

Fund Assure

Investment Report, September 2016



Dear Friends,

The month of September 2016 saw the benchmark indices S&P BSE Sensex and Nifty 50 shed around 2%. The Mid-cap index, Nifty Free Float Mid-cap 100 gained 0.27% during the same period.

On the global front, the FOMC of the US Federal Reserve (Fed) left the interest rates unchanged, in line with market expectations, deciding to wait for more information before hiking rates following the weaker-than expected data on economic activity. However the Fed hinted that the path of policy was biased towards tightening but that the current data didn't make a compelling enough case as yet. The dot chart showed that a majority of members anticipated the Fed funds rate at 0.5-0.75% by the end of the year 2016 while the median estimate of the number of rate hikes in year 2017 was down to two from three earlier, with three rate hikes estimated in each of the years 2018 and 2019.

The Bank of Japan (BoJ) kept policy rates unchanged even as it stated its intention to explicitly target the 10-year G-sec yield in an effort to keep it around neutral levels. Additionally, the BoJ highlighted that it would continue easing until the actual inflation reached the 2% level on a sustained basis.

The OPEC has agreed to curtail crude oil production and fix the production quotas for its member countries during its upcoming biannual meeting on November 30th, possibly exempting some member nations from production quotas, taking into account the impact of country-specific issues. This move from OPEC has supported the crude oil prices around the USD 50/ barrel level and stabilized the oversupplied crude oil market in the near term.

On the domestic front, the Monetary policy committee (MPC) of the RBI in its fourth bi-monthly monetary policy review nudged the repo rate lower by 25 bps to 6.25% while reiterating its accommodative policy stance.

The government notified the formation of the GST Council to finalize details such as rates, categories and rules in the GST framework. The GST Council in its first meeting decided on exemption thresholds of assesses under GST as well as the modalities for the compensation payout by the Centre to the states for revenue losses on account of the transition to the GST framework. The Cabinet approved advancing the date of presenting the Union budget, merging the railway budget with Union budget as well as removing the distinction of plan and non-plan expenditure in an effort to streamline the budgeting process and ensure timely expenditure at the start of a fiscal year.

The first advance estimates indicate record Kharif (summer crop) production of rice, maize, and pulses in FY2017 with rice production 3.9% higher, pulses 56.5% higher, oilseeds 17.4% higher and coarse cereals 16.4% higher than the first advance estimates in the prior year even as the production of sugarcane and cotton is estimated to have contracted by 10.6% and 4.1% respectively.

The fiscal deficit in April-August 2016 period was at 76.4% of the FY2017 budget estimate with gross tax collections growing by a robust 21.9% YTD in FY2017 over the FY2016 provisional numbers led by indirect tax collections growth of 27% on the back of a surge in excise duty and service tax collections even as direct taxes grew 15% on account of a spike in the income tax collections. Total expenditure increased 9.5% even as revenue expenditure grew 10.9% while capital expenditure fell by 0.7%. In a move that will cushion the fiscal deficit, India's Income Declaration Scheme, 2016 has seen a robust disclosure of around ₹ 652 bn based on preliminary estimates with the government likely to collect around ₹ 293 bn as taxes of which 50% will accrue in FY2017.

The Current account deficit (CAD) for the first quarter FY 2017 narrowed to USD 0.3 bn at 0.1% of GDP, similar to prior quarter, improving from the USD 6.1 bn at 1.2% of GDP registered in the first quarter FY 2016. The Balance of payments (BoP) surplus improved to USD 7bn in the first quarter FY 2017 against USD 3.3 bn in the prior quarter.

Trade deficit in August 2016 was at USD 7.7 bn, similar to the USD 7.8 bn registered in the prior month. August exports growth contracted by 0.3% on a year on year basis against a much severe contraction of 6.8% in July. Imports contracted by 14.1% on a year on year basis in the month of August against a contraction of 19% in July. For FYTD 2017, exports contracted 2.6% while imports contracted sharply by 16.1%.

The Consumer Price Index (CPI) inflation for August 2016 came in at 5.05%, lower than the market expectation of 5.2% and much lower than the 6.07% registered in the prior month. The CPI inflation print for the month of August reflected the softening of inflationary pressures seen in food products, especially vegetables and pulses. Wholesale Price Index (WPI) inflation for August 2016 was at 3.74%, lower than the market expectation of 4% but higher than the 3.55% registered in the prior month. Going forward, many market experts expect food inflation to trend even lower on account of the robust Kharif production as well as the various supply management measures from the government.

