

# Fund Assure

*Investment Report, May 2013*



**From the CIO's Desk**  
Fund Assure, Investment Report, May 2013



**Dear Friends,**

**The month of May 2013 saw the benchmark indices; BSE Sensex and CNX Nifty gain around 1.31% and 0.94% respectively, even as the Mid-cap index, CNX Mid-cap gained a modest 0.04% during the same period.**

*On the global front, the US Economy has shown resilience on the back of better jobs data and housing recovery even as spending cuts weigh down the headline GDP. US Federal Reserve is expected to continue its ultra-loose monetary policy for the time being even though it might signal a roadmap for the Quantitative Easing (QE) exit. In the Euro-zone, shrinking GDP and record unemployment triggered the ECB to cut rates and hint at negative deposit rates. In Japan, weakening Yen drove economic expansion with the Bank of Japan raising growth and inflation forecast on the back of its massive bond buying program aimed at ending decades of deflation and anemic growth.*

*On the domestic front, India's GDP growth for the fourth quarter FY 2013 came at 4.8% year on year, in line with market expectations, full year FY 2013 GDP growth slowing to a decade low of 5% This compares unfavourably with the more acceptable growth of 6.2% registered in FY 2012 and the robust 9.3% registered in FY 2011. Going forward, the pace of recovery would be dependent upon revival in India's investment cycle through sustained policy reforms, especially in the area of infrastructure.*

*There was some positive news on the macro front as the provisional fiscal estimates indicated that the FY2013 fiscal deficit was contained to 4.89%, lower than the revised estimate of 5.2%, published in the Budget. This better than expected fiscal deficit print was due to a sharp squeeze on expenses, lower by ₹214 billion, led by the plan expenditure contraction at ₹149 billion.*

*Union Cabinet gave nod to the Nutrient Based Subsidy (NBS) rates for Phosphatic and Potassic (P&K) fertilizers for FY 2013-14. The rates are expected to cut down fertilizer subsidy by about 15% in FY 2014. The OMCs' continued with their diesel price hike, which has resulted in a cumulative hike by INR3.1/ltr (7%) since diesel reforms announcement in January 2013. The under recoveries stood at ₹962 billion down 40% as against ₹1.6 trillion in FY13E. The Diesel under recoveries post the latest price hike stands at ₹4.87/ltr as against the FY 2013 average of around ₹11/ltr. These measures are broadly seen as being structurally positive for the fiscal deficit.*

*There was some cause for concern on the trade front as April 2013 trade data indicated a sharp drop in exports to USD 24.2 billion from USD 30.8 billion in the prior month, even as imports were broadly unchanged at USD 42 billion. This widened the trade deficit significantly to USD 17.8 billion from USD 10.3 billion in the prior month, largely on account of a surge in gold imports. The weak trade data was a key factor which led to the INR depreciating by over 5% during the month of May 2013.*

*The Wholesale Price Index (WPI) inflation for April 2013 came in at a modest 4.89% year on year, below the consensus of 5.50%. WPI inflation has now slipped to a forty one month low. A sustained sub 6% level of inflation would create more space for the RBI to nudge interest rates lower, though the actual timing and magnitude of further monetary easing will be largely dependent on other factors such as current account deficit, movement of global commodity prices as well as the domestic and global growth outlook.*

*The Index of Industrial Production (IIP) in the month of March 2013 grew 2.5% year on year, as against the market expectation of 2.4%. This compares favorably with the muted February IIP at 0.5%. The IIP for the fiscal 2012-13 registered a growth of an anemic 0.9% as against 2.9% in the previous year. While it is widely expected that economic growth would gradually pick-up in FY 2014, the IIP prints are expected to remain muted in the near term. Steep drop in natural gas output muted the growth of eight core sectors, which make up around 38% of the IIP basket in April 2013 to 2.3%.*

*Going forward, we believe that the equity markets continue to trade at reasonable valuations and offer an attractive entry point for a long-term investor with a 3-5 year view.*

Saravana Kumar  
Chief Investment Officer

**Pension Schemes**

**TATA AIA**  
L I F E

## Market Outlook - Debt

Fund Assure, Investment Report, May 2013

May 2013 saw the erstwhile benchmark 10 year Government securities (G-sec) ease by 28 bps to close the month at 7.45% levels. The yields of the 30 year G-sec over the 10 year G-sec was at just 5 bps in May 2013 as against the 20bps, seen in the prior month.

The corporate bonds eased during the month of May 2013 in line with the G-sec market to close the month at around the 8.15% levels in the 5-10 year bonds, 40 Bps lower than the April levels of 8.55%. As a consequence, the corporate bond spread over the erstwhile benchmark 10 year G-sec stood at around 53 Bps in May 2013, contracting from 65 Bps in the prior month.

On the liquidity front, the Liquidity Adjustment Facility -LAF continued to be the primary mode of liquidity injection, maintaining a shortfall of around ₹0.9 trillion levels for most of the month largely due to muted deposit growth in the banking system.

India's FY 2013 GDP growth slowed to a decade low of 5% and may have registered a bottom. Going forward, we could see a gradual recovery in FY 2014 to 6% levels even as there are significant downside risks to this growth forecast. The consumption cycle remains strong aided by lower interest rates, pre-election spending and social welfare schemes but a meaningful recovery in investments is the key to a sustained revival in growth.

