

# Fund Assure

*Investment Report, October 2014*



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

**Dear Friends,**

**The month of October 2014 saw the benchmark index BSE Sensex and CNX Nifty gain 4.64% and 4.49% respectively. The Mid-cap index, CNX Mid-cap gained 3.70% during the same period.**

The US Federal Reserve (Fed) brought its Quantitative Easing (QE 3) programme to a close, along expected lines, after it tapered the final USD 15 bn in its FOMC meet noting the improvement in labour market reflected by solid job gains and a lower unemployment rate. The Fed however maintained its pledge to keep low interest rates for considerable time and reiterated that it would consider a wide range of information in deciding when to raise the federal funds rate. In an unexpected move, Bank of Japan (BOJ) expanded its quantitative easing program as weak demand on account of the April 2014 sales tax hike as well as a large decline in crude oil prices led to downside risks to the BOJ's inflation outlook.

On the domestic front, the government de-regulated diesel prices, a significant reform, which would lead to a structural improvement in the fiscal situation. The government re-launched the cash transfer scheme for LPG with a staggered roll out in 54 districts from mid-November and in the rest of India from January 1, 2015, in an effort to target subsidies better.

The government gave an impetus to the manufacturing sector by initiating procedural reforms in the labour market that would make it easier for doing business in India. These reforms were aimed at removing discretionary powers of labour inspectors and streamlining labour law compliance as well as fostering skill development in the manufacturing sector.

HSBC's India manufacturing PMI rose a tad to 51.6 in October as against 51 in the prior month due to stronger output and new orders. Robust overseas order growth was indicated by the continued acceleration in new export orders. On the inflation front, input prices eased further even as the improvement in demand allowed firms to raise output prices, albeit modestly.

September 2014 trade deficit widened to USD 14.3 bn from USD 10.8 bn in the prior month, largely driven by a surge in oil and gold imports. In the month of September, imports rose 26% year on year, albeit from a low base, while the exports inched up 2.7% year on year.

The government raised the Minimum Support Price (MSP) of Rabi (winter) crops marginally at an average of 2.8% yoy with the increase in MSP of wheat at 3.6% yoy. Overall, the nominal increase in MSP of Rabi on the back of muted increase in the MSP of Kharif (summer) crop is a key positive in controlling inflation as it augurs well for a benign food inflation in the medium term.

Index of industrial production (IIP) growth disappointed in August 2014 as it printed an anemic 0.4% led by a contraction of 1.4% in the heavyweight manufacturing sector. The muted IIP growth was on the back of a double digit contraction in capital goods and consumer durables sector. The growth in the mining sector was moderate at 2.6% even as the electricity production growth was at a robust 12.9%.

The infrastructure output, comprising eight core sectors of the IIP with a combined weight of around 38% in IIP, grew 1.9% in September 2014, as against a growth of 5.8% in the prior month. Coal, steel, electricity and cement production grew while fertilizer, natural gas, crude oil and refinery products contracted over the same period.

The Consumer Price Index (CPI) inflation for September 2014 came in at 6.5%, lower than the market expectation of around 7.1% and the August inflation of 7.7%. This is the lowest inflation print since the start of the new series for the headline CPI inflation. The fall in the CPI inflation was led by the deceleration in food inflation as it eased to 7.6% in September as against the elevated 9.1% registered in the prior month. Wholesale Price Index (WPI) inflation in September 2014 slumped to 59 month low of 2.4%, as against a consensus of 3.2%.

In the near term, the markets would be reacting to the continued policy action expected from the government to raise the economic activity as well as the expected passage of key economic bills in the winter session of Parliament scheduled to start on November 24th 2014. Some of the crucial bills such as the constitution amendment Bill for implementing the GST, the insurance laws amendment Bill and the coal ordinance are expected to be taken up for discussions. We continue to believe that the equity markets offer comfort of reasonable valuations for a long-term investor with a 3-5 year view.

## Market Outlook - Debt

Fund Assure, Investment Report, October 2014

Debt market in the month of October 2014 saw the 10 year Government security (G-sec) close the month at 8.28% levels, easing by 24 bps from the September levels. On the corporate bond side, the 10 year AAA corporate bonds closed the month at around 8.81% levels.

The FIIs continued to be buyers of Indian debt to the tune of USD 2.7 bn over the month of October and the cumulative FII inflows in the Indian debt stood at around USD 22.3 bn in the first ten months of the calendar year 2014.

The easing of G-sec yields in October 2014 was due to a confluence of positive factors such as falling global crude oil prices, a slew of reforms from the government such as diesel deregulation, a significantly lower CPI inflation print in September, as well as some measures from the government signaling spending cuts in order to meet the fiscal deficit target.

India's fiscal deficit for the six month period, April-September 2014 was at an elevated 83% of the budgeted target for the entire fiscal year on account of very slow tax collections. Central government expenditure grew at 6.5% yoy during April-September 2014, well within the budgeted of 15% yoy for the full year. While the expenditure seems well contained, the concern stems from an anaemic tax collection as the central government's gross tax collections grew 7% yoy during April-September 2014, below the ambitious budget estimate of 19% yoy. Direct tax collection grew at 8% in the first six months as corporate tax collections and income tax collections remained lacklustre. Indirect tax collections grew by a modest 2% yoy during the first six months on account of a moderating economic activity. The net tax collection was up

only 5% yoy for the period April-September 2014 as compared to the budgeted growth of 20% yoy.