Given the improving macroeconomic backdrop, we believe that the equity market offers a reasonable entry point for a long-term investor with a 3-5 year view.

Team Investment

Equity Market Outlook

The month of September 2016 saw the benchmark indices S&P BSE Sensex and Nifty 50 shed around 2%. The Mid-cap index, Nifty Free Float Mid-cap 100 gained a modest 0.27% during the same period. The FIIs were net buyers with inflows of around USD 1.4 bn in September 2016.

In the month of September, the markets were in a consolidation mode on the back of the US Fed keeping interest rates unchanged while reiterating its intention to hike rates gradually and a commitment from BoJ to continue the monetary easing until the inflation reached its target of 2%. A sharp fall in the CPI inflation in India also revived hopes of a more accommodative monetary policy from the RBI in future. However, towards the end of the month the markets reacted to the increasing geopolitical tensions in the region as well as the uncertainty around the elections in the US.

The second quarter FY 2017 earnings season is expected to see robust earnings growth from some companies in a slew of sectors such as telecom, autos, pharmaceuticals, utilities, energy and consumer goods while some companies in IT services and some state owned banks are expected to deliver muted earnings growth.

India's ranking in the Global Competitiveness Index for 2016-17, released by the World Economic Forum (WEF), improved 16 places to an impressive 39th position. While noting the recent reform efforts by the government in improving public institutions, opening the economy to foreign investors and international trade as well as increasing transparency in the financial system, the WEF cited labour market deficiencies as well as lack of infrastructure as some of the areas of improvement. This improvement in ranking is a reflection of India's progress in the areas of macro fundamentals and ease of doing business as well as the credible reforms agenda of the government.

The Government of India's advance estimates of agricultural production indicate a record Kharif (summer crop) output this year, estimated 9% higher on a year on year basis. This is positive for rural demand and should boost rural consumption. It could act as a tailwind for earnings of consumer and rural facing sectors in segments such as two wheelers, tractors, white goods and home improvement products. The urban demand is reflected by robust growth in key segments such as retail loans, consumer durable demand and air traffic.

While the consumption demand has picked up, investment cycle remains tepid as private capex is still sluggish. Weak credit growth, anemic rail freight growth and muted power demand are some of the parameters which are yet to show an uptick. However, going forward, market experts expect the continuing deleveraging cycle of corporates as well as lower interest rates to enable a revival in the investment cycle, especially if the capacity utilization trends higher on the back of improving demand conditions.

Going forward, boost to spending from the 7th Pay commission's award, strong public investment in roads, railways & inland waterways as well as the recent efforts to unclog cash flows in large projects under arbitration can improve the industrial outlook further.

Given the improving macro-economic backdrop, we believe that the equity market offers a reasonable entry point for a long-term investor with a 3-5 year view.

Debt Market Outlook

Debt market in the month of September 2016 saw the benchmark 10 year Government security (G-sec) close the month at 6.96%, easing by 15 bps over the month even as the 30 year G-sec eased by 8 bps during the same period. The new 10-year G-sec was issued during first week of September at the yield of 6.97% and closed the month at 6.81%. On the corporate bond side, the 10 year AAA corporate bond closed the month at around 7.53%, easing by 13 bps over the month. In the month of September, the Foreign Portfolio Investors (FPIs) turned buyers of Indian debt and supported the fixed income yields.

The Monetary policy committee (MPC) of the RBI in its fourth bi-monthly monetary policy review nudged the repo rate lower by 25 bps to 6.25% while reiterating its accommodative policy stance. This decision of the MPC is in consonance with the objective of achieving Consumer price index (CPI) inflation at 5 % by the fourth quarter FY 2017 and the medium-term target of 4 % within a band of +/- 2 %, while supporting growth.

In its monetary policy review, the RBI noted the tepid global growth scenario with weak investment and trade dampening aggregate demand. On the domestic front, the RBI expected the growth momentum to quicken due to a normal monsoon raising agricultural growth and rural demand, as well as by the stimulus to the urban consumption spending from the 7th Pay commission's award. The RBI expected the accommodative stance of monetary policy and comfortable liquidity conditions to support a revival of credit to the productive sectors. However, the RBI anticipated a continuing sluggishness in world trade to further slacken the external demand going forward. Accordingly, the RBI retained the projection of gross value added (GVA) for 2016-17 at 7.6 %.

The RBI expected the strong improvement in Kharif (summer crop) sowing, along with supply management measures by the government, to improve the food inflation outlook and result in a downward shift in the momentum of food inflation. The RBI opined that the government's initiatives to mitigate food inflation pressures, especially with regard to pulses, should help in moderating the momentum of food inflation in the months ahead. The RBI believed that this had opened up space for its policy action resulting in a 25 bps reduction in the repo rate in the monetary policy review on October 4th.

