100%	86%
Cash & Money Market **	Up to 40%	8%

\* Exposure to Debt includes Cash & Money Market

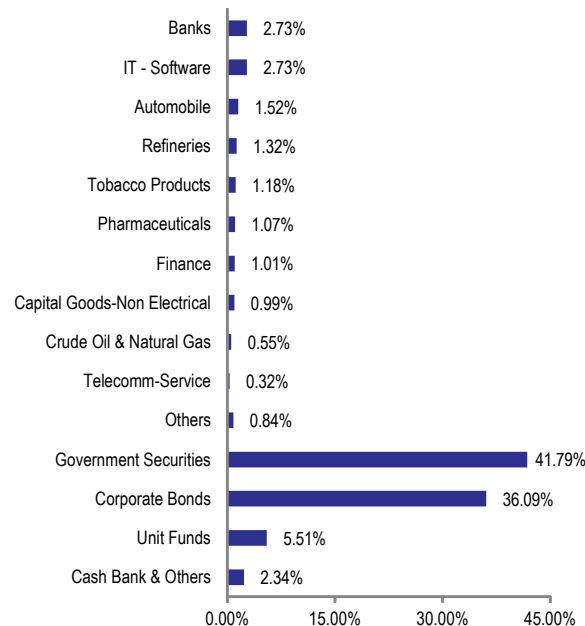
\*\* Cash & Money Market includes current assets

## Portfolio

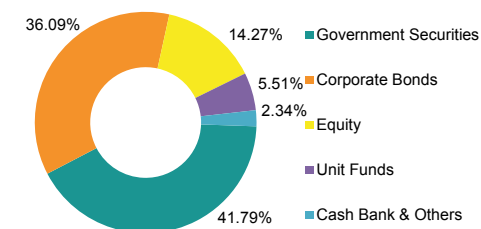
Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		<b>14.27</b>
Infosys Technologies Ltd.	IT - Software	1.20
ITC Ltd.	Tobacco Products	1.18
ICICI Bank Ltd.	Banks	1.15
HDFC Bank Ltd.	Banks	1.12
Reliance Industries Ltd.	Refineries	1.06
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	0.99
Tata Consultancy Services Ltd.	IT - Software	0.98
HDFC Ltd.	Finance	0.67
Tata Motors Ltd.	Automobile	0.64
Oil and Natural Gas Corpn Ltd.	Crude Oil & Natural Gas	0.55
Other Equity		4.72
<b>Government Securities</b>		<b>41.79</b>
8.79% GOI 08-Nov-21	Sovereign	11.31
8.33% GOI 09-Jul-26	Sovereign	7.73
9.23% GOI 23-Dec-43	Sovereign	6.75
8.12% GOI 10-Dec-20	Sovereign	4.67
9.15% GOI 14-Nov-24	Sovereign	3.28
8.60% Gsec 02-Jun-28	Sovereign	2.83
8.40% Gsec 28-Jul-24	Sovereign	2.70

Instrument	Industry/Rating	% Of NAV
7.16% GOI 20-May-23	Sovereign	2.53
<b>Corporate Bonds</b>		<b>36.09</b>
9.30% SAIL 25-May-19	AAA	8.01
8.70% PFC Ltd. 14-May-15	AAA	5.58
9.97% IL&FS 28-Sep-16	AAA	4.87
8.35% HDFC Ltd. 19-Jul-15	AAA	4.77
8.28% LIC Housing Finance Ltd. 29-Jun-15	AAA	3.65
9.20% PGC Ltd. 12-Mar-15	AAA	2.80
8.84% NTPC Ltd. 04-Oct-22	AAA	2.35
8.97% PFC Ltd. 15-Jan-18	AAA	1.59
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	1.02
8.84% PGC Ltd. 21-Oct-18	AAA	0.79
9.95% SBI 16-Mar-26	AAA	0.46
9.25% PGC Ltd. 26-Dec-20	AAA	0.20
<b>Unit Funds</b>		<b>5.51</b>
Sundaram Money Fund - Direct Plan - Growth Option		4.47
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		1.04
<b>Cash Bank &amp; Others</b>		<b>2.34</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, September 2014

## 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 30 Sep, 14** : ₹16.0602

**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 6 Months	31-Mar-14	14.8442	8.19%	9.99%
Last 1 Year	30-Sep-13	13.8164	16.24%	19.79%
Last 2 Years	30-Sep-12	13.4617	9.23%	10.67%
Last 3 Years	30-Sep-11	12.3561	9.13%	10.87%
Last 4 Years	30-Sep-10	12.7251	5.99%	7.41%
Last 5 Years	30-Sep-09	11.6783	6.58%	7.78%
Since Inception	17-Aug-07	10.0000	6.87%	7.84%

