

# Fund Assure

*Investment Report, September 2015*



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

**Dear Friends,**

**The month of September 2015 saw the benchmark index BSE Sensex and CNX Nifty shed 0.49% and 0.28% respectively. The Mid-cap index, CNX Mid-cap shed 0.57% during the same period.**

On the global front, the US Federal reserve (Fed) in its September FOMC meet decided to keep interest rates unchanged, acknowledging the headwinds in the global economy, even as they reiterated the strength of the US economy. However, the US September non-farm payrolls were much weaker than market consensus. This muted jobs data has reduced the possibility of an October rate hike from the Fed given the Fed's focus on linking its actions to the incoming data. Most market watchers now expect the Fed to act in December provided US economic data shows sufficient improvement till then.

On the domestic front, the RBI in its fourth Bi monthly monetary policy on September 29<sup>th</sup> delivered a higher than expected repo rate cut of 50 bps. The RBI also marked down its FY2016 GDP forecast to 7.4% while it revised down its January 2016 CPI projection to 5.8%.

India manufacturing PMI fell to 51.2 in September from 52.3 in the prior month, as output and new order flows continued to soften on the back of weak export orders. However, both input and output prices ticked down indicating lower inflationary pressures.

The fiscal deficit in April-August 2015 was 66.5% of the FY2016 budget estimates (BE) with gross tax collections in this period growing 22.8%, higher than the 16% year on year growth estimated in FY2016 budget led by a surge in Indirect tax collections. Total expenditure increased 8.8% in April-August 2015 as compared to the same period prior year, with non-plan expenditure increasing 10.2% and plan expenditure increasing 5%. Cumulative fiscal deficit for the first five months of fiscal 2016 was lower than the 75% in the same period last year with the government reiterating its commitment to contain the fiscal deficit to the targeted 3.9% GDP in FY 2016. Factors such as lower fuel subsidies, higher service tax rate and increase in excise duty for petrol and diesel have contributed to improving the fiscal health of the economy even as the revenues from the disinvestment remain muted.

The Current account deficit for the first quarter FY 2016 widened to USD 6.2 bn at 1.2% of GDP from USD 1.5 bn at 0.3% of GDP in the prior quarter although lower than USD 7.8 bn at 1.6% of GDP in first quarter last fiscal. The net Foreign Direct Investment (FDI) was at USD10.2bn in the first quarter FY 2016, a tad higher than USD9.6 bn in the prior quarter. However, Foreign Portfolio Investment (FPI) witnessed a net outflow of USD2.5 bn in the first quarter FY 2016 compared to net inflow of USD12.5 bn in the prior quarter.

Rainfall for the monsoon season, June 1<sup>st</sup> to September 30<sup>th</sup> has been 14.3% below Long Period Average (LPA). Kharif (summer crop) sowing as of October 1<sup>st</sup>, 2015 was 1.3% higher than that of the same period last year with increase in sowing acreage seen in pulses, oilseeds and coarse cereals over the last year. Rice and sugarcane acreage were broadly similar to the prior year while the acreage under cotton was lower than last year. The Rabi (winter crop) could be under pressure due to lower reservoir levels which until September 30<sup>th</sup> has been around 23% below normal.

The Consumer Price Index (CPI) inflation for August 2015 came in at 3.7%, broadly in line with the market expectation of 3.6% as well as the 3.7% registered in the month of July. The WPI inflation for August 2015 came in at a negative 4.95% year on year, lower than market expectations, registering tenth straight month of negative WPI inflation print. The CPI and WPI inflation prints for the month of August continue to confirm the presence of disinflationary forces in the economy.

We believe that the equity market offers an attractive entry point for a long-term investor with a 3-5 year view

**Team Investment**



**Pension Schemes**

## Market Outlook - Debt

Fund Assure, Investment Report, September 2015

Debt market in the month of September 2015 saw the benchmark 10 year Government security (G-sec) close the month at 7.54%, easing by 25 bps over the month. On the corporate bond side, the 10 year AAA corporate bond closed the month at around 8.19%, easing by 16 bps over the month.

In September 2015, the Foreign Portfolio Investors (FPIs) were marginal buyers of Indian debt to the extent of USD 57 mn, taking the overall purchase to USD 6.1 bn in the first six months of the current fiscal.