The RBI took note of potential cost push pressures that might emerge, including the 7th pay commission award on house rent allowances, and the increase in minimum wages with a possible spill over through minimum support prices and opined that the fuller play of these factors will need vigilance to prevent a generalized cost spiral from taking root. On balance, the RBI envisaged a trajectory taking headline CPI inflation towards a central tendency of 5% by March 2017, albeit with upside risks.

The RBI expected the easy liquidity conditions to enable the smooth transmission of the policy action through various market segments. Moreover, the RBI opined that the banks should find added impetus for better transmission from the recent downward adjustment in small savings rates.

The central government retained its borrowing target announced in the Union budget pegged at ₹ 2.45 tn on a gross basis for the second half of FY 2017 with the net borrowing for the second half of FY 2017 at ₹ 1.77 tn, 21% lower than the corresponding period prior fiscal, owing to higher redemptions in January 2017. The central government's gross borrowing in the first half of FY 2017 stood at ₹ 3.55 tn and the FY2017 gross borrowing was as budgeted at ₹ 6 tn. The weekly auctions size of G-secs stood at ₹ 140-150bn with the borrowings concentrated in the 10-14-year bucket.

We remain constructive on the fixed income market and believe that the sharp fall in the CPI inflation for the month of August as well as mitigation of inflationary pressures in food, especially pulses, opens up more space for the RBI to nudge the repo rate lower in the medium term, especially if the CPI inflation for the second half of fiscal FY 2017 undershoots the RBI's estimate of 5%.

Going forward, the RBI's effort to speed up the monetary transmission in the banking system as well as keeping liquidity at near neutral levels on a sustained basis will continue to be an important factor for bringing down interest rates in the economy.

Fund Assure, Investment Report, September 2016

Equity Fund

**Short Term Fixed
Income Fund**

Income Fund

Liquid Fund

Bond Fund

Balanced Fund

EQUITY FUND

ULGF 001 02/03/04 E1 110
Fund Assure, Investment Report, September 2016

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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 September, 16: ₹55.8362

Benchmark: S&P BSE Sensex - 100%

Investment Style

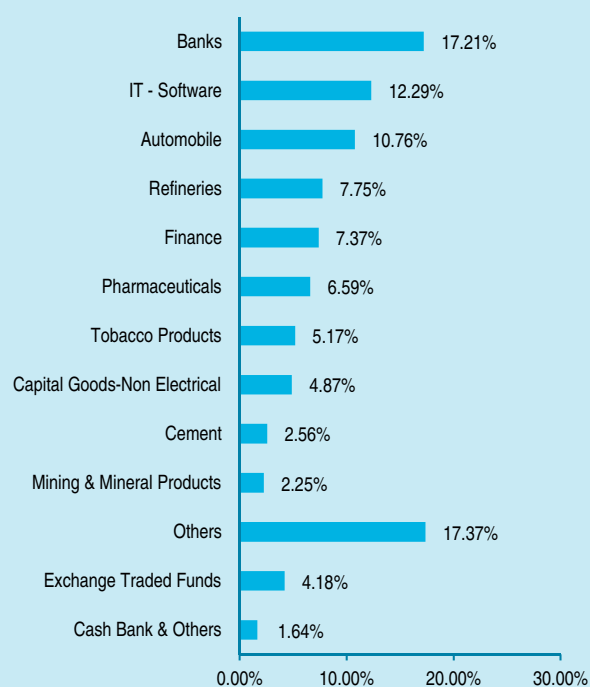
Investment Style			Size
Value	Blend	Growth	Large
			Mid
			Small

Fund Performance

Period	Date	NAV	S&P BSE Sensex	NAV Change	INDEX Change
Last 3 Months	30-Jun-16	53.2010	26999.72	4.95%	3.21%
Last 6 Months	31-Mar-16	49.5275	25341.86	12.74%	9.96%
Last 1 Year	30-Sep-15	50.5396	26154.83	10.48%	6.54%
Last 2 Years	30-Sep-14	50.2017	26630.51	5.46%	2.29%
Last 3 Years	30-Sep-13	36.3815	19379.77	15.35%	12.87%
Last 4 Years	30-Sep-12	35.3040	18762.74	12.14%	10.39%
Last 5 Years	30-Sep-11	30.8995	16453.76	12.56%	11.11%
Since Inception	29-Mar-04	10.0000	5571.37	14.73%	13.73%