In a bid to rein in the deficit, the government announced a 10% reduction in non-plan expenditure, excluding obligatory spending such as debt servicing, salaries, pension & grants. This is a reflection of the intent of the government to deliver the 4.1% budgeted fiscal deficit in the current fiscal.

The minutes of meeting of the RBI's Technical Advisory Committee (TAC) on monetary policy, held on September 24<sup>th</sup> indicated that four of the seven external members on the committee recommended that the policy repo rate be reduced as real policy rate has become positive with the decline in headline CPI inflation. This has led to some market watchers opining that rate easing might not be as distant on the horizon as was earlier expected. Most market experts believe that the RBI's commentary and guidance may turn dovish at the December monetary policy review itself even though the RBI may not nudge the repo rate lower unless there is clarity on its inflation targeting framework from the government.

The fixed income markets have been in a sweet spot in the month of October on the back of favourable macro situation, falling global commodity prices, credible fiscal policy action and benign liquidity conditions. Strong foreign portfolio investor's flows in the Indian debt market further enabled easing in yields. Given the Gsec limits to FII's are almost fully utilized, RBI might allow FIIs to continue their G-sec purchases by expanding the limit, albeit modestly. The RBI's commentary in its Bi-monthly policy review on 2<sup>nd</sup> December will shape the trajectory of the fixed income market in the medium term.

## Market Outlook - Equity

Fund Assure, Investment Report, October 2014

The month of October 2014 saw the benchmark index BSE Sensex and CNX Nifty gain 4.64% and 4.49% respectively. The Mid-cap index, CNX Mid-cap gained 3.70% during the same period.

FIIIs were net buyers with inflows of around USD 0.12 bn in the month of October 2014 and the DIIs were net buyers to the tune of around USD 0.67 bn, with insurance companies' net sellers of around USD 0.15 bn and domestic mutual funds, net buyers to the extent of around USD 0.82 bn over the same period. In the first ten months of the calendar year 2014, the FIIIs had been net buyers to the tune of USD 13.8 bn with the DIIs net sellers to the tune of USD 4.9 bn, insurance companies' net sellers to the tune of USD 7.2 bn and mutual funds buying Indian equities to the tune of USD 2.3 bn.

The second quarter FY 2015 earnings season has been largely disappointing thus far, with the IT Services companies unable to meet elevated market expectations. The asset quality concerns have continued to weigh down the NBFCs and PSU banks even as some of large private sector banks have reported acceleration in corporate lending. The government has helped revive the business sentiment and instill confidence in Corporate India as growth seems to be bottoming out and the economy seems poised for a gradual recovery. Given this backdrop, earning estimates for the next fiscal year are beginning to see upward revisions even as those for the current fiscal remain muted. The sharp correction in global commodity price can be a tailwind to corporate earnings.

The month of October 2014 saw the government pursue the reforms agenda in right earnest as it announced key policy measures like deregulation of diesel price, hike in natural gas price, ordinance on coal block auctioning and easing of FDI norms in the Construction sector.

There are some early signs of an uptick in the economic activity as companies received about ₹670 bn worth of fresh orders in Q2 FY 2015, up 45 % on a quarter-on-quarter basis, the highest in the past four quarters. The momentum has continued into the month of October led by the capital goods companies followed by construction and infrastructure firms.

The NHAI has lined up a robust pipeline of road projects to be bid over the next 2-3 months totaling around 4000 km projects in sharp contrast to tepid award activity of just 1,000 kms over FY2012-13. The large quantum of awards on offer and rational bidding expected by developers could help sustain this sector.

Public sector banks continue to be under pressure to raise capital levels. The finance ministry has initiated an exercise to cut government stake in public sector banks to 52% and enable them to raise fresh capital to meet their growth requirements.

Foreign direct investment (FDI) regulation in construction has been eased to make the sector more attractive for overseas investors. The minimum built-up area requirement for FDI in construction projects has been reduced from 50,000 sqm to 20,000 sqm. The Government has also halved the minimum capital requirement for such projects from USD 10mn to USD 5mn. Projects that commit at least 30% of the total project cost toward low-cost affordable housing will be exempted from the minimum built-up area and capitalization requirements.

The Union Cabinet had recommended promulgation of an ordinance to the President to resolve the pending issues arising out of the SC judgment quashing allocation of coal blocks. It allows e-auction of coal blocks to the private users in cement, steel and power and allocation of coal blocks to PSUs which is expected to be completed in 3-4 months for the 74 operational or near operational blocks. The government plans to introduce a bill in the winter session of Parliament as a follow-up to the ordinance that facilitates the sale and allows the coal sector to be opened up.

Indian equity markets have been the recipients of robust FII flows of USD 13.8 billion over the calendar year 2014, thus far. The global investors would be keenly watching the policy initiatives of the new government as well as the passage of key legislation in the winter session of parliament. We believe that the equity markets continue to offer comfort of reasonable valuations for a long-term investor with a 3-5 year view.