The RBI, in its fourth bi-monthly monetary policy review on September 29<sup>th</sup>, delivered an unexpected outsized rate cut while maintaining a dovish outlook on inflation and signaling continued accommodative monetary policy, which triggered a sharp rally in the Indian debt market. The RBI cut the policy repo rate by 50bps to 6.75%, higher than the market expectations of a 25bps cut.

The RBI noted that since its previous bi-monthly policy in August, inflation had dropped to a nine-month low and despite the monsoon deficiency, food inflation pressures had been contained by resolute actions by the government to manage supply. The RBI was satisfied that the disinflation had been broad-based and inflation excluding food and fuel had come off its recent peak in June.

The RBI observed that the fixed income markets had transmitted its past policy actions via commercial paper and corporate bonds, but expressed concern that the banks had done so only to a limited extent as their median base lending rates had fallen by only about 30 bps despite extremely easy liquidity conditions, 75 bps of the policy rate reduction during January-June period and lower bank deposit rates. The RBI intends to work with the government to ensure that impediments to the banks passing on the bulk of the cumulative 125 bps cut in the policy rate since January are removed.

On the inflation front, the RBI estimated CPI inflation to reach 5.8% in January 2016, a shade lower than its projection in the August bi-monthly policy. In the monetary policy statement of April 2015, the RBI had noted that it would strive to reach the mid-point of the inflation band of 4% by the end of fiscal 2018. Therefore, the RBI would now shift its target to bring inflation to around 5% by the end of fiscal 2017.

In this context, the RBI opined that the weakening global activity muting commodity prices, the still-low domestic industrial capacity utilization and the government's commitment to meet its fiscal targets and improve the quality of its spending would necessitate an accommodative monetary policy to the extent possible. The RBI stated that the investment is likely to respond more strongly if there is more certainty about the extent of monetary stimulus in the pipeline, even if transmission is slow. Therefore, the RBI had front-loaded policy action by a reduction in the policy rate by 50 bps. Given their year-ahead projections of inflation, this ensures one year expected treasury bill real interest rates of about 1.5-2%, which the RBI felt was appropriate for this stage of the recovery.

In a much awaited move, the RBI announced the framework for the Foreign Portfolio Investment (FPI) limits in the debt securities, which will henceforth be announced in INR terms. For central government securities, the limits will be increased in phased manner to 5% of the outstanding stock by March 2018, opening up room for additional investments to the tune of ₹1.2 tn by March 2018. Additionally, there will be a separate limit for investment by FPIs in the State Development Loans (SDLs), which would be increased in phases to reach 2% of the outstanding stock by March 2018, amounting to an additional limit of about ₹500 bn by March 2018.

The overall government borrowing for the second half FY 2016 remains on track with budget estimates, with the gross G-Sec borrowing at ₹2.34 tn, implying the annual G-Sec borrowing at a reduced ₹5.85 tn compared to FY2016BE of ₹6 tn. However, this reduction in G-sec borrowing will be offset by ₹150 bn worth of sovereign gold bonds, keeping the central government's total market borrowing for FY2016 unchanged. The weekly auction size of dated securities is ₹150 bn until mid-December followed by ₹140 bn for the rest of the period with the auctions spread over 16 weeks. The gross issuances are bunched in the 10-14-year bucket, which makes up 48% of the issuance.

The fixed income markets would take support from the RBI's rate cut as well as its dovish outlook while tracking the September CPI inflation print and the FOMC meeting of the US Fed in October for further cues. The opening up of the FPI limits is an added tailwind for the Indian debt markets in the medium term.



Pension Schemes

**TATA AIA**  
L I F E

## Market Outlook - Equity

Fund Assure, Investment Report, September 2015

The month of September 2015 saw the benchmark index BSE Sensex and CNX Nifty shed 0.49% and 0.28% respectively. The Mid-cap index, CNX Mid-cap shed 0.57% during the same period.

The FIIs were net sellers with outflows of around USD 0.87 bn in the month of September 2015 and the DIIs were net buyers to the tune of USD 1.57 bn with insurance companies net buyers to the tune of around USD 0.27 bn and domestic mutual funds, net buyers to the tune of USD 1.3 bn. FIIs have bought Indian equities to the tune of USD 3.4 bn in the first nine months of the calendar year even as the DIIs have been net buyers of around USD 8.2 bn in the same period, with insurance companies selling around USD 0.2 bn even as domestic mutual funds bought around USD 8.4 bn.