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



Portfolio

Instrument	Industry/Rating	% Of NAV
Equity		94.18
HDFC Bank Ltd.	Banks	7.25
Infosys Technologies Ltd.	IT - Software	6.64
Reliance Industries Ltd.	Refineries	6.59
ICICI Bank Ltd.	Banks	5.20
ITC Ltd.	Tobacco Products	5.17
HDFC Ltd.	Finance	5.16
Tata Motors Ltd.	Automobile	4.42
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	4.08
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	2.99
Tata Consultancy Services Ltd.	IT - Software	2.94
Mahindra and Mahindra Ltd.	Automobile	2.20
HCL Technologies Ltd.	IT - Software	2.01
Hindustan Unilever Ltd.	FMCG	1.91
Oil and Natural Gas Corpn Ltd.	Crude Oil & Natural Gas	1.89
Asian Paints Ltd.	Paints/Varnish	1.85
Other Equity		33.90
Exchange Traded Funds		4.18
Goldman Sachs Banking Index Exchange Traded Scheme		4.18
Cash Bank & Others		1.64
Total		100.00

Asset Allocation

Asset Type	% Of NAV
Equity	94.18%
Exchange Traded Funds	4.18%
Cash Bank & Others	1.64%

Asset Mix

Instrument	Asset Mix as per F&U	Actual Asset Mix
Equity	Up to 100%	98%
Debt *	Up to 40%	2%
Cash & Money Market **	Up to 40%	2%

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

** Cash & Money Market includes current assets

SHORT TERM FIXED INCOME FUND

ULGF 004 01/07/06 S1 110
Fund Assure, Investment Report, September 2016

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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 September, 16: ₹20.6179

Benchmark: CRISIL India Short Term Bond Index -100%

Investment Style

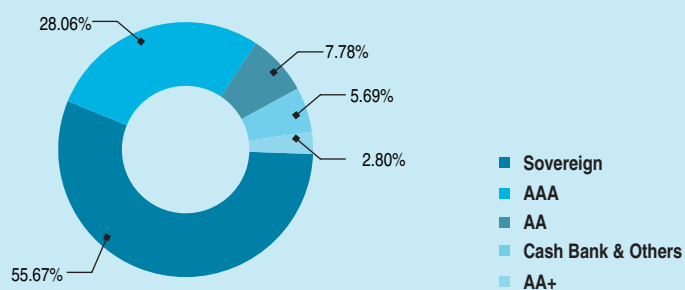
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Fund Performance

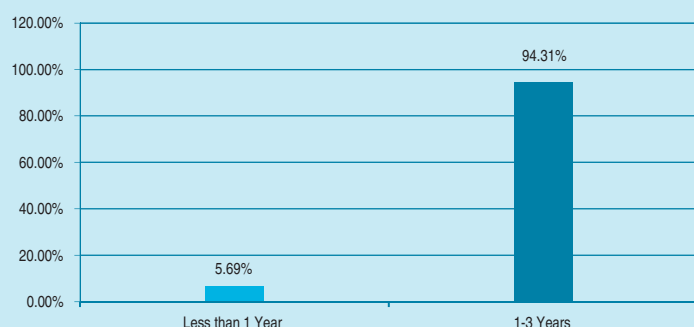
Period	Date	NAV	Crisil Short Term Bond Index	NAV Change	INDEX Change
Last 3 Months	30-Jun-16	20.1516	2697.79	2.31%	2.94%
Last 6 Months	31-Mar-16	19.7494	2639.60	4.40%	5.21%
Last 1 Year	30-Sep-15	19.0696	2540.49	8.12%	9.31%
Last 2 Years	30-Sep-14	17.5232	2311.69	8.47%	9.60%
Last 3 Years	30-Sep-13	16.0962	2099.30	8.60%	9.77%
Last 4 Years	30-Sep-12	14.9777	1948.67	8.32%	9.26%
Last 5 Years	30-Sep-11	13.6786	1784.00	8.55%	9.25%
Since Inception	03-Jul-06	10.0000	1242.33	7.31%	8.16%