April 2013 WPI inflation print of 4.89% signals the easing of inflation across all major categories led by falling food inflation as well as benign core inflation enabled by softness in global commodity prices and declining pricing power of manufactures on account of the slowdown in domestic demand. The WPI inflation in fiscal 2012-13 has averaged 7.3% as against the elevated 9% in the prior fiscal. The RBI's monetary policy stance of keeping policy rates at elevated levels has worked in reducing demand

and thereby reducing inflation. However, the upside risks to inflation could stem from a consumption recovery, pressures on the INR due to an elevated Current Account Deficit (CAD) as well as significant suppressed inflation in the economy.

Initial long-range forecasts expect normal monsoons; at levels around the long period average and this could catalyze further softening of food inflation in the months ahead and keep the headline WPI inflation close to the RBI's comfort zone.

A key macro risk is the elevated CAD and issues around funding it. While it is anticipated that the CAD as a percentage of GDP would fall in FY 2014, financing it would have to be through buoyant capital flows, which in turn depend on implementation of policy reforms and factors such as stable global financial markets and high risk appetite of FII investors. Any sudden stop or reversal in capital flows could result in increasing macro stability risks to fund this high CAD, resulting in a balance of payments stress in the near term.

The G-sec market has seen a sharp rally over the last two months due to a greater than expected drop in headline WPI inflation, accentuated by a fall in commodity prices. The market watchers believed that these would be favourable for India's macro, particularly the twin deficits and inflation and would open up space for the RBI to effect further cuts in repo rates. Going forward, the trajectory of the WPI and the retail CPI inflation as well as the extent of moderation of the CAD could determine the monetary policy stance and the possibility of nudging the repo rate lower.

In the near term, the G-sec market would wait for RBI's action in its mid-quarter monetary policy review on 17th June 2013 and take further cues from the RBI policy statement. The erstwhile 10 year benchmark G-sec would try to consolidate at 7.30-7.50% levels and the new ten year G-sec could trade lower at 7.10-7.25% levels.

## Market Outlook - Equity

Fund Assure, Investment Report, May 2013

The month of May 2013 saw the benchmark indices; BSE Sensex and CNX Nifty gain around 1.31% and 0.94% respectively, even as the Mid-cap index, CNX Mid-cap gained a modest 0.04% during the same period.

FII's were net buyers with net inflow of around USD 3.6 billion in May 2013 even as the DII's were net sellers to the tune of around USD 2.2 billion, with domestic mutual funds and Insurance companies net sellers of around USD 0.6 billion and USD 1.6 billion over the month. In the first five months of the calendar year 2013, the FII's have been net buyers to the tune of USD 15.3 billion with the DII's net sellers to the tune of USD 9 billion, Insurance companies and mutual funds selling Indian equities to the tune of USD 6.8 billion and USD 2.2 billion respectively.

Consensus earnings estimates for the broad market (MSCI India) were revised down by 1.5% and 1.3% for FY 2014(E) and FY 2015(E) over the month to a growth of 13% and 15% respectively.

S&P has maintained India's credit rating at BBB- with negative outlook. S&P forecasts India FY 2014 GDP at 6% and CAD at 4%. S&P has maintained the possibility of a 1 in 3 chance of India rating downgrade in the next 12-months. S&P expressed concern on the large fiscal deficit while taking comfort from the favourable demographic profile. They opined that the high fiscal deficits and a heavy government debt burden remained the most significant constraints on their sovereign ratings on India. They may revise the outlook to stable if the government carries through with its plans to revive public and private investments, implement a nationwide government sales tax and further trim fuel and fertilizer subsidies. They believe these measures could restore India's robust growth and contain public debt.

The CMIE capex data indicates a pickup in government projects under implementation as of March 2013 on a trailing four quarter basis even as the private sector remains

subdued. However, new project inflows have registered a decline to levels worse than that seen during the credit crisis. A concerted effort to address supply side bottlenecks and structural constraints and ease financing constraints for corporate investment are needed to kick start the stalled capex cycle.

In a bid to fast track stalled projects, Cabinet Committee of Investments (CCI) has taken steps to resolve disputes within ministries, facilitate clearances to projects in key sectors such as oil & gas, power, mining and roads. Though it has a long way to go to make a significant difference to investor sentiment, this initiative has helped fast track existing projects and is widely seen as an important step in the right direction.

India's manufacturing PMI in May 2013 printed 50.1, the lowest level in 50 months. A positive momentum was seen in the export orders even as businesses struggled to meet orders as power outages hampered output. Another positive data point in the PMI in May was the benign inflation led by weaker commodity prices and reduced pricing power.

SEBI guidelines have made it mandatory for all private listed companies to have free float of at least 25% and the same is to be complied with by June 3, 2013. Public sector undertakings need to have a free float of at least 10% by August 8, 2013. Complying with these norms implies that around USD 2.0-2.5 billion of issuances need to get done over the next couple of months, higher than the average monthly run rate of USD 425 million secondary market issuance in FY 2013. In the near term, this excess supply could weigh down the market. The market offers the comfort of reasonable valuations at around 14 times one year forward price earnings, close to long term averages. We believe that the Indian equities offer an attractive entry point for a long term investor with a 3-5 year view.