**Equity Fund**

**Short Term Fixed  
Income Fund**

**Income Fund**

**Liquid Fund**

**Bond Fund**

**Balanced Fund**

**Growth Fund**

**Maxima Fund**

**Pension Schemes**

# Equity Fund

ULGF 001 02/03/04 E1 110

Fund Assure, Investment Report, October 2014

## Fund Details

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

**NAV as on 31 Oct, 14** : ₹52.6749

**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>97.25</b>
HDFC Bank Ltd.	Banks	8.69
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	8.57
Infosys Technologies Ltd.	IT - Software	8.00
ICICI Bank Ltd.	Banks	7.97
ITC Ltd.	Tobacco Products	7.25
Reliance Industries Ltd.	Refineries	6.81
Tata Consultancy Services Ltd.	IT - Software	5.33
Tata Motors Ltd.	Automobile	4.38
Oil and Natural Gas Corpn Ltd.	Crude Oil & Natural Gas	3.31
State Bank of India	Banks	2.94
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	2.88
Maruti Suzuki India Ltd.	Automobile	2.27
Bharti Airtel Ltd.	Telecomm-Service	1.90
Mahindra and Mahindra Ltd.	Automobile	1.78
Cipla Ltd.	Pharmaceuticals	1.68

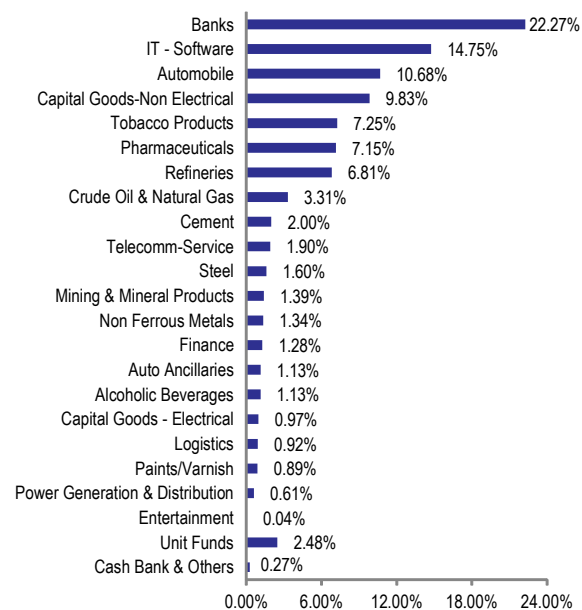
Instrument	Industry/Rating	% Of NAV
Tata Steel Ltd.	Steel	1.60
IndusInd Bank Ltd.	Banks	1.47
Bajaj Auto Ltd.	Automobile	1.42
Sesa Goa Ltd.	Mining & Mineral Products	1.39
Hindalco Industries Ltd.	Non Ferrous Metals	1.34
IDFC Ltd.	Finance	1.28
Nagarjuna Construction Co. Ltd.	Capital Goods-Non Electrical	1.27
Yes Bank Ltd.	Banks	1.19
Motherson Sumi Systems Ltd.	Auto Ancillaries	1.13
United Spirits Ltd.	Alcoholic Beverages	1.13
Ultratech Cement Ltd.	Cement	1.04
Other Equity below 1% corpus		9.24
<b>Unit Funds</b>		<b>2.48</b>
Religare Invesco Liquid Fund - Growth		2.48
<b>Cash Bank &amp; Others</b>		<b>0.27</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

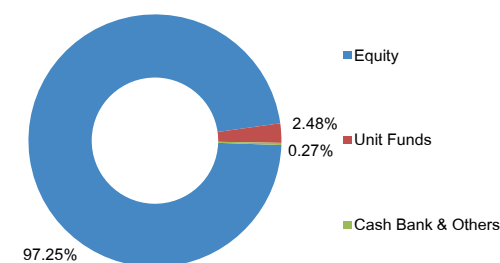
PERIOD	DATE	NAV	S&P BSE Sensex	NAV Change	INDEX Change
Last 6 Months	30-Apr-14	42.3585	22417.80	24.35%	24.30%
Last 1 Year	31-Oct-13	39.7009	21164.52	32.68%	31.66%
Last 2 Years	31-Oct-12	34.9484	18505.38	22.77%	22.71%
Last 3 Years	31-Oct-11	32.8198	17705.01	17.08%	16.32%
Last 4 Years	29-Oct-10	37.8737	20032.34	8.60%	8.60%
Last 5 Years	30-Oct-09	29.0589	15896.28	12.63%	11.88%
Since Inception	29-Mar-04	10.0000	5571.37	16.98%	16.40%

**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.

## Sector Allocation



## Asset Allocation



Pension Schemes

# Short Term Fixed Income Fund

ULGF 004 01/07/06 S1 110

Fund Assure, Investment Report, October 2014

## Fund Details

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

**NAV as on 31 Oct, 14** : ₹17.7034

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

## Investment Style

Credit Quality			Interest Rate Sensivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