**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.

### Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	20% - 40%	29%
Debt *	60% - 80%	71%
Cash & Money Market **	Up to 80%	13%

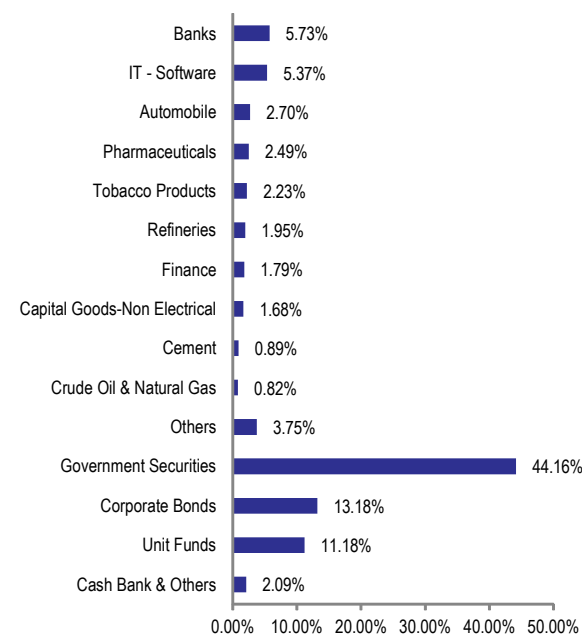
\* Exposure to Debt includes Cash & Money Market

\*\* Cash & Money Market includes current assets

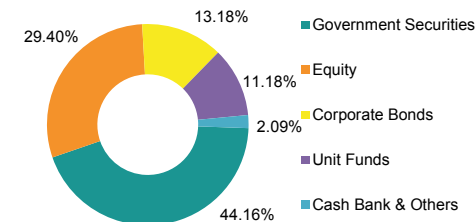
## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		<b>29.40</b>
ITC Ltd.	Tobacco Products	2.23
HDFC Bank Ltd.	Banks	2.20
Infosys Technologies Ltd.	IT - Software	2.05
ICICI Bank Ltd.	Banks	1.81
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	1.68
Reliance Industries Ltd.	Refineries	1.66
Tata Consultancy Services Ltd.	IT - Software	1.62
HDFC Ltd.	Finance	1.33
Tata Motors Ltd.	Automobile	1.21
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	1.13
Other Equity		12.48
<b>Government Securities</b>		<b>44.16</b>
8.60% Gsec 02-Jun-28	Sovereign	8.94
9.15% GOI 14-Nov-24	Sovereign	6.75
8.79% GOI 08-Nov-21	Sovereign	6.59
8.27% Gsec 09-Jun-20	Sovereign	6.47
9.23% GOI 23-Dec-43	Sovereign	4.63
8.40% Gsec 28-Jul-24	Sovereign	4.35
7.83% GOI 11-Apr-18	Sovereign	4.31
8.20% GOI 24-Sep-25	Sovereign	2.11
<b>Corporate Bonds</b>		<b>13.18</b>
9.57% IRFC Ltd. 31-May-21	AAA	4.51
8.84% NTPC Ltd. 04-Oct-22	AAA	4.30
8.30% HDFC Ltd. 23-Jun-15	AAA	2.18
8.28% LIC Housing Finance Ltd. 29-Jun-15	AAA	2.18
<b>Unit Funds</b>		<b>11.18</b>
Sundaram Money Fund - Direct Plan - Growth Option		4.17
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		3.73
L&T Liquid Fund - Direct Plan -Growth		3.29
<b>Cash Bank &amp; Others</b>		<b>2.09</b>
<b>Total</b>		<b>100.00</b>

## Sector Allocation



## Asset Allocation



Pension Schemes

# Maxima Fund

ULGF 008 17/08/07 M1 110

Fund Assure, Investment Report, September 2014

## Fund Details

**Investment Objective** : The objective of the fund is to generate superior returns by taking active asset allocation calls between equity, Corporate Bonds/PSU Bonds/Securitized paper and government securities and other assets depending upon market conditions

**NAV as on 30 Sep, 14** : ₹12.2780

**Benchmark** : -

### 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
Last 6 Months	31-Mar-14	11.6822	5.10%
Last 1 Year	30-Sep-13	11.1669	9.95%
Last 2 Year	30-Sep-12	10.6671	7.29%
Since Inception	13-Feb-12	10.0000	8.12%

**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.

### Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	Up to 60%	0%
Debt *	0% - 100%	100%
Cash & Money Market **	Up to 40%	30%