**Equity Fund**

**Short Term Fixed  
Income Fund**

**Income Fund**

**Liquid Fund**

**Bond Fund**

**Balanced Fund**

**Growth Fund**

**Maxima Fund**

**Pension Schemes**

# Equity Fund

ULGF 001 02/03/04 E1 110

FundAssure, Investment Report, May 2013

## 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.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 31 May, 13** : ₹37.3712

**Benchmark** : BSE Sensex - 100%

## Investment Style

Investment Style			
Value	Blend	Growth	Size
			Large
			Mid
			Small

## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		<b>95.56</b>
HDFC Bank Ltd.	Banks	8.18
Reliance Industries Ltd.	Refineries	8.04
ITC Ltd.	Tobacco Products	7.68
ICICI Bank Ltd.	Banks	6.83
Infosys Technologies Ltd.	IT - Software	6.39
HDFC Ltd.	Finance	4.92
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	4.47
Oil and Natural Gas Corpn Ltd.	Crude Oil & Natural Gas	4.09
Tata Motors Ltd.	Automobile	3.76
Tata Consultancy Services Ltd.	IT - Software	3.73
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	3.58
Hindustan Unilever Ltd.	FMCG	3.23
Bharti Airtel Ltd.	Telecomm-Service	2.59
State Bank of India	Banks	2.55
Dr. Reddys Laboratories Ltd.	Pharmaceuticals	2.12

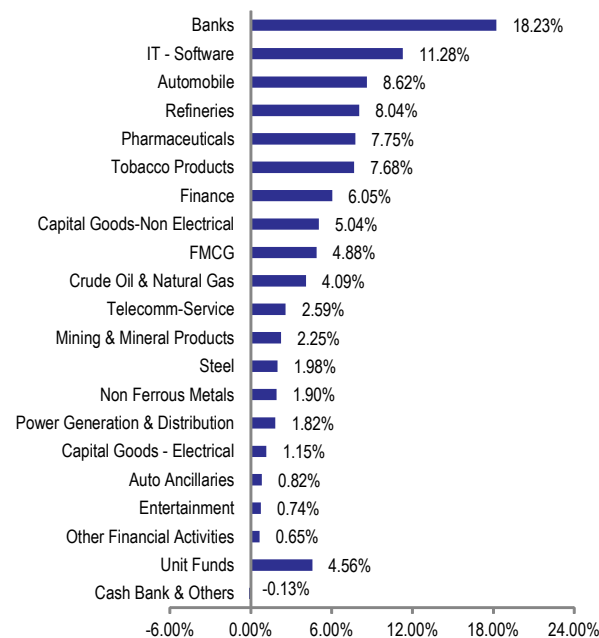
Instrument	Industry/Rating	% Of NAV
Mahindra and Mahindra Ltd.	Automobile	2.11
Nestle India Ltd.	FMCG	1.65
Coal India Ltd	Mining & Mineral Products	1.52
Maruti Suzuki India Ltd.	Automobile	1.50
Power Grid Corporation of India Ltd.	Power Generation & Distribution	1.27
Tata Steel Ltd.	Steel	1.25
HCL Technologies Ltd.	IT - Software	1.16
Havells India Ltd.	Capital Goods - Electrical	1.15
IDFC Ltd.	Finance	1.13
Cipla Ltd.	Pharmaceuticals	1.07
Other Equity below 1% corpus		9.60
<b>Unit Funds</b>		<b>4.56</b>
ICICI Prudential Liquid - Direct Plan - Growth		4.56
<b>Cash Bank &amp; Others</b>		<b>-0.13</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

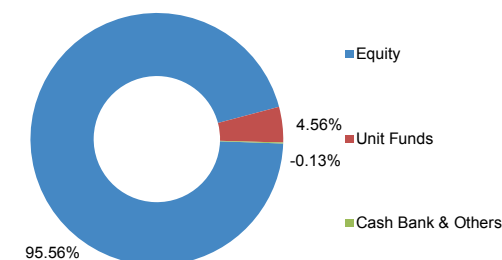
PERIOD	DATE	NAV	BSE Sensex	NAV Change	INDEX Change
Last 6 Months	30-Nov-12	36.5597	19339.90	2.22%	2.17%
Last 1 Year	31-May-12	30.3234	16218.53	23.24%	21.84%
Last 2 Years	31-May-11	34.8664	18503.28	3.53%	3.34%
Last 3 Years	31-May-10	31.6867	16944.63	5.65%	5.26%
Last 4 Years	29-May-09	26.1288	14625.25	9.36%	7.81%
Last 5 Years	30-May-08	30.5590	16415.57	4.11%	3.78%
Since Inception	29-Mar-04	10.0000	5571.37	15.45%	14.79%

**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.

## Sector Allocation



## Asset Allocation



Pension Schemes

# Short Term Fixed Income Fund

ULGF 004 01/07/06 S1 110

FundAssure, Investment Report, May 2013

## 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.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 31 May, 13** : ₹15.8266

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

## Investment Style

Credit Quality			Interest Rate Sensivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