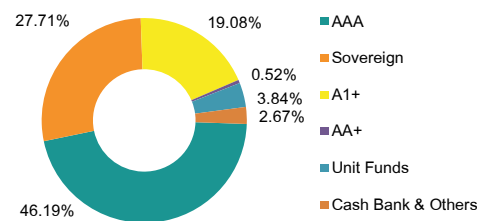
Instrument	Industry/Rating	% of NAV
<b>CD/CP's</b>		
ANDHRA BANK CD 04-May-15	A1+	9.57
ICICI BANK CD 05-Jun-15	A1+	9.51
<b>Government Securities</b>		
8.78% Haryana SDL 23-Jul-17	Sovereign	15.91
6.49% GOI 08-Jun-15	Sovereign	6.50
8.77% Karnataka SDL 21-Nov-16	Sovereign	5.29
<b>Corporate Bonds</b>		
10.18% LIC Hsg. Finance Ltd. 19-Sep-16	AAA	8.62
8.97% AIRPORT AUTHORITY OF INDIA 11-Oct-16	AAA	5.28
8.80% SAIL 26-Oct-15	AAA	5.26
7.65% REC Ltd. 31-Jan-16	AAA	5.19
9.40% NABARD 24-May-17	AAA	3.21
9.61% PFC Ltd. 01-Jun-17	AAA	2.69
9.63% PFC Ltd. 15-Dec-14	AAA	2.63
8.45% REC Ltd. 19-Feb-15	AAA	2.62
9.35% HDFC Ltd. 04-Mar-16	AAA	2.12
9.46% PFC Ltd. 02-May-15	AAA	2.11
8.70% PFC Ltd. 14-May-15	AAA	2.10
9.15% IDFC Ltd. 19-Feb-16	AAA	1.06
8.30% HDFC Ltd. 23-Jun-15	AAA	1.05
9.20% PGC Ltd. 12-Mar-15	AAA	0.66
9.70% HDFC Ltd. 07-Jun-17	AAA	0.54
7.50% Bank of India 16-Apr-15	AAA	0.52
7.45% Bank of Baroda LT II 28-Apr-15	AAA	0.52
7.45% Union Bank of India 23-Apr-15	AA+	0.52
<b>Unit Funds</b>		
Birla Sun Life Cash Plus - Growth		3.84
<b>Cash Bank &amp; Others</b>		
		2.67
<b>Total</b>		<b>100.00</b>

## Fund Performance

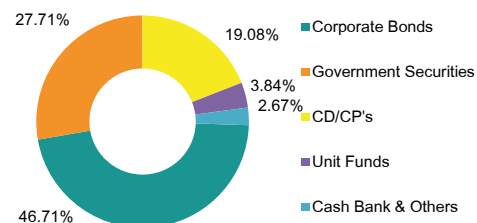
PERIOD	DATE	NAV	CRISIL Short-Term Bond Index	NAV Change	INDEX Change
Last 6 Months	30-Apr-14	16.9062	2221.29	4.72%	5.20%
Last 1 Year	31-Oct-13	16.2517	2124.14	8.93%	10.01%
Last 2 Years	31-Oct-12	15.0783	1961.50	8.36%	9.15%
Last 3 Years	31-Oct-11	13.7702	1795.08	8.74%	9.19%
Last 4 Years	29-Oct-10	12.8443	1675.18	8.35%	8.68%
Last 5 Years	30-Oct-09	12.1889	1597.95	7.75%	7.90%
Since Inception	3-Jul-06	10.0000	1242.33	7.09%	7.88%

**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.

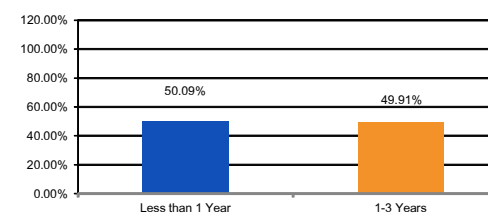
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes

# Income Fund

ULGF 002 02/03/04 11 110

Fund Assure, Investment Report, October 2014

## Fund Details

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

**NAV as on 31 Oct, 14** : ₹20.2303

**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>69.48</b>		
8.40% Gsec 28-Jul-24	Sovereign	16.06
7.16% GOI 20-May-23	Sovereign	8.79
8.28% GOI 21-Sep-27	Sovereign	7.75
8.83% GOI 25-Nov-23	Sovereign	7.71
8.12% GOI 10-Dec-20	Sovereign	6.34
8.60% Gsec 02-Jun-28	Sovereign	5.99
9.23% GOI 23-Dec-43	Sovereign	4.26
9.20% GOI 30-Sep-30	Sovereign	2.80
8.27% Gsec 09-Jun-20	Sovereign	1.87
9.11% Maharashtra SDL 28-May-24	Sovereign	1.81
8.33% GOI 09-Jul-26	Sovereign	1.73
8.15% GOI 11-Jun-22	Sovereign	1.54
8.79% Gujarat SDL 25-Oct-22	Sovereign	1.40
9.37% Gujarat SDL 04-Dec-23	Sovereign	1.14
7.38% GOI 03-Sep-15	Sovereign	0.29
<b>Corporate Bonds</b> <b>25.45</b>		
2.00% Tata Steel Ltd. 23-Apr-22	AA	5.39
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	3.74
9.39% PFC Ltd. 27-Aug-29	AAA	3.23