The month of September started on a tepid note with emerging market equities under pressure due to lingering concerns of an imminent rate hike by the US Federal Reserve (Fed). However, the markets were supported by the Fed's decision to keep rates unchanged even as strong Indian macro data, sustained executive action from the government to boost economic activity as well as the unexpected 50 bps rate cut delivered by the RBI helped lift the market sentiment towards the second half of the month.

The second quarter earnings season could see muted growth in corporate revenue on the back of weak demand environment and subdued prices, weighed down by sectors such as oil & gas and metals even as the export oriented sectors such as IT and Pharmaceuticals could benefit from a weaker INR. The corporate margins could be supported by lower input costs on the back of benign commodity prices. The banking sector could see some decline in fresh impairments as well as an improvement in treasury performance even as the loan growth and Net interest margins would remain under pressure.

In a move to provide some relief to the Indian steel industry aimed at moderating the flow of steel imports, which have risen sharply and forced steel price cuts in the domestic market, the Finance Ministry has approved the imposition of 20% provisional safeguard duty on certain hot rolled steel products. This is in line with the recommendation made by the Directorate General of Safeguards (DGS) and would be applicable for a period of 200 days.

The RBI granted 10 "in-principle" Small Finance Bank licenses with 8 out of the 10 licenses awarded to microfinance companies (MFIs). These banks will be subject to same CRR/SLR guidelines as commercial banks and will need to ensure that 75% of their loans classify as priority sector loans.

In a move to address the asset quality issues of the banks, the RBI has allowed the banks the freedom to convert debt to equity similar to Strategic Debt Restructuring (SDR) plan. This move will allow the banks to take greater control of the operations of their corporate borrowers.

There has been an increase in economic activity in the infrastructure sector where road project awards have seen a pickup in H1FY16, with the NHAI awarding more than ₹250bn worth of projects spread across 2,000km, with the award in the second half expected to be even higher. Moreover, there has been a recent surge in activity in the urban infrastructure space with the recent awards of contracts to the tune of ₹190bn for the Mumbai Metro.

Going forward, while global uncertainties will continue to shape the trajectory of the Indian equity markets, the markets would take further cues from the comments of the US Fed in its October FOMC meet. The RBI's dovish policy stance as well as its 50 bps rate cut in its bi-monthly monetary policy review could be a key enabler to catalyze the nascent investment cycle.

We believe that the equity market offers an attractive entry point for a long-term investor with a 3-5 year view.



Pension Schemes

**TATA AIA**  
L I F E

**Equity Fund**

**Short Term Fixed  
Income Fund**

**Income Fund**

**Liquid Fund**

**Bond Fund**

**Balanced Fund**



**Pension Schemes**

## Equity Fund

ULGF 001 02/03/04 E1 110

Fund Assure, Investment Report, September 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 30 Sep, 15** : ₹50.5396

**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>92.98</b>
Infosys Technologies Ltd.	IT - Software	8.76
HDFC Bank Ltd.	Banks	8.36
Reliance Industries Ltd.	Refineries	5.84
ICICI Bank Ltd.	Banks	4.93
Tata Consultancy Services Ltd.	IT - Software	4.93
ITC Ltd.	Tobacco Products	4.70
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	4.24
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	3.89
Axis Bank Ltd.	Banks	3.15
HDFC Ltd.	Finance	3.08
State Bank of India	Banks	3.01
Tata Motors Ltd.	Automobile	2.75
Maruti Suzuki India Ltd.	Automobile	2.60
Asian Paints Ltd.	Paints/Varnish	2.30
Mahindra and Mahindra Ltd.	Automobile	2.01
Others Equity		28.44
<b>Cash Bank &amp; Others</b>		<b>7.02</b>
<b>Total</b>		<b>100.00</b>

### Fund Performance

PERIOD	DATE	NAV	S&P BSE Sensex	NAV Change	INDEX Change
Last 3 Months	30-Jun-15	53.3917	27780.83	-5.34%	-5.85%
Last 6 Months	31-Mar-15	53.9060	27957.49	-6.24%	-6.45%
Last 1 Year	30-Sep-14	50.2017	26630.51	0.67%	-1.79%
Last 2 Years	30-Sep-13	36.3815	19379.77	17.86%	16.17%
Last 3 Years	30-Sep-12	35.3040	18762.74	12.70%	11.71%
Last 4 Years	30-Sep-11	30.8995	16453.76	13.09%	12.28%
Last 5 Years	30-Sep-10	37.9836	20069.12	5.88%	5.44%
Since Inception	29-Mar-04	10.0000	5571.37	15.11%	14.38%