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



Maturity Profile



Portfolio

Instrument	Industry/Rating	% Of NAV
Government Securities 55.67		
7.28% GOI 03-Jun-19	Sovereign	25.13
7.83% GOI 11-Apr-18	Sovereign	25.05
6.05% GOI 02-Feb-19	Sovereign	5.49
Corporate Bonds 38.64		
9.30% Blue Dart Express Ltd. 20-Nov-17	AA	7.78
11.00% IOC Ltd. 10-Sep-18	AAA	7.41
9.43% IRFC Ltd. 23-May-18	AAA	7.20
8.43% IDFC Bank Ltd. 02-Feb-18	AAA	5.64
7.85% PFC Ltd. 15-Apr-19	AAA	4.22
7.90% Bajaj Finance Ltd. 27-Sep-19	AA+	2.80
0.00% NHB 24-Dec-18	AAA	2.13
9.00% EXIM Bank 10-Jan-19	AAA	1.44
Cash Bank & Others 5.69		
Total		100.00

Asset Allocation

Asset Type	% Of NAV
Government Securities	55.67%
Corporate Bonds	38.64%
Cash Bank & Others	5.69%

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%	6%

* Exposure to Debt includes Cash & Money Market

** Cash & Money Market includes current assets

INCOME FUND

ULGF 002 02/03/04 I1 110
Fund Assure, Investment Report, September 2016

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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 September, 16: ₹25.1349

Benchmark: CRISIL Composite Bond Index -100%

Investment Style

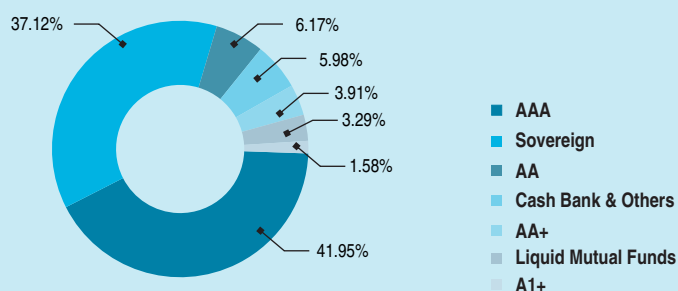
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Fund Performance

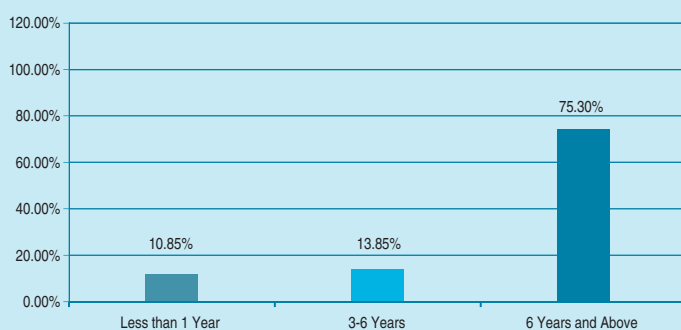
Period	Date	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 3 Months	30-Jun-16	23.6675	2600.84	6.20%	4.93%
Last 6 Months	31-Mar-16	23.1399	2539.00	8.62%	7.48%
Last 1 Year	30-Sep-15	22.5149	2447.34	11.64%	11.51%
Last 2 Years	30-Sep-14	19.7368	2174.26	12.85%	12.03%
Last 3 Years	30-Sep-13	17.7490	1948.06	12.30%	11.89%
Last 4 Years	30-Sep-12	17.0856	1883.05	10.13%	9.72%
Last 5 Years	30-Sep-11	15.3796	1718.92	10.32%	9.69%
Since Inception	02-Mar-04	10.0000	1193.20	7.60%	6.79%

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



Maturity Profile



Portfolio

Instrument	Industry/Rating	% Of NAV
Corporate Bonds		52.03
7.95% HDFC Bank Ltd. 21-Sep-26	AAA	7.60
2.00% Tata Steel Ltd. 23-Apr-22	AA	6.17
9.24% LIC Housing Finance Ltd 30-Sep-24	AAA	4.42
8.20% PFC Ltd. 10-Mar-25	AAA	4.30
8.25% Exim Bank 23-Jun-31	AAA	3.99
8.85% Yes Bank Ltd. 24-Feb-25	AA+	3.91
8.33% NTPC Ltd. 24-Feb-21	AAA	3.80
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	3.58
8.17% NHPC Ltd 27-Jun-31	AAA	3.16
8.24% NHPC Ltd 27-Jun-31	AAA	2.37
8.70% IDFC Bank Ltd. 20-May-25	AAA	2.24
8.11% Exim Bank 11-Jul-31	AAA	1.55
8.10% NTPC Ltd. 27-May-31	AAA	0.84
8.13% NPCIL 28-Mar-29	AAA	0.77
8.13% NPCIL 28-Mar-30	AAA	0.76
8.13% NPCIL 28-Mar-28	AAA	0.76
8.13% NPCIL 26-Mar-27	AAA	0.76
8.19% NTPC Ltd. 15-Dec-25	AAA	0.75
9.35% REC Ltd. 15-Jun-22	AAA	0.22
8.93% NTPC Ltd. 19-Jan-21	AAA	0.08
Government Securities		37.12
8.83% GOI 25-Nov-23	Sovereign	8.93
8.40% GOI 28-Jul-24	Sovereign	8.50
8.13% GOI 22-Jun-45	Sovereign	4.97
8.17% GOI 01-Dec-44	Sovereign	4.86
7.72% GOI 26-Oct-55	Sovereign	3.99
6.90% GOI 04-Feb-26	Sovereign	3.58
8.15% GOI 24-Nov-26	Sovereign	2.29
Cash Bank & Others		5.98
Liquid Mutual Funds		3.29
Birla Sun Life Cash Plus - Growth		3.29
CD/CP's		1.58
ICICI Bank CD 14-Oct-16	A1+	0.80
State Bank of Hyderabad CD 24-Feb-17	A1+	0.78
Total		100.00