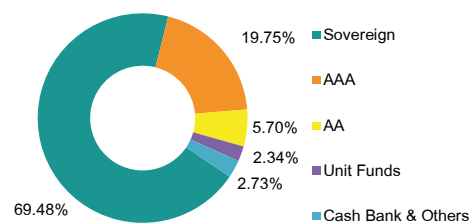
Instrument	Industry/Rating	% of NAV
8.84% NTPC Ltd. 04-Oct-22	AAA	2.43
9.70% HDFC Ltd. 07-Jun-17	AAA	1.87
0.00% NABARD 01-Jan-19	AAA	1.82
9.50% HDFC Ltd. 13-Aug-24	AAA	1.36
9.30% PGC Ltd. 28-Jun-21	AAA	1.33
8.50% PFC Ltd. 15-Dec-14	AAA	0.87
9.61% PFC Ltd. 01-Jun-17	AAA	0.57
8.87% REC Ltd. 08-Mar-20	AAA	0.56
9.64% PGC Ltd. 31-May-18	AAA	0.43
8.75% SAIL 23-Apr-20	AAA	0.43
8.28% LIC Housing Finance Ltd. 29-Jun-15	AAA	0.31
2.00% Indian Hotels Ltd. 09-Dec-14	AA	0.22
9.35% REC Ltd. 15-Jun-22	AAA	0.22
9.29% PFC Ltd. 21-Aug-22	AAA	0.09
8.93% NTPC Ltd. 19-Jan-21	AAA	0.09
<b>Unit Funds</b> <b>2.34</b>		
Birla Sun Life Cash Plus - Growth		2.34
<b>Cash Bank &amp; Others</b> <b>2.73</b>		
<b>Total</b>		<b>100.00</b>

## Fund Performance

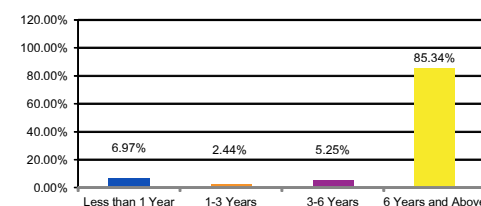
PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	30-Apr-14	18.8270	2067.58	7.45%	7.33%
Last 1 Year	31-Oct-13	18.1308	1986.44	11.58%	11.71%
Last 2 Years	31-Oct-12	17.1905	1893.77	8.48%	8.25%
Last 3 Years	31-Oct-11	15.4064	1725.98	9.50%	8.74%
Last 4 Years	29-Oct-10	14.4727	1630.21	8.73%	8.01%
Last 5 Years	30-Oct-09	13.6632	1548.15	8.17%	7.47%
Since Inception	2-Mar-04	10.0000	1193.20	6.83%	5.99%

**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.

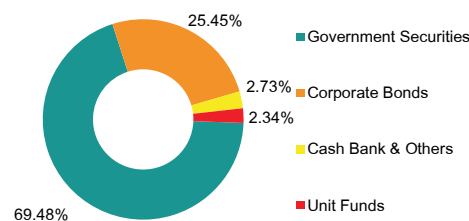
## Rating Profile



## Maturity Profile



## Asset Allocation



Pension Schemes



# Liquid Fund

ULGF 003 02/03/04 L1 110

Fund Assure, Investment Report, October 2014

## Fund Details

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

**NAV as on 31 Oct, 14** : ₹20.2289

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

## Investment Style

Credit Quality			Interest Rate Sensivity
High	Mid	Low	
			High
			Mid
			Low

## Portfolio

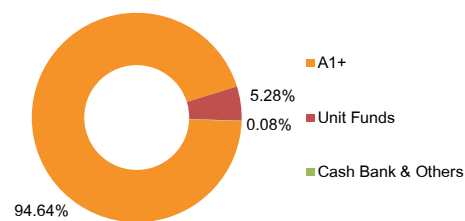
Instrument	Industry/Rating	% of NAV
<b>CD/CP's</b>		<b>94.64</b>
ALLAHABAD BANK CD 15-Apr-15	A1+	9.27
ICICI BANK CD 27-Jan-15	A1+	8.98
Canara Bank CD 02-Jun-15	A1+	8.80
Bank of India CD 09-Jun-15	A1+	8.79
Corporation Bank CD 19-Jun-15	A1+	8.77
PFC Ltd. CP 29-Jun-15	A1+	8.73
ANDHRA BANK CD 04-May-15	A1+	8.67
Punjab National Bank CD 02-Mar-15	A1+	8.23
Union Bank of India CD 09-Mar-15	A1+	8.21
Axis Bank CD 22-Sep-15	A1+	7.84
State Bank of Patiala CD 06-Jul-15	A1+	4.73
State Bank Of Patiala CD 21-Jul-15	A1+	3.62
<b>Unit Funds</b>		<b>5.28</b>
Birla Sun Life Cash Plus - Growth		4.43
UTI MMF - Instn Growth Plan		0.85
<b>Cash Bank &amp; Others</b>		<b>0.08</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

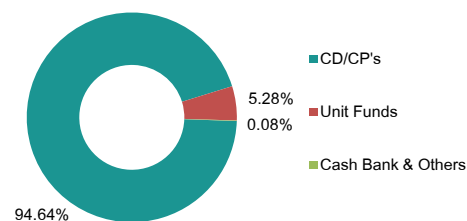
PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 6 Months	30-Apr-14	19.4044	2143.84	4.25%	4.51%
Last 1 Year	31-Oct-13	18.6731	2050.12	8.33%	9.29%
Last 2 Years	31-Oct-12	17.2495	1883.54	8.29%	9.07%
Last 3 Years	31-Oct-11	15.8228	1733.71	8.53%	8.92%
Last 4 Years	29-Oct-10	14.6894	1605.61	8.33%	8.69%
Last 5 Years	30-Oct-09	13.9835	1539.04	7.66%	7.80%
Since Inception	25-May-04	10.0000	1113.63	6.98%	6.92%