**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.

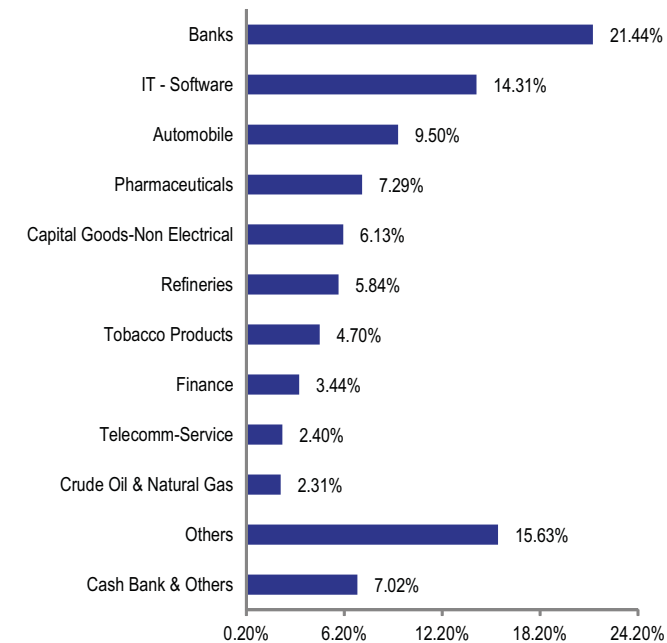
### Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	Up to 100%	93%
Debt *	Up to 40%	7%
Cash & Money Market **	Up to 40%	7%

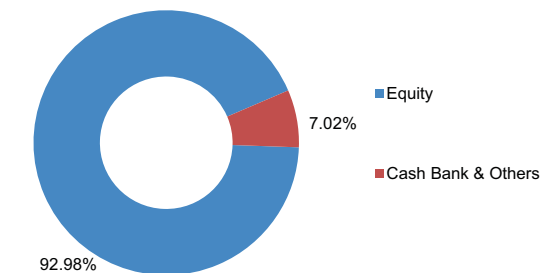
\* Exposure to Debt is restricted to exposure to Cash & Money Market

\*\* 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 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 30 Sep, 15** : ₹19.0696

**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>53.10</b>
8.78% Haryana SDL 23-Jul-17	Sovereign	17.18
8.39% Gujarat SDL 27-Mar-18	Sovereign	17.14
7.83% GOI 11-Apr-18	Sovereign	11.92
8.67% Karnataka SDL 18-Jul-17	Sovereign	6.85
<b>Corporate Bonds</b>		<b>42.83</b>
9.43% IRFC Ltd. 23-May-18	AAA	8.74
8.97% AIRPORT AUTHORITY OF INDIA 11-Oct-16	AAA	8.55
8.43% IDFC Ltd. 02-Feb-18	AAA	6.82
9.35% HDFC Ltd. 04-Mar-16	AAA	6.79
8.80% SAIL 26-Oct-15	AAA	6.76
8.90% PFC Ltd. 21-Oct-17	AAA	5.16
<b>Cash Bank &amp; Others</b>		<b>4.07</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	30-Jun-15	18.6541	2476.46	2.23%	2.59%
Last 6 Months	31-Mar-15	18.3442	2433.57	3.95%	4.39%
Last 1 Year	30-Sep-14	17.5232	2311.69	8.82%	9.90%
Last 2 Years	30-Sep-13	16.0962	2099.30	8.85%	10.01%
Last 3 Years	30-Sep-12	14.9777	1948.67	8.38%	9.24%
Last 4 Years	30-Sep-11	13.6786	1784.00	8.66%	9.24%
Last 5 Years	30-Sep-10	12.8388	1670.28	8.23%	8.75%
Since Inception	03-Jul-06	10.0000	1242.33	7.23%	8.04%

**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.

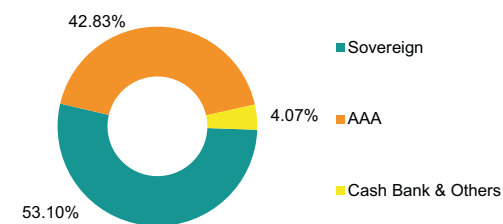
### Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	0%	0%
Debt *	60% - 100%	100%
Cash & Money Market **	Up to 40%	4%