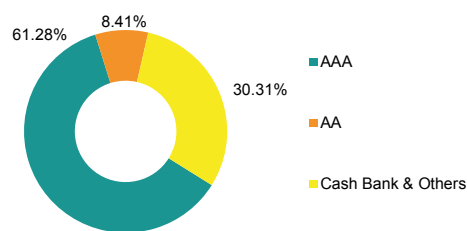
\* Exposure to Debt includes Cash & Money Market

\*\* Cash & Money Market includes current assets

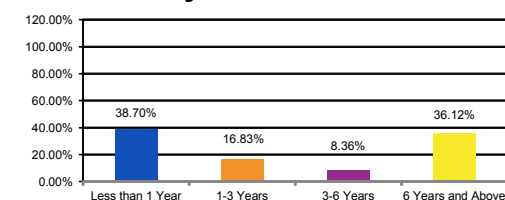
## Portfolio

Instrument	Industry/Rating	% of NAV
<b>Corporate Bonds</b>		<b>69.69</b>
8.94% PFC Ltd. 25-Mar-28	AAA	9.12
9.70% GE Shipping 02-Feb-21	AAA	8.55
9.48% REC Ltd. 10-Aug-21	AAA	8.48
9.60% HDFC Ltd. 07-Apr-16	AAA	8.41
9.90% Indian Hotels Ltd. 24-Feb-17	AA	8.41
9.40% NABARD 31-Jul-15	AAA	8.39
9.00% EXIM Bank 10-Jan-19	AAA	8.36
9.43% LIC Housing Finance Ltd. 10-Feb-22	AAA	5.64
9.95% SBI 16-Mar-26	AAA	4.33
<b>Cash Bank &amp; Others</b>		<b>30.31</b>
<b>Total</b>		<b>100.00</b>

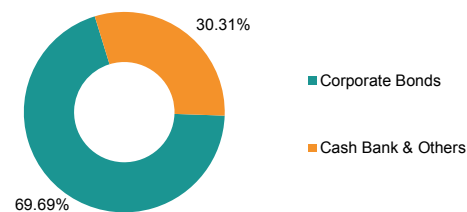
### Rating Profile



### Maturity Profile



### Asset Allocation



Pension Schemes

## Contact Us

### Choose a convenient contact option from the following:



For any enquiries  
Call on our toll free no.  
**1800 267 9966**  
or helpline no.  
**1860 266 9966** (local charges apply)



Just SMS **'SERVICE'** to **58888**  
or to get the summary of all  
short codes within 2 minutes,  
please send **HELP** to **5676799**



**Write to Us**  
Customer Services Team  
Tata AIA Life Delphi 'B' Wing, 2nd Floor, Hiranandani Business  
Park, Orchard Avenue, Powai, Mumbai 400076.

### 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

### Disclaimer

1. The fund is managed by Tata AIA Life Insurance Company Ltd. (hereinafter the "Company").
2. Past performance is not indicative of future performance. Returns are calculated on an absolute basis for a period of less than (or equal to) a year, with reinvestment of dividends (if any).
3. All investments made by the Company are subject to market risks. The Company does not guarantee any assured returns. The investment income and price may go down as well as up depending on several factors influencing the market.
4. Every effort is made to ensure that all information contained in this publication is accurate at the date of publication, but no responsibility or liability in respect of any error or omission is accepted by the Company.
5. Please know the associated risks and the applicable charges, from your Insurance agent or the Intermediary or policy document issued by the insurance company.
6. Various funds offered are the names of funds and do not, in any way, indicate the quality of the funds, their future prospects & returns.
7. Premium paid in ULIPs are subject to Investment risks associated with capital markets & the NAV of the units may go up or down based on the performance of the fund and factors influencing capital markets & the insured is responsible for his/her decision.
8. Whilst every care has been taken in the preparation of this document, it is subject to correction and markets may not perform in a similar fashion based on factors influencing the capital and debt markets; hence this review note does not individually confer any legal rights or duties.
9. Unit Linked Life Insurance products are different from traditional insurance products and are subject to risk factors.
10. Tata AIA Life Insurance Company Limited is only the name of the Insurance Company & any contract bearing the prefix 'Tata AIA Life' is only the name of the Unit Linked Life Insurance contract and does not in any way indicate the quality of the contract, its future prospects or returns.
11. Insurance is the subject matter of the solicitation.

#### BEWARE OF SPURIOUS PHONE CALLS AND FICTITIOUS/FRAUDULENT OFFERS

IRDA clarifies to public that

- **IRDA or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums.**
- **IRDA does not announce any bonus.** Public receiving such phone calls are requested to lodge a police complaint along with details of phone call, number.

Tata AIA Life Insurance Company Ltd. (IRDA Regn. No. 110) CIN: U66010MH2000PLC128403.

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

Pension Schemes

**TATA AIA**  
L I F E