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

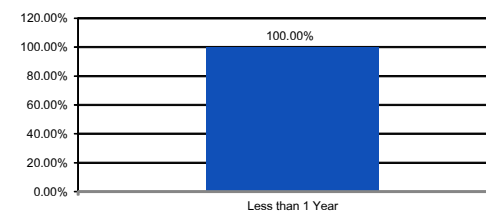
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes

# Bond Fund

ULGF 005 17/08/07 BO 110

Fund Assure, Investment Report, October 2014

## Fund Details

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

**NAV as on 31 Oct, 14** : ₹17.2641

**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>74.45</b>
8.40% Gsec 28-Jul-24	Sovereign	20.31
8.60% Gsec 02-Jun-28	Sovereign	13.21
8.28% GOI 21-Sep-27	Sovereign	12.04
8.83% GOI 25-Nov-23	Sovereign	9.23
7.16% GOI 20-May-23	Sovereign	8.96
8.33% GOI 09-Jul-26	Sovereign	4.07
8.79% Gujarat SDL 25-Oct-22	Sovereign	2.48
9.20% GOI 30-Sep-30	Sovereign	1.75
8.15% GOI 11-Jun-22	Sovereign	1.69
9.23% GOI 23-Dec-43	Sovereign	0.69
<b>Corporate Bonds</b>		<b>22.84</b>
2.00% Indian Hotels Ltd. 09-Dec-14	AA	6.99

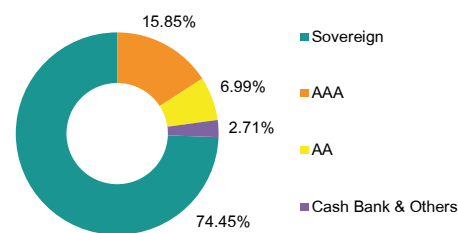
Instrument	Industry/Rating	% of NAV
9.30% PGC LTD. 28-Jun-20	AAA	3.13
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	2.46
9.39% PFC Ltd. 27-Aug-29	AAA	2.40
9.64% PGC Ltd. 31-May-18	AAA	2.11
0.00% NABARD 01-Jan-19	AAA	1.73
9.48% REC Ltd. 10-Aug-21	AAA	1.69
9.57% IRFC Ltd. 31-May-21	AAA	1.20
9.50% HDFC Ltd. 13-Aug-24	AAA	0.85
8.84% NTPC Ltd. 04-Oct-22	AAA	0.16
9.75% SBI Series 3 Lower Tier II 16-Mar-21	AAA	0.12
<b>Cash Bank &amp; Others</b>		<b>2.71</b>
<b>Total</b>		<b>100.00</b>

## Fund Performance

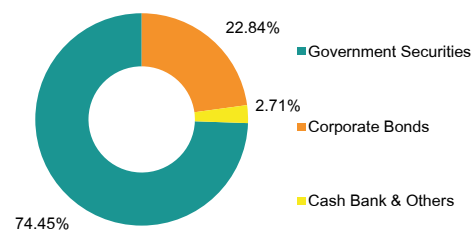
PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	30-Apr-14	16.0914	2067.58	7.29%	7.33%
Last 1 Year	31-Oct-13	15.5218	1986.44	11.22%	11.71%
Last 2 Years	31-Oct-12	14.6632	1893.77	8.51%	8.25%
Last 3 Years	31-Oct-11	13.1377	1725.98	9.53%	8.74%
Last 4 Years	29-Oct-10	12.3557	1630.21	8.72%	8.01%
Last 5 Years	30-Oct-09	11.6360	1548.15	8.21%	7.47%
Since Inception	17-Aug-07	10.0000	1339.53	7.87%	7.25%

**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.

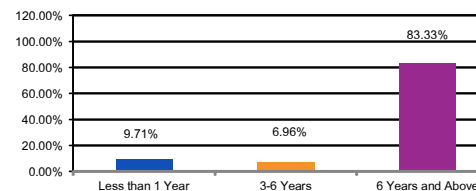
## Rating Profile



## Asset Allocation



## Maturity Profile



Pension Schemes

# Balanced Fund

ULGF 006 17/08/07 BL 110

Fund Assure, Investment Report, October 2014

## Fund Details

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

**NAV as on 31 Oct, 14** : ₹17.0752

**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-Apr-14	15.5295	9.95%	9.02%
Last 1 Year	31-Oct-13	14.9047	14.56%	13.75%
Last 2 Years	31-Oct-12	13.8857	10.89%	9.59%
Last 3 Years	31-Oct-11	12.7148	10.33%	9.47%
Last 4 Years	29-Oct-10	12.4092	8.31%	8.06%
Last 5 Years	30-Oct-09	11.5143	8.20%	7.92%
Since Inception	17-Aug-07	10.0000	7.70%	7.55%

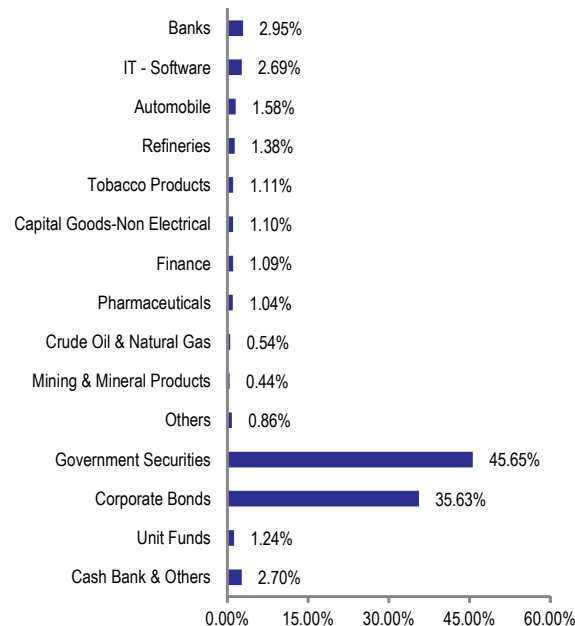
**Note** : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