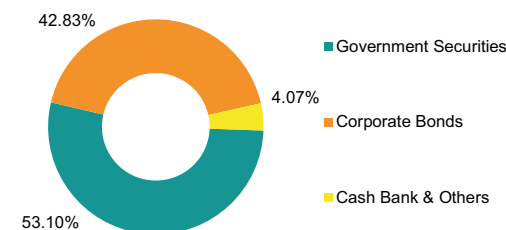
\* Exposure to Debt includes Cash & Money Market

\*\* Cash & Money Market includes current assets

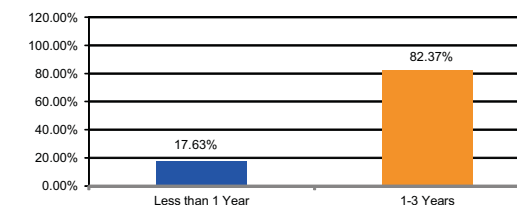
### Rating Profile



### Asset Allocation



### Maturity Profile



Pension Schemes



# Income Fund

ULGF 002 02/03/04 I1 110

Fund Assure, Investment Report, September 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 30 Sep, 15** : ₹22.5149

**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>64.60</b>		
8.17% GOI 01-Dec-44	Sovereign	17.51
7.88% GOI 19-Mar-30	Sovereign	13.19
9.23% GOI 23-Dec-43	Sovereign	12.23
8.40% GOI 28-Jul-24	Sovereign	4.46
8.29% Rajasthan SDL 29-Jul-25	Sovereign	3.90
8.23% Gujarat SDL 09-Sep-25	Sovereign	3.88
8.26% Maharashtra SDL 12-Aug-25	Sovereign	3.87
8.28% GOI 21-Sep-27	Sovereign	3.15
8.13% GOI 22-Jun-45	Sovereign	2.41
<b>Corporate Bonds</b> <b>32.22</b>		
8.49% NTPC Ltd. 25-Mar-25	AAA	6.81
2.00% Tata Steel Ltd. 23-Apr-22	AA	5.85
8.85% Yes Bank Ltd. 24-Feb-25	AA+	3.75
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	3.71

Instrument	Industry/Rating	% of NAV
8.40% NPCIL 28-Nov-26	AAA	3.27
8.70% IDFC Ltd. 20-May-25	AAA	2.28
0.00% NABARD 01-Jan-19	AAA	1.95
9.30% PGC Ltd. 28-Jun-21	AAA	1.33
8.14% NPCIL 25-Mar-28	AAA	0.77
8.14% NPCIL 25-Mar-26	AAA	0.77
9.70% HDFC Ltd. 07-Jun-17	AAA	0.61
8.75% SAIL 23-Apr-20	AAA	0.43
9.35% HDFC Ltd. 04-Mar-16	AAA	0.30
9.35% REC Ltd. 15-Jun-22	AAA	0.22
9.57% IRFC Ltd. 31-May-21	AAA	0.09
8.93% NTPC Ltd. 19-Jan-21	AAA	0.09
<b>Cash Bank &amp; Others</b>		<b>3.18</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	30-Jun-15	21.5880	2360.29	4.29%	3.69%
Last 6 Months	31-Mar-15	21.5690	2345.74	4.39%	4.33%
Last 1 Year	30-Sep-14	19.7368	2174.26	14.08%	12.56%
Last 2 Years	30-Sep-13	17.7490	1948.06	12.63%	12.08%
Last 3 Years	30-Sep-12	17.0856	1883.05	9.63%	9.13%
Last 4 Years	30-Sep-11	15.3796	1718.92	10.00%	9.23%
Last 5 Years	30-Sep-10	14.4587	1628.02	9.26%	8.49%
Since Inception	02-Mar-04	10.0000	1193.20	7.26%	6.40%

**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.

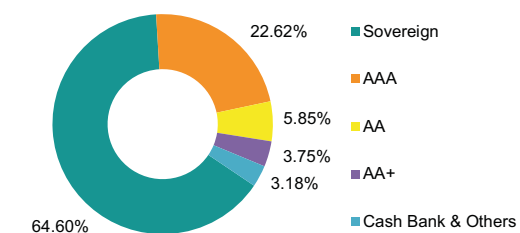
## Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	0%	0%
Debt *	85% - 100%	100%
Cash & Money Market **	Up to 40%	3%