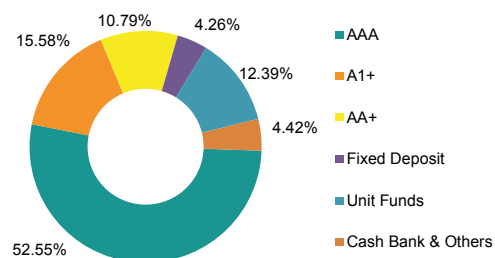
Instrument	Industry/Rating	% of NAV
<b>CD/CP's</b>		<b>15.58</b>
Cholamandalam Invest & Fin. Co. Ltd CP 10-Oct-13	A1+	8.70
Indiabulls Fin. Services Ltd. CP 17-JUL-13	A1+	4.67
Bank of Baroda CD 05-Mar-14	A1+	2.21
<b>Corporate Bonds</b>		<b>63.34</b>
9.75% IDFC Ltd. 11-Jul-14	AAA	8.15
9.40% NHB 10-Jan-15	AAA	7.20
9.25% Dr Reddy's Lab Ltd. 24-Mar-14	AA+	5.99
9.64% PGC Ltd. 31-May-15	AAA	4.84
9.63% PFC Ltd. 15-Dec-14	AAA	4.81
10.20% Sundaram Finance Ltd. 21-Jul-14	AA+	4.80
9.655% NABARD 18-Oct-14	AAA	4.80
8.80% SAIL 26-Oct-15	AAA	4.78
10.40% ICICI Sec Prim Deal Ltd. 27-Jun-13	AAA	4.73
8.35% PFC Ltd. 15-May-16	AAA	2.85
8.40% HDFC Ltd. 08-Dec-14	AAA	2.84
8.45% REC Ltd. 19-Feb-15	AAA	2.37
7.65% REC Ltd. 31-Jan-16	AAA	2.33
10.75% REC Ltd. 24-Jul-13	AAA	1.90
11.40% PFC Ltd. 28-Nov-13	AAA	0.96
<b>Fixed Deposit</b>		<b>4.26</b>
9.50% State Bank Of Hyderabad FD 04-Jan-14		4.26
<b>Unit Funds</b>		<b>12.39</b>
Kotak Liquid-Plan A -(Growth) - Direct		4.45
DWS Insta Cash Plus Fund - Direct Plan - Growth		3.97
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		3.97
<b>Cash Bank &amp; Others</b>		<b>4.42</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

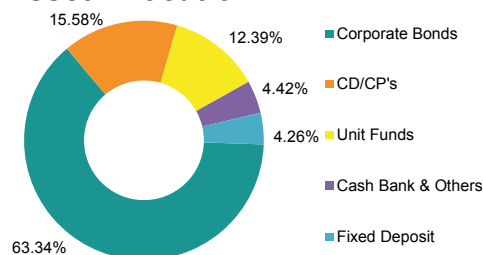
PERIOD	DATE	NAV	CRISIL Short-Term Bond Index	NAV Change	INDEX Change
Last 6 Months	30-Nov-12	15.1744	1974.32	4.30%	4.75%
Last 1 Year	31-May-12	14.4743	1886.09	9.34%	9.65%
Last 2 Years	31-May-11	13.2772	1730.34	9.18%	9.32%
Last 3 Years	31-May-10	12.6999	1647.89	7.61%	7.86%
Last 4 Years	29-May-09	11.8775	1570.64	7.44%	7.12%
Last 5 Years	30-May-08	10.5949	1422.20	8.36%	7.78%
Since Inception	3-Jul-06	10.0000	1242.33	6.86%	7.65%

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

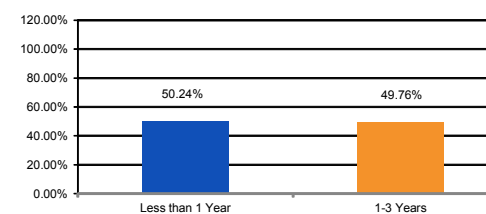
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes

# Income Fund

ULGF 002 02/03/04 11 110

FundAssure, Investment Report, May 2013

## 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.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 31 May, 13** : ₹18.7119

**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>CD/CP's</b>		<b>0.18</b>
Cholamandalam Invest & Fin. Co. Ltd CP 10-Oct-13	A1+	0.18
<b>Government Securities</b>		<b>31.25</b>
8.83% GOI 12-Dec-41	Sovereign	9.63
8.20% GOI 24-Sep-25	Sovereign	8.77
8.19% GOI 16-Jan-20	Sovereign	4.48
8.97% GOI 05-Dec-30	Sovereign	1.78
8.33% GOI 09-Jul-26	Sovereign	1.76
8.91% Gujarat SDL 22-Aug-22	Sovereign	1.41
8.84% Maharashtra SDL 17-Oct-22	Sovereign	1.41
8.79% Gujarat SDL 25-Oct-22	Sovereign	1.40
8.79% GOI 08-Nov-21	Sovereign	0.33
7.38% GOI 03-Sep-15	Sovereign	0.27
<b>Corporate Bonds</b>		<b>43.59</b>
9.57% IRFC Ltd. 31-May-21	AAA	11.76
9.00% PFC Ltd. 11-Mar-2028	AAA	4.93
2.00% Tata Steel Ltd. 23-Apr-22	AA	4.02
10.40% Reliance Ports & Terminals Ltd. 18-July-21	AAA	3.70
9.70% HDFC Ltd. 07-Jun-17	AAA	3.10
9.75% HDFC Ltd. 07-Dec-16	AAA	2.57
9.35% PGC Ltd. 29-Aug-16	AAA	2.11
9.5% United Phosphorus Ltd. 12-Jan-15	AA+	2.08