## Portfolio

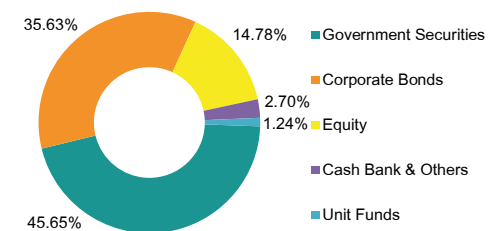
Instrument	Industry/Rating	% Of NAV
<b>Equity</b>		<b>14.78</b>
ICICI Bank Ltd.	Banks	1.27
Infosys Technologies Ltd.	IT - Software	1.27
HDFC Bank Ltd.	Banks	1.14
ITC Ltd.	Tobacco Products	1.11
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	1.10
Reliance Industries Ltd.	Refineries	1.10
Tata Consultancy Services Ltd.	IT - Software	0.92
HDFC Ltd.	Finance	0.69
Tata Motors Ltd.	Automobile	0.67
Oil and Natural Gas Corpn Ltd.	Crude Oil & Natural Gas	0.54
Other Equity		4.97
<b>Government Securities</b>		<b>45.65</b>
9.23% GOI 23-Dec-43	Sovereign	15.25
8.79% GOI 08-Nov-21	Sovereign	11.27
8.33% GOI 09-Jul-26	Sovereign	7.79
9.15% GOI 14-Nov-24	Sovereign	3.29
8.60% Gsec 02-Jun-28	Sovereign	2.84
8.40% Gsec 28-Jul-24	Sovereign	2.68

Instrument	Industry/Rating	% Of NAV
7.16% GOI 20-May-23	Sovereign	2.53
<b>Corporate Bonds</b>		<b>35.63</b>
9.30% SAIL 25-May-19	AAA	7.98
8.70% PFC Ltd. 14-May-15	AAA	5.47
9.97% IL&FS 28-Sep-16	AAA	4.80
8.35% HDFC Ltd. 19-Jul-15	AAA	4.68
8.28% LIC Housing Finance Ltd. 29-Jun-15	AAA	3.59
9.20% PGC Ltd. 12-Mar-15	AAA	2.74
8.84% NTPC Ltd. 04-Oct-22	AAA	2.35
8.97% PFC Ltd. 15-Jan-18	AAA	1.58
10.40% Reliance Ports & Terminals Ltd. 18-Jul-21	AAA	1.01
8.84% PGC Ltd. 21-Oct-18	AAA	0.78
9.95% SBI 16-Mar-26	AAA	0.45
9.25% PGC Ltd. 26-Dec-20	AAA	0.20
<b>Unit Funds</b>		<b>1.24</b>
Birla Sun Life Cash Plus - Growth		1.24
<b>Cash Bank &amp; Others</b>		<b>2.70</b>
<b>Total</b>		<b>100.00</b>

## Sector Allocation



## Asset Allocation



# Growth Fund

ULGF 007 17/08/07 G2 110

Fund Assure, Investment Report, October 2014

## Fund Details

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

**NAV as on 31 Oct, 14** : ₹16.5217

**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

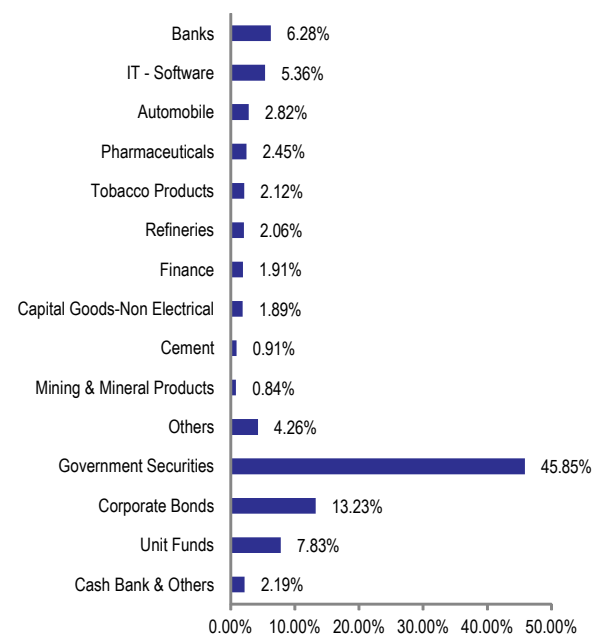
PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 6 Months	30-Apr-14	14.9437	10.56%	12.41%
Last 1 Year	31-Oct-13	14.3261	15.33%	17.83%
Last 2 Years	31-Oct-12	13.4584	10.80%	12.28%
Last 3 Years	31-Oct-11	12.5974	9.46%	10.93%
Last 4 Years	29-Oct-10	12.7125	6.77%	8.14%
Last 5 Years	30-Oct-09	11.5509	7.42%	8.84%
Since Inception	17-Aug-07	10.0000	7.21%	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.