Asset Allocation

Asset Type	% Of NAV
Corporate Bonds	52.03%
Government Securities	37.12%
Cash Bank & Others	5.98%
Liquid Mutual Funds	3.29%
CD/CP's	1.58%

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%	11%

* Exposure to Debt includes Cash & Money Market

** Cash & Money Market includes current assets

LIQUID FUND

ULGF 003 02/03/04 L1 110
Fund Assure, Investment Report, September 2016

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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 September, 16: ₹23.0839

Benchmark: CRISIL Liquid Fund Index -100%

Investment Style

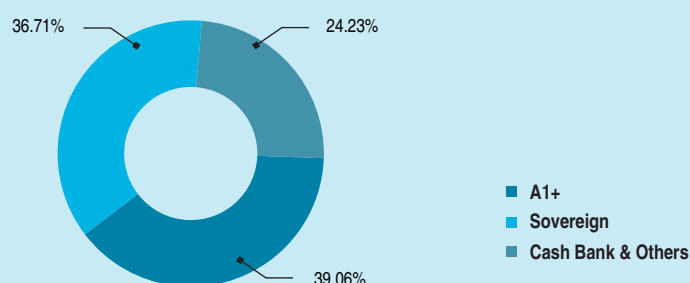
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Fund Performance

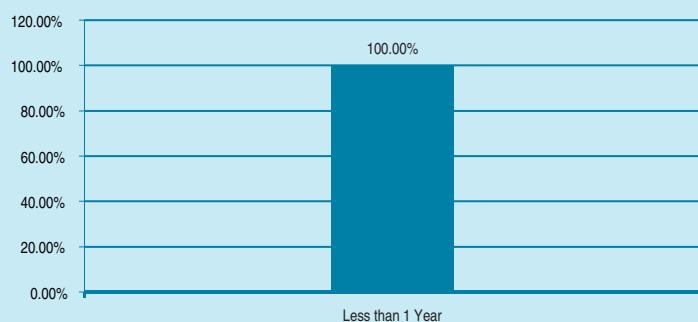
Period	Date	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 3 Months	30-Jun-16	22.7278	2554.56	1.57%	1.80%
Last 6 Months	31-Mar-16	22.3757	2507.51	3.17%	3.71%
Last 1 Year	30-Sep-15	21.6424	2414.66	6.66%	7.69%
Last 2 Years	30-Sep-14	20.0878	2224.32	7.20%	8.12%
Last 3 Years	30-Sep-13	18.5498	2031.60	7.56%	8.58%
Last 4 Years	30-Sep-12	17.1133	1871.69	7.77%	8.57%
Last 5 Years	30-Sep-11	15.7128	1721.98	8.00%	8.59%
Since Inception	25-May-04	10.0000	1113.63	7.00%	7.10%

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



Maturity Profile



Portfolio

Instrument	Industry/Rating	% Of NAV
CD/CP's		39.06
HDFC Bank CD 29-Dec-16	A1+	8.19
Axis Bank CD 28-Oct-16	A1+	8.03
Kotak Mahindra Prime Ltd. CP 21-Jun-17	A1+	7.86
Exim Bank CD 14-Mar-17	A1+	7.57
ICICI Bank CD 28-Jun-17	A1+	7.41
Treasury Bills		36.71
364 Days Tbill 08-Dec-16	Sovereign	26.74
364 Days Tbill 08-Jun-17	Sovereign	9.97
Cash Bank & Others		24.23
Total		100.00