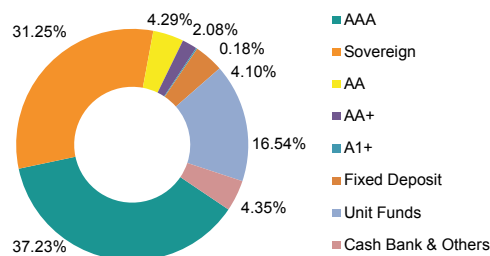
Instrument	Industry/Rating	% of NAV
7.95% IDFC Ltd. 04-May-14	AAA	2.04
9.40% LIC Housing Finance Ltd. 20-12-13	AAA	1.85
8.84% NTPC Ltd. 04-Oct-22	AAA	1.28
8.50% PFC Ltd. 15-Dec-14	AAA	0.82
9.64% PGC Ltd. 31-May-21	AAA	0.56
9.64% PGC Ltd. 31-May-18	AAA	0.54
9.64% PGC Ltd. 31-May-16	AAA	0.53
8.19% IRFC Ltd. 27-Apr-19	AAA	0.41
8.28% LIC Housing Finance Ltd. 29-Jun-15	AAA	0.41
2.00% Indian Hotels Ltd. 09-Dec-14	AA	0.26
9.35% REC Ltd. 15-Jun-22	AAA	0.22
9.29% PFC Ltd. 21-Aug-2022	AAA	0.22
9.95% SBI 16-Mar-26	AAA	0.18
<b>Fixed Deposit</b>		<b>4.10</b>
9.50% State Bank Of Hyderabad FD 04-Jan-14		2.87
9.50% State Bank of Hyderabad FD 10-Feb-2014		1.23
<b>Unit Funds</b>		<b>16.54</b>
Kotak Liquid-Plan A -(Growth) - Direct		4.51
Birla Sun Life Cash Plus - Growth - Direct Plan		4.01
DWS Insta Cash Plus Fund - Direct Plan - Growth		4.01
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		4.01
<b>Cash Bank &amp; Others</b>		<b>4.35</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

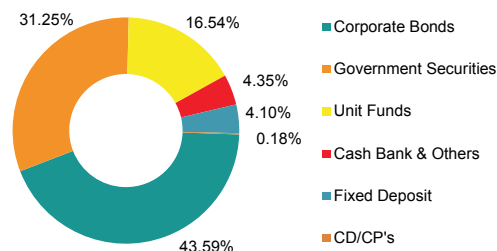
PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	30-Nov-12	17.2966	1906.42	8.18%	7.67%
Last 1 Year	31-May-12	16.4244	1822.28	13.93%	12.64%
Last 2 Years	31-May-11	14.9401	1673.27	11.91%	10.76%
Last 3 Years	31-May-10	14.2637	1607.49	9.47%	8.49%
Last 4 Years	29-May-09	13.3289	1534.70	8.85%	7.54%
Last 5 Years	30-May-08	11.8742	1410.86	9.52%	7.79%
Since Inception	2-Mar-04	10.0000	1193.20	7.01%	6.04%

**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.

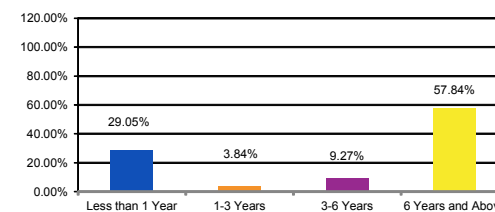
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes



# Liquid Fund

ULGF 003 02/03/04 L1 110

FundAssure, Investment Report, May 2013

## 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.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 31 May, 13** : ₹18.0743

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

## Investment Style

Credit Quality			Interest Rate Sensivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

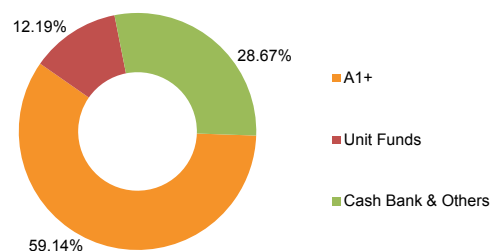
Instrument	Industry/Rating	% of NAV
<b>CD/CP's</b>		
Oriental Bank of Commerce CD 16-Jan-14	A1+	8.74
Vijaya Bank CD 16-Jan-14	A1+	8.74
IDBI Bank CD 17-Feb-14	A1+	8.63
Canara Bank CD 24-Feb-14	A1+	8.62
Indiabulls Fin. Services Ltd. CP 17-JUL-13	A1+	8.53
Cholamandalam Invest & Fin. Co. Ltd CP 10-Oct-13	A1+	8.35
Bank of Baroda CD 05-Mar-14	A1+	7.53
<b>Unit Funds</b>		
Kotak Liquid-Plan A -(Growth) - Direct		4.37
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		3.91
DWS Insta Cash Plus Fund - Direct Plan - Growth		3.91
<b>Cash Bank &amp; Others</b>		
		28.67
<b>Total</b>		<b>100.00</b>

## Fund Performance

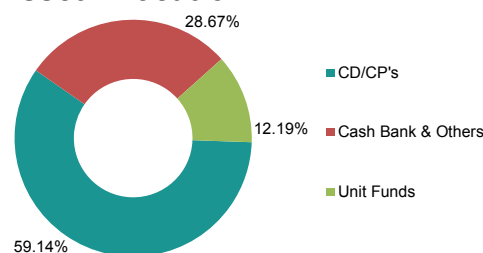
PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 6 Months	30-Nov-12	17.3695	1895.39	4.06%	4.04%
Last 1 Year	31-May-12	16.6217	1823.61	8.74%	8.14%
Last 2 Years	31-May-11	15.2842	1677.73	8.75%	8.42%
Last 3 Years	31-May-10	14.3864	1569.37	7.90%	7.91%
Last 4 Years	29-May-09	13.5850	1521.72	7.40%	6.70%
Last 5 Years	30-May-08	12.5669	1400.70	7.54%	7.08%
Since inception	25-May-04	10.0000	1113.63	6.78%	6.54%