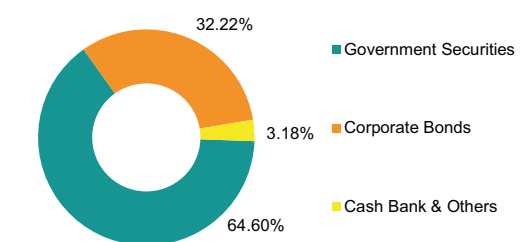
\* Exposure to Debt includes Cash & Money Market

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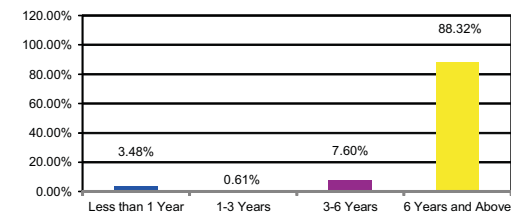
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes



# Liquid Fund

ULGF 003 02/03/04 L1 110

Fund Assure, Investment Report, September 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 30 Sep, 15** : ₹21.6424

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

## Investment Style

Credit Quality			Interest Rate Sensivity
High	Mid	Low	
			High
			Mid
			Low

## Fund Performance

PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 3 Months	30-Jun-15	21.2631	2367.53	1.78%	1.99%
Last 6 Months	31-Mar-15	20.8787	2320.50	3.66%	4.06%
Last 1 Year	30-Sep-14	20.0878	2224.32	7.74%	8.56%
Last 2 Years	30-Sep-13	18.5498	2031.60	8.01%	9.02%
Last 3 Years	30-Sep-12	17.1133	1871.69	8.14%	8.86%
Last 4 Years	30-Sep-11	15.7128	1721.98	8.33%	8.82%
Last 5 Years	30-Sep-10	14.6298	1597.83	8.15%	8.61%
Since Inception	25-May-04	10.0000	1113.63	7.04%	7.05%

**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	0%	0%
Debt *	Up to 100%	100%
Cash & Money Market **	Up to 100%	100%

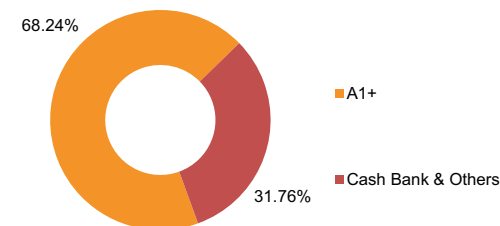
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\*\* Cash & Money Market includes current assets

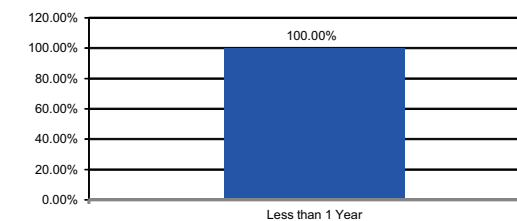
## Portfolio

Instrument	Industry/Rating	% of NAV
<b>CD/CP's</b>		<b>68.24</b>
Punjab National Bank CD 04-Mar-16	A1+	9.34
REC Ltd. CP 21-Dec-15	A1+	8.63
Canara Bank CD 09-Mar-16	A1+	8.48
EXIM BANK CD 16-Mar-16	A1+	8.47
Andhra Bank CD 24-Mar-16	A1+	8.46
Bank of India CD 09-Jun-16	A1+	8.33
ICICI BANK CD 17-Jun-16	A1+	8.31
HDFC Ltd. CP 20-Jul-16	A1+	8.23
<b>Cash Bank &amp; Others</b>		<b>31.76</b>
<b>Total</b>		<b>100.00</b>

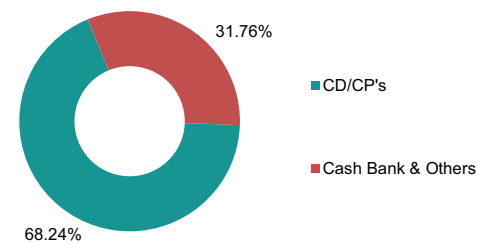
## Rating Profile



## Maturity Profile



## Asset Allocation



Pension Schemes

## Bond Fund

ULGF 005 17/08/07 BO 110

Fund Assure, Investment Report, September 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 30 Sep, 15** : ₹19.2267