Asset Allocation

Asset Type	% Of NAV
CD/CP's	39.06%
Treasury Bills	36.71%
Cash Bank & Others	24.23%

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

BOND FUND

ULGF 005 17/08/07 BO 110
Fund Assure, Investment Report, September 2016

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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 September, 16: ₹21.4802

Benchmark: CRISIL Composite Bond Index -100%

Investment Style

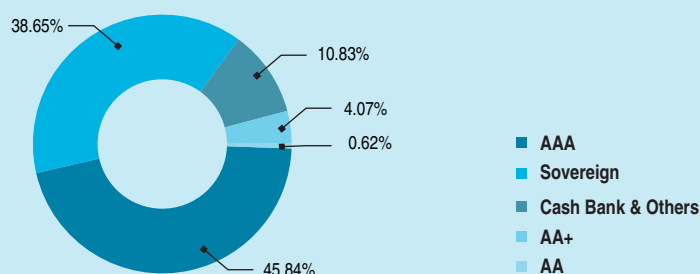
Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Fund Performance

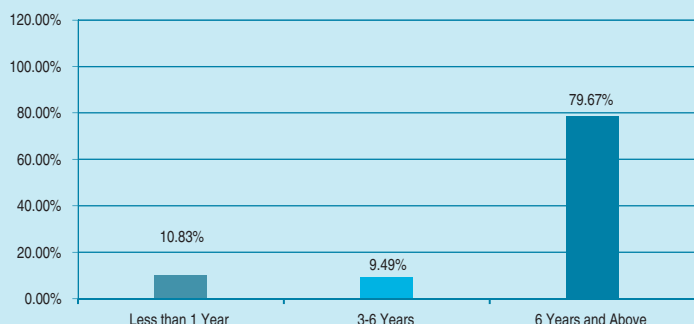
Period	Date	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 3 Months	30-Jun-16	20.2262	2600.84	6.20%	4.93%
Last 6 Months	31-Mar-16	19.7790	2539.00	8.60%	7.48%
Last 1 Year	30-Sep-15	19.2267	2447.34	11.72%	11.51%
Last 2 Years	30-Sep-14	16.8718	2174.26	12.83%	12.03%
Last 3 Years	30-Sep-13	15.2032	1948.06	12.21%	11.89%
Last 4 Years	30-Sep-12	14.5717	1883.05	10.19%	9.72%
Last 5 Years	30-Sep-11	13.1256	1718.92	10.35%	9.69%
Since Inception	17-Aug-07	10.0000	1339.53	8.74%	8.11%

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



Maturity Profile



Portfolio

Instrument	Industry/Rating	% Of NAV
Corporate Bonds		50.52
7.95% HDFC Bank Ltd. 21-Sep-26	AAA	7.58
8.57% LIC Housing Finance Ltd. 18-Jul-25 (Put 20-09-2018 Call-N.A.)	AAA	6.31
8.17% NHPC Ltd 27-Jun-31	AAA	4.71
8.20% PFC Ltd. 10-Mar-25	AAA	4.33
8.85% Yes Bank Ltd. 24-Feb-25	AA+	4.07
8.25% Exim Bank 23-Jun-31	AAA	3.89
8.33% NTPC Ltd. 24-Feb-21	AAA	3.79
9.48% REC Ltd. 10-Aug-21	AAA	2.59
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	2.50
8.24% NHPC Ltd 27-Jun-31	AAA	2.37
8.70% IDFC Bank Ltd. 20-May-25	AAA	2.06
8.11% Exim Bank 11-Jul-31	AAA	1.51
8.13% NPCIL 28-Mar-29	AAA	0.85
8.13% NPCIL 28-Mar-30	AAA	0.85
8.13% NPCIL 28-Mar-28	AAA	0.85
8.13% NPCIL 26-Mar-27	AAA	0.84
8.19% NTPC Ltd. 15-Dec-25	AAA	0.83
2.00% Tata Steel Ltd. 23-Apr-22	AA	0.62
Government Securities		38.65
8.83% GOI 25-Nov-23	Sovereign	8.88
8.40% GOI 28-Jul-24	Sovereign	8.49
8.13% GOI 22-Jun-45	Sovereign	5.00
8.17% GOI 01-Dec-44	Sovereign	4.90
7.72% GOI 26-Oct-55	Sovereign	4.01
8.15% GOI 24-Nov-26	Sovereign	4.00
6.90% GOI 04-Feb-26	Sovereign	3.36
Cash Bank & Others		10.83
Total		100.00

Asset Allocation

Asset Type	% Of NAV
Corporate Bonds	50.52%
Government Securities	38.65%
Cash Bank & Others	10.83%