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

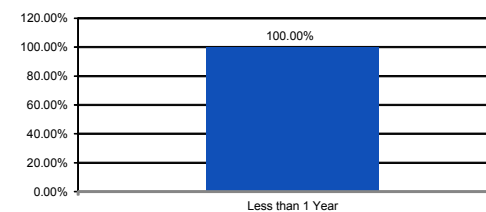
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes

# Bond Fund

ULGF 005 17/08/07 BO 110

FundAssure, Investment Report, May 2013

## 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.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 31 May, 13** : ₹15.9670

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

## Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

Instrument	Industry/Rating	% of NAV
<b>Government Securities</b> <b>29.91</b>		
8.20% GOI 24-Sep-25	Sovereign	9.95
8.83% GOI 12-Dec-41	Sovereign	7.74
8.33% GOI 09-Jul-26	Sovereign	3.84
8.91% Gujarat SDL 22-Aug-22	Sovereign	2.31
8.84% Maharashtra SDL 17-Oct-22	Sovereign	2.30
8.79% Gujarat SDL 25-Oct-22	Sovereign	2.29
8.97% GOI 05-Dec-30	Sovereign	1.47
<b>Corporate Bonds</b> <b>40.92</b>		
9.75% HDFC Ltd. 07-Dec-16	AAA	7.47
9.00% PFC Ltd. 11-Mar-2028	AAA	6.84
9.57% IRFC Ltd. 31-May-21	AAA	6.24
2.00% Indian Hotels Ltd. 09-Dec-14	AA	5.53
10.40% Reliance Ports & Terminals Ltd. 18-July-21	AAA	4.04
9.64% PGC Ltd. 31-May-21	AAA	1.94

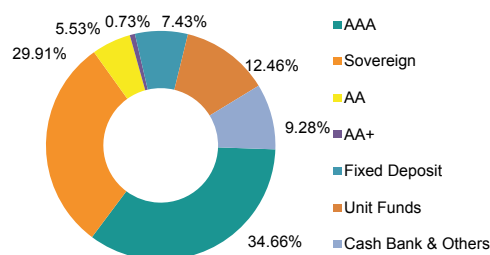
Instrument	Industry/Rating	% of NAV
9.64% PGC Ltd. 31-May-18	AAA	1.89
9.64% PGC Ltd. 31-May-16	AAA	1.85
9.64% PGC Ltd. 31-May-15	AAA	1.83
9.48% REC Ltd. 10-Aug-21	AAA	1.54
9.95% SBI 16-Mar-26	AAA	0.91
10.70% Sundaram Finance Ltd. 06-Jun-14	AA+	0.73
9.75% SBI Series 3 Lower Tier II 16-Mar-21	AAA	0.11
<b>Fixed Deposit</b>		<b>7.43</b>
9.50% State Bank of Hyderabad FD 10-Feb-2014		5.72
9.50% State Bank Of Hyderabad FD 04-Jan-14		1.72
<b>Unit Funds</b>		<b>12.46</b>
Kotak Liquid-Plan A -(Growth) - Direct		4.49
DWS Insta Cash Plus Fund - Direct Plan - Growth		3.99
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		3.99
<b>Cash Bank &amp; Others</b>		<b>9.28</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

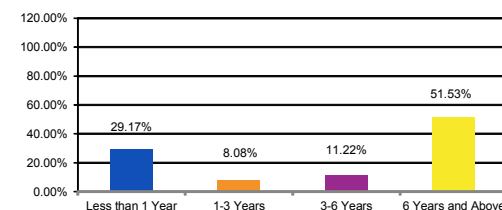
PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	30-Nov-12	14.7636	1906.42	8.15%	7.67%
Last 1 Year	31-May-12	14.0281	1822.28	13.82%	12.64%
Last 2 Years	31-May-11	12.7556	1673.27	11.88%	10.76%
Last 3 Years	31-May-10	12.2081	1607.49	9.36%	8.49%
Last 4 Years	29-May-09	11.3707	1534.70	8.86%	7.54%
Last 5 Years	30-May-08	10.4336	1410.86	8.88%	7.79%
Since Inception	17-Aug-07	10.0000	1339.53	8.41%	7.65%

**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.

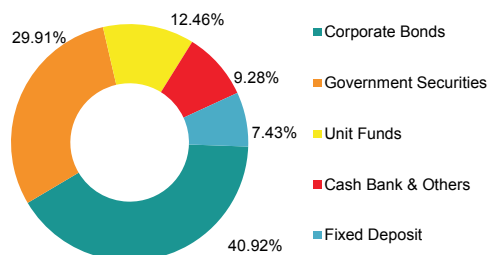
## Rating Profile



## Maturity Profile



## Asset Allocation



Pension Schemes

# Balanced Fund

ULGF 006 17/08/07 BL 110

FundAssure, Investment Report, May 2013

## 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.

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 31 May, 13** : ₹14.9628

**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	30-Nov-12	14.0663	6.37%	7.08%
Last 1 Year	31-May-12	13.1181	14.06%	13.53%
Last 2 Years	31-May-11	12.5022	9.40%	10.06%
Last 3 Years	31-May-10	11.9578	7.76%	8.20%
Last 4 Years	29-May-09	11.2188	7.46%	7.56%
Last 5 Years	30-May-08	10.3377	7.68%	7.43%
Since Inception	17-Aug-07	10.0000	7.21%	7.55%