**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>65.97</b>		
8.17% GOI 01-Dec-44	Sovereign	17.50
9.23% GOI 23-Dec-43	Sovereign	12.80
7.88% GOI 19-Mar-30	Sovereign	11.01
8.28% GOI 21-Sep-27	Sovereign	10.69
8.23% Gujarat SDL 09-Sep-25	Sovereign	3.88
8.29% Rajasthan SDL 29-Jul-25	Sovereign	3.86
8.26% Maharashtra SDL 12-Aug-25	Sovereign	3.83
8.13% GOI 22-Jun-45	Sovereign	2.39
<b>Corporate Bonds</b> <b>31.21</b>		
8.49% NTPC Ltd. 25-Mar-25	AAA	5.87
8.75% SAIL 23-Apr-20	AAA	5.53

Instrument	Industry/Rating	% of NAV
8.85% Yes Bank Ltd. 24-Feb-25	AA+	4.44
9.48% REC Ltd. 10-Aug-21	AAA	3.64
8.40% NPCIL 28-Nov-26	AAA	2.99
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	2.78
8.70% IDFC Ltd. 20-May-25	AAA	2.25
0.00% NABARD 01-Jan-19	AAA	2.10
8.14% NPCIL 25-Mar-28	AAA	0.73
8.14% NPCIL 25-Mar-26	AAA	0.73
9.75% SBI Series 3 Lower Tier II 16-Mar-21	AAA	0.13
<b>Cash Bank &amp; Others</b>		<b>2.82</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	30-Jun-15	18.4379	2360.29	4.28%	3.69%
Last 6 Months	31-Mar-15	18.4293	2345.74	4.33%	4.33%
Last 1 Year	30-Sep-14	16.8718	2174.26	13.96%	12.56%
Last 2 Years	30-Sep-13	15.2032	1948.06	12.46%	12.08%
Last 3 Years	30-Sep-12	14.5717	1883.05	9.68%	9.13%
Last 4 Years	30-Sep-11	13.1256	1718.92	10.01%	9.23%
Last 5 Years	30-Sep-10	12.3470	1628.02	9.26%	8.49%
Since Inception	17-Aug-07	10.0000	1339.53	8.38%	7.70%

**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.

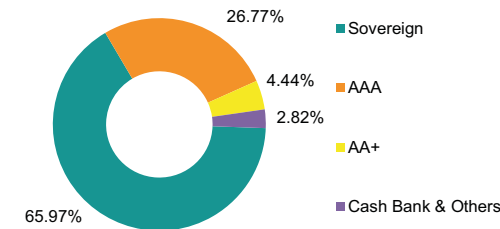
### Asset Mix

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%

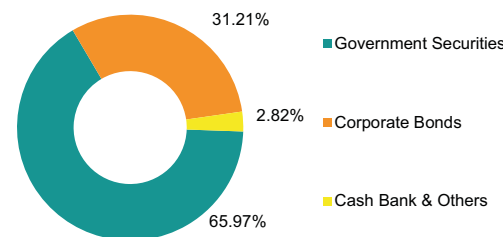
\* Exposure to Debt includes Cash & Money Market

\*\* Cash & Money Market includes current assets

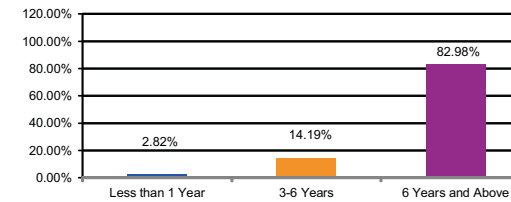
### Rating Profile



### Asset Allocation



### Maturity Profile



Pension Schemes

**TATA AIA**  
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## Balanced Fund

ULGF 006 17/08/07 BL 110

Fund Assure, Investment Report, September 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 30 Sep, 15** : ₹18.3465

**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			
Value	Blend	Growth	Size
			Large
			Mid
			Small

### Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 3 Months	30-Jun-15	17.8625	2.71%	2.82%
Last 6 Months	31-Mar-15	17.9251	2.35%	3.26%
Last 1 Year	30-Sep-14	16.6433	10.23%	11.28%
Last 2 Years	30-Sep-13	14.4072	12.85%	12.65%
Last 3 Years	30-Sep-12	13.8487	9.83%	9.39%
Last 4 Years	30-Sep-11	12.5718	9.91%	9.57%
Last 5 Years	30-Sep-10	12.3924	8.16%	8.21%
Since Inception	17-Aug-07	10.0000	7.75%	7.77%