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%	11%

* Exposure to Debt includes Cash & Money Market

** Cash & Money Market includes current assets

BALANCED FUND

ULGF 006 17/08/07 BL 110
Fund Assure, Investment Report, September 2016

TATA AIA LIFE
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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 September, 16: ₹20.2094

Benchmark: Nifty 50 - 10%

CRISIL Composite Bond Index - 90%

Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Equity Investment Style

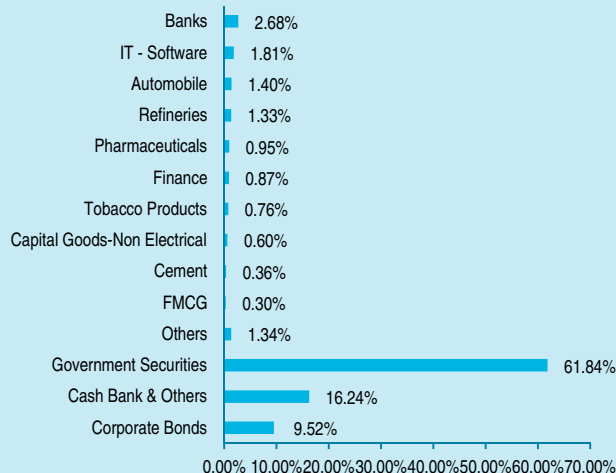
Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

Fund Performance

Period	Date	NAV	NAV Change	INDEX Change
Last 3 Months	30-Jun-16	19.2745	4.85%	4.82%
Last 6 Months	31-Mar-16	18.7196	7.96%	7.86%
Last 1 Year	30-Sep-15	18.3465	10.15%	11.19%
Last 2 Years	30-Sep-14	16.6433	10.19%	11.23%
Last 3 Years	30-Sep-13	14.4072	11.94%	12.15%
Last 4 Years	30-Sep-12	13.8487	9.91%	9.83%
Last 5 Years	30-Sep-11	12.5718	9.96%	9.89%
Since Inception	17-Aug-07	10.0000	8.01%	8.14%

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



Portfolio

Instrument	Industry/Rating	% Of NAV
Government Securities		61.84
8.17% GOI 01-Dec-44	Sovereign	13.39
7.59% GOI 11-Jan-26	Sovereign	11.30
8.40% GOI 28-Jul-24	Sovereign	9.96
7.72% GOI 25-May-25	Sovereign	9.76
8.24% GOI 10-Nov-33	Sovereign	6.93
7.28% GOI 03-Jun-19	Sovereign	6.26
8.83% GOI 25-Nov-23	Sovereign	4.24
Cash Bank & Others		16.24
Equity		12.40
Infosys Technologies Ltd.	IT - Software	1.08
HDFC Bank Ltd.	Banks	1.06
Reliance Industries Ltd.	Refineries	0.91
HDFC Ltd.	Finance	0.87
ITC Ltd.	Tobacco Products	0.76
ICICI Bank Ltd.	Banks	0.75
Tata Motors Ltd.	Automobile	0.67
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	0.60
Tata Consultancy Services Ltd.	IT - Software	0.51
Bharat Petroleum Corporation Ltd.	Refineries	0.43
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	0.41
Dr. Reddys Laboratories Ltd.	Pharmaceuticals	0.32
Hindustan Unilever Ltd.	FMCG	0.30
Ultratech Cement Ltd.	Cement	0.27
IndusInd Bank Ltd.	Banks	0.25
Other Equity		3.21
Corporate Bonds		9.52
8.98% PFC Ltd. 08-Oct-24 (Put-08-10-2016 Call-N.A)	AAA	5.46
8.49% NTPC Ltd. 25-Mar-25	AAA	3.13
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	0.93
Total		100.00

Asset Allocation

Asset Type	% Of NAV
Government Securities	61.84%
Cash Bank & Others	16.24%
Equity	12.40%
Corporate Bonds	9.52%

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%	16%

* Exposure to Debt includes Cash & Money Market

** Cash & Money Market includes current assets

Tata AIA Life Insurance's Investment team

Harshad Patil
Chief Investment Officer

Cheenu Gupta
Senior Analyst & Fund Manager

Nalin Ladiwala
Analyst

Rajeev Tewari
Head of Equities

Pankaj Khetan
Fund Manager

H S Bharath
Dealer

Jayanth Udupa
Head of Credit Analysis & Economist

Nimesh Mistry
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Pankaj Agarwal
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Nitin Bansal
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Anirban Ray
Analyst

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