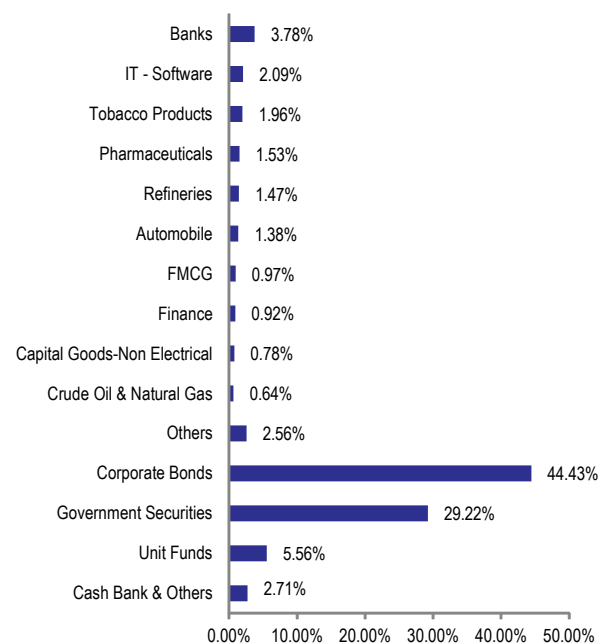
**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

## Portfolio

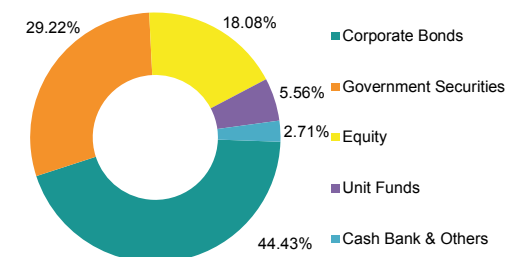
Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		<b>18.08</b>
ITC Ltd.	Tobacco Products	1.96
HDFC Bank Ltd.	Banks	1.42
ICICI Bank Ltd.	Banks	1.33
Reliance Industries Ltd.	Refineries	1.28
Infosys Technologies Ltd.	IT - Software	1.11
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	0.75
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	0.71
Tata Consultancy Services Ltd.	IT - Software	0.65
HDFC Ltd.	Finance	0.64
Hindustan Unilever Ltd.	FMCG	0.59
Other Equity		7.63
<b>Government Securities</b>		<b>29.22</b>
8.79% GOI 08-Nov-21	Sovereign	10.93
8.33% GOI 09-Jul-26	Sovereign	7.76
8.83% GOI 12-Dec-41	Sovereign	4.99
9.15% GOI 14-Nov-24	Sovereign	3.25
8.20% GOI 24-Sep-25	Sovereign	2.30

Instrument	Industry/Rating	% Of NAV
<b>Corporate Bonds</b>		<b>44.43</b>
8.28% LIC Housing Finance Ltd. 29-Jun-15	AAA	8.64
9.95% SBI 16-Mar-26	AAA	6.67
8.70% PFC Ltd. 14-May-15	AAA	5.08
9.97% IL&FS 28-Sep-16	AAA	4.54
8.35% HDFC Ltd. 19-Jul-15	AAA	4.33
9.655% NABARD 18-Oct-14	AAA	3.66
9.20% PGC Ltd. 12-Mar-15	AAA	2.92
8.84% NTPC Ltd. 04-Oct-22	AAA	2.26
8.40% HDFC Ltd. 08-Dec-14	AAA	2.16
10.40% ICICI Sec Prim Deal Ltd. 27-Jun-13	AAA	1.44
7.65% REC Ltd. 31-Jan-16	AAA	1.42
9.25% Dr Reddy's Lab Ltd. 24-Mar-14	AA+	1.29
<b>Unit Funds</b>		<b>5.56</b>
Kotak Liquid-Plan A -(Growth) - Direct		4.50
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		1.05
<b>Cash Bank &amp; Others</b>		<b>2.71</b>
<b>Total</b>		<b>100.00</b>

## Sector Allocation



## Asset Allocation



Pension Schemes

# Growth Fund

ULGF 007 17/08/07 G2 110

FundAssure, Investment Report, May 2013

## Fund Details

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

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 31 May, 13** : ₹14.5583

**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

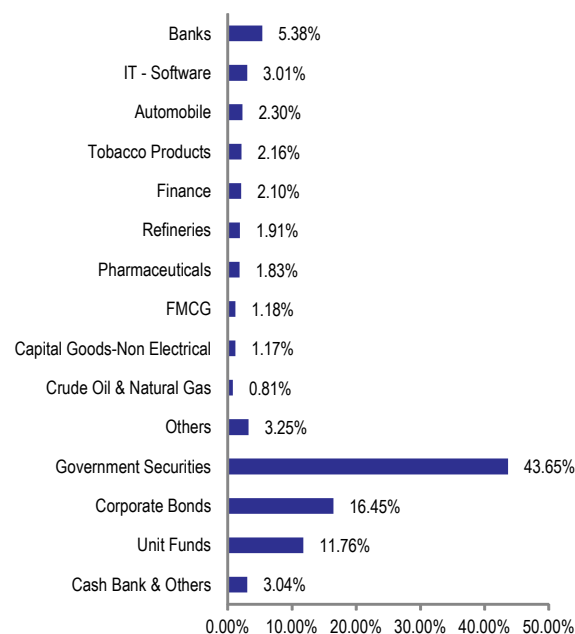
PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 6 Months	30-Nov-12	13.674	6.47%	5.91%
Last 1 Year	31-May-12	12.6929	14.70%	15.32%
Last 2 Years	31-May-11	12.5410	7.74%	8.66%
Last 3 Years	31-May-10	12.0204	6.59%	7.62%
Last 4 Years	29-May-09	11.1279	6.95%	7.59%
Last 5 Years	30-May-08	9.9917	7.82%	6.71%
Since Inception	17-Aug-07	10.000	6.70%	7.37%