**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%	12%
Debt *	80% - 100%	88%
Cash & Money Market **	Up to 40%	2%

\* Exposure to Debt includes Cash & Money Market

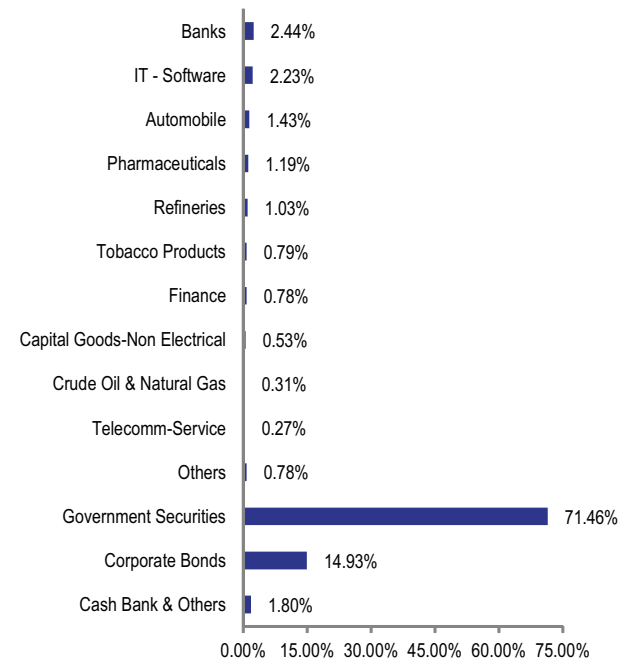
\*\* Cash & Money Market includes current assets

### Portfolio

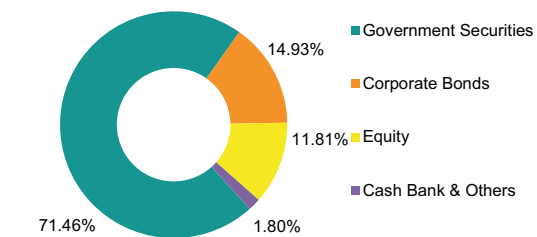
Instrument	Industry/Rating	% Of NAV
<b>Equity</b> <b>11.81</b>		
HDFC Bank Ltd.	Banks	1.20
Infosys Technologies Ltd.	IT - Software	1.12
ICICI Bank Ltd.	Banks	0.92
Tata Consultancy Services Ltd.	IT - Software	0.88
ITC Ltd.	Tobacco Products	0.79
HDFC Ltd.	Finance	0.78
Reliance Industries Ltd.	Refineries	0.69
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	0.53
Maruti Suzuki India Ltd.	Automobile	0.53
Dr. Reddys Laboratories Ltd.	Pharmaceuticals	0.50
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	0.49
Tata Motors Ltd.	Automobile	0.40
Bharat Petroleum Corporation Ltd.	Refineries	0.34
Oil and Natural Gas Corpn Ltd.	Crude Oil & Natural Gas	0.31
State Bank of India	Banks	0.29
Other Equity		2.03

Instrument	Industry/Rating	% Of NAV
<b>Government Securities</b> <b>71.46</b>		
8.40% GOI 28-Jul-24	Sovereign	16.04
7.68% GOI 15-Dec-23	Sovereign	13.58
7.88% GOI 19-Mar-30	Sovereign	12.59
9.23% GOI 23-Dec-43	Sovereign	8.98
8.17% GOI 01-Dec-44	Sovereign	7.59
8.90% Rajasthan SDL 24-Sep-24	Sovereign	6.97
8.29% Maharashtra SDL 26-Aug-25	Sovereign	5.73
<b>Corporate Bonds</b> <b>14.93</b>		
9.97% IL&FS 28-Sep-16	AAA	4.92
8.49% NTPC Ltd. 25-Mar-25	AAA	3.47
8.84% PFC Ltd. 04-Mar-23	AAA	3.32
9.30% SAIL 25-May-19	AAA	2.16
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	1.06
<b>Cash Bank &amp; Others</b> <b>1.80</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

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

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

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