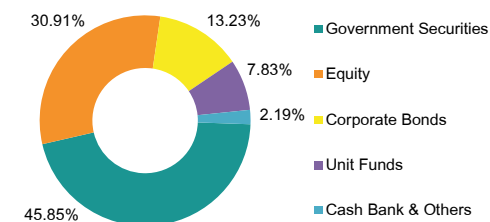
## Portfolio

Instrument	Industry/Rating	% Of NAV
<b>Equity</b> <b>30.91</b>		
HDFC Bank Ltd.	Banks	2.28
Infosys Technologies Ltd.	IT - Software	2.20
ITC Ltd.	Tobacco Products	2.12
ICICI Bank Ltd.	Banks	2.03
Larsen and Toubro Ltd.	Capital Goods-Non Electrical	1.89
Reliance Industries Ltd.	Refineries	1.74
Tata Consultancy Services Ltd.	IT - Software	1.53
HDFC Ltd.	Finance	1.38
Tata Motors Ltd.	Automobile	1.28
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	1.10
Other Equity		13.34
<b>Government Securities</b> <b>45.85</b>		
8.60% Gsec 02-Jun-28	Sovereign	9.08
9.15% GOI 14-Nov-24	Sovereign	6.84
8.79% GOI 08-Nov-21	Sovereign	6.65
8.27% Gsec 09-Jun-20	Sovereign	6.51
9.23% GOI 23-Dec-43	Sovereign	5.95
8.40% Gsec 28-Jul-24	Sovereign	4.38
7.83% GOI 11-Apr-18	Sovereign	4.29
8.20% GOI 24-Sep-25	Sovereign	2.14
<b>Corporate Bonds</b> <b>13.23</b>		
9.57% IRFC Ltd. 31-May-21	AAA	4.55
8.84% NTPC Ltd. 04-Oct-22	AAA	4.35
8.30% HDFC Ltd. 23-Jun-15	AAA	2.17
8.28% LIC Housing Finance Ltd. 29-Jun-15	AAA	2.17
<b>Unit Funds</b> <b>7.83</b>		
Birla Sun Life Cash Plus - Growth		4.13
UTI MMF - Instn Growth Plan		3.70
<b>Cash Bank &amp; Others</b> <b>2.19</b>		
<b>Total</b>		<b>100.00</b>

## Sector Allocation



## Asset Allocation



Pension Schemes

# Maxima Fund

ULGF 008 17/08/07 M1 110

Fund Assure, Investment Report, October 2014

## Fund Details

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

**NAV as on 31 Oct, 14** : ₹12.4722

**Benchmark** : -

### Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

### Equity Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

## Fund Performance

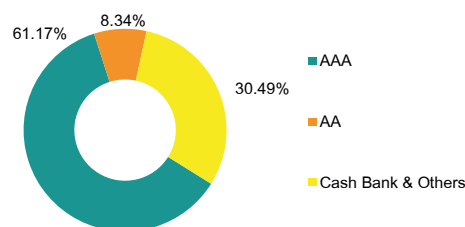
PERIOD	DATE	NAV	NAV Change
Last 6 Months	30-Apr-14	11.7870	5.81%
Last 1 Year	31-Oct-13	11.3408	9.98%
Last 2 Year	31-Oct-12	10.7174	7.88%
Since Inception	13-Feb-12	10.0000	8.48%

**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.

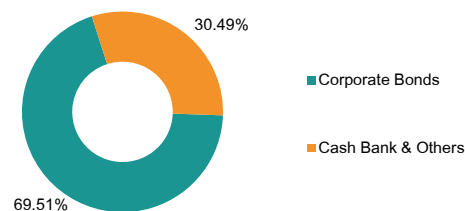
## Portfolio

Instrument	Industry/Rating	% of NAV
<b>Corporate Bonds</b>		<b>69.51</b>
8.94% PFC Ltd. 25-Mar-28	AAA	9.23
9.70% GE Shipping 02-Feb-21	AAA	8.55
9.48% REC Ltd. 10-Aug-21	AAA	8.48
9.00% EXIM Bank 10-Jan-19	AAA	8.34
9.90% Indian Hotels Ltd. 24-Feb-17	AA	8.34
9.60% HDFC Ltd. 07-Apr-16	AAA	8.31
9.40% NABARD 31-Jul-15	AAA	8.26
9.43% LIC Housing Finance Ltd. 10-Feb-22	AAA	5.65
9.95% SBI 16-Mar-26	AAA	4.33
<b>Cash Bank &amp; Others</b>		<b>30.49</b>
<b>Total</b>		<b>100.00</b>

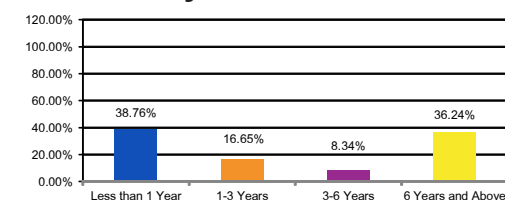
### Rating Profile



### Asset Allocation



### Maturity Profile



Pension Schemes

## Contact Us

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



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



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



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

### Tata AIA Life Insurance's Investment team

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

### Disclaimer

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

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

IRDA clarifies to public that

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

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

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

Pension Schemes

**TATA AIA**  
L I F E