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

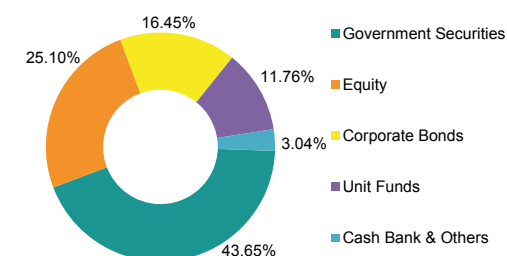
## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		
HDFC Bank Ltd.	Banks	2.23
ITC Ltd.	Tobacco Products	2.16
ICICI Bank Ltd.	Banks	1.74
Reliance Industries Ltd.	Refineries	1.67
HDFC Ltd.	Finance	1.63
Infosys Technologies Ltd.	IT - Software	1.53
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	1.11
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	1.00
Other Equity below 1% corpus		12.03
<b>Government Securities</b>		
9.15% GOI 14-Nov-24	Sovereign	10.73
8.79% GOI 08-Nov-21	Sovereign	10.31
8.97% GOI 05-Dec-30	Sovereign	7.27
7.83% GOI 11-04-2018	Sovereign	6.47
8.83% GOI 12-Dec-41	Sovereign	5.49
8.20% GOI 24-Sep-25	Sovereign	3.38
<b>Corporate Bonds</b>		
8.84% NTPC Ltd. 04-Oct-22	AAA	6.63
9.57% IRFC Ltd. 31-May-21	AAA	3.47
8.30% HDFC Ltd. 23-Jun-15	AAA	3.17
8.28% LIC Housing Finance Ltd. 29-Jun-15	AAA	3.17
<b>Unit Funds</b>		
Kotak Liquid-Plan A -(Growth) - Direct		4.13
Reliance Liquid Fund - Treasury Plan - Direct Plan Growth		3.81
DWS Insta Cash Plus Fund - Direct Plan - Growth		3.81
<b>Cash Bank &amp; Others</b>		
		<b>3.04</b>
<b>Total</b>		<b>100.00</b>

## Sector Allocation



## Asset Allocation



Pension Schemes

# Maxima Fund

ULGF 008 17/08/07 M1 110

FundAssure, Investment Report, May 2013

## 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

**Fund Manager** : Mr. Saravana Kumar

**NAV as on 31 May, 13** : ₹11.5415

**Benchmark** : -

## 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

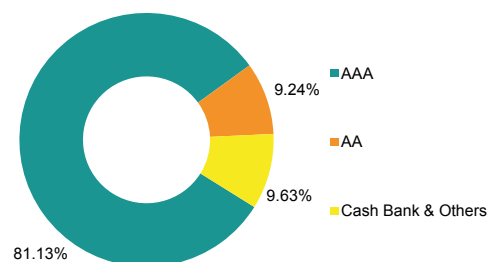
PERIOD	DATE	NAV	NAV Change
Last 6 Months	30-Nov-12	10.7906	6.96%
Last 1 Year	31-May-12	10.247	12.63%
Since Inception	13-Feb-12	10.0000	11.70%

**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.

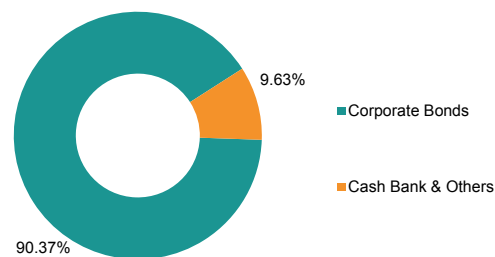
## Portfolio

Instrument	Industry/Rating	% of NAV
<b>Corporate Bonds</b>		<b>90.37</b>
8.94% PFC Ltd. 25-Mar-28	AAA	10.52
9.70% GE Shipping 02-Feb-21	AAA	9.70
9.43% LIC Housing Finance Ltd. 10-Feb-22	AAA	9.62
9.48% REC Ltd. 10-Aug-21	AAA	9.62
9.00% EXIM Bank 10-Jan-19	AAA	9.33
9.60% HDFC Ltd. 07-Apr-16	AAA	9.24
9.90% Indian Hotels Ltd. 24-Feb-17	AA	9.24
9.40% NABARD 31-Jul-15	AAA	9.11
9.40% NHB 10-Jan-15	AAA	9.06
9.95% SBI 16-Mar-26	AAA	4.92
<b>Cash Bank &amp; Others</b>		<b>9.63</b>
<b>Total</b>		<b>100.00</b>

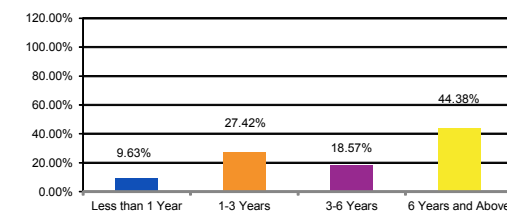
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes

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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).
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9. Interest Rate Sensitivity  
Less than 3 year duration - Low  
3 to 10 years duration - Medium  
more than 10 years duration - High
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11. 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.

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Pension Schemes

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