Item No. 6: Cumulative performance evaluation for the period July, 2015 to June, 2017.

1. The Central Board of Trustees in its 207th meeting held on 31.03.2015 approved the appointment of following five fund managers for managing the EPFO corpus for a period of three years:

    i. State Bank of India.
    ii. ICICI Securities Primary Dealership Ltd.
    iii. Reliance Capital Asset Management Ltd.
    iv. HSBC Asset Management (India) Private Ltd.
    v. UTI Asset Management Company Ltd.

The New Portfolio Managers started managing EPFO corpus from 01.07.2015.

2. Further, the Central Board of Trustees in its 204th meeting held on 26.08.2014 had also appointed CRISIL as a Consultant for Selection of New Multiple Fund Managers and their Performance Evaluation.

3. The performance of all Portfolio Managers for the period 01.04.2017 to 30.06.2017 has been already placed in 136th meeting of FIAC held on 27.09.2017. Further, Performance Evaluation of Portfolio Managers for the period 01.07.2015 to 30.06.2016 has also been placed in 215th meeting of CBT held on 19.12.2016.

The performance of the portfolio managers of EPFO are evaluated on the basis of following criteria:-

(CRISIL Report placed at **Annexure-6A**)

- **Portfolio Yields (80% weight)**
- **Asset Quality (20% weight)**

Performance evaluation ranking

Cumulative performance evaluation for the period July, 2015 to June, 2017.

Yield (80% weight)

Portfolio Manager	Score on Yield%	Benchmark Yield%	Yield Rank
UTI AMC	8.04%	7.93%	1
SBI	8.00%	7.93%	2
Reliance AMC	7.98%	7.93%	3
I-Sec PD	7.97%	7.93%	4
HSBC AMC	7.96%	7.93%	5
Overall EPFO	7.99%		

Asset quality (20% weight)

Portfolio Managers	Asset Quality	Asset Quality Rank
UTI AMC	75.584%	1
SBI	74.712%	2
Reliance AMC	74.552%	3
I-Sec PD	73.752%	4
HSBC AMC	74.453%	5

Final Score/Ranking

Portfolio Manager	Score on Yield out of 100%	Rank on Yield%	Score on asset quality out of 100%	Rank on debt-asset quality	Final Score	Final Rank
UTI AMC	93.375%	1	75.584%	1	89.817%	1
SBI	92.125%	2	74.712%	2	88.642%	2
Reliance AMC	91.671%	3	74.552%	3	88.247%	3
I-Sec PD	91.160%	4	73.752%	5	87.679%	4
HSBC AMC	90.950%	5	74.453%	4	87.651%	5

- All portfolio managers outperformed the cumulative benchmark yield of 7.93% owing to lower allocation to G-sec3 and higher allocation to relatively high yielding SDLs compared with the benchmark
- UTI AMC generated the highest yield of 8.04%, followed by SBI (8%), Reliance AMC (7.98%) and I-Sec PD (7.97%) and HSBC AMC (7.96%)
- UTI AMC generated the highest yield of 8.04% because of exposure to higher-yielding SDLs among the portfolio managers
- The yield differen�al between the top and lowest performers remained 8 bps for the period ended June.

Performance of equity investments

Equity investments- August 2015 to June 2017

Scheme	Amount invested in Crores		Return in %	
	Nifty 50	Sensex	Nifty 50	Sensex
SBI MF				
EPF (05)	9,459.25	3,193.92	14.27%	13.86%
SPF (08)	15.31	18.63	16.15%	13.00%
SP&G (09)	203.79	85.76	12.96%	12.94%
EPS (11)	4,709.90	1,804.82	13.80%	13.49%
EDLI (25)	390.86	153.08	14.23%	14.67%
Overall SBI MF	**19,784.25**		**14.01%**	

Scheme	Amount invested in Crores		Return in %	
	Nifty 50	Sensex	Nifty 50	Sensex
UTI MF				
EPF (05)	1,695.46	565.97	9.75%	10.21%
EPS (11)	826.69	300.71	8.94%	9.16%
Overall UTI MF	**3,388.84**		**9.58%**	

Proposal: The performance of all the Portfolio Managers as above may be taken note of by the Board.

Research

CRISIL
An S&P Global Company

Performance evaluation of EPFO portfolio managers

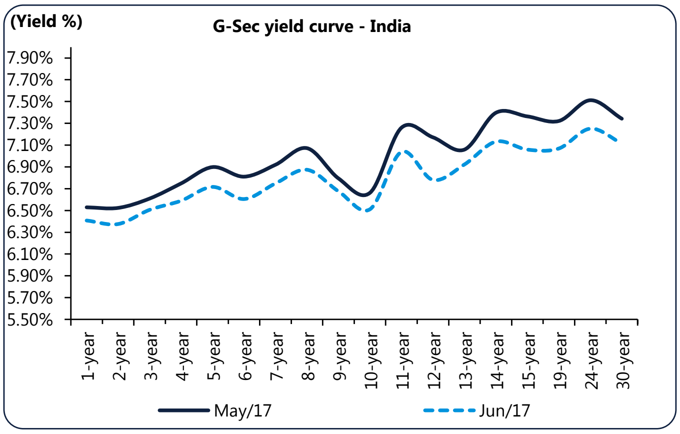
For the period July 01, 2015 to June 30, 2017

Table of contents

1. Debt market round-up for June 2017

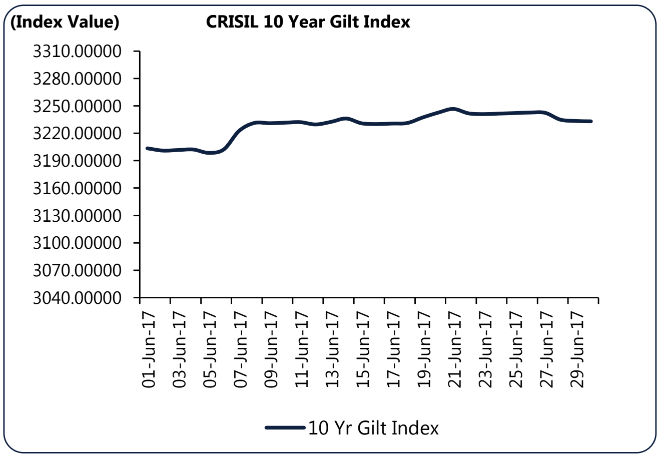
Market highlights

- Government bond prices (gilts) rose in the month. Yield on the 10-year benchmark 6.79% 2027 paper ended at 6.51% on June 30, 2017 compared with 6.66% yield on May 31, 2017. Prices were primarily boosted by the RBI Monetary Policy Committee's decision to cut the 2017-18 Consumer Price Index (CPI)-based inflation forecast, raising hopes of an interest rate cut in the coming months. The RBI slashed its projection on headline inflation to 2.0-3.5% for April-September and 3.5-4.5% for October-March. Sentiments were also supported after the RBI's monetary policy committee meeting minutes showed that the committee welcomed data showing inflation easing below its target, but wanted more assurance that the trend would continue before deciding whether to lower interest rates. Gilts advanced further taking cues from a sporadic fall in US treasury yields and crude oil prices.



- However, further rise in gilts was capped on profit booking towards the end of the quarter. Prices were also affected as market players trimmed holdings to absorb the fresh supply of debt from some domestic bond auctions. Among global cues, caution ahead of the testimony of former director of the FBI James Comey in the US and the outcome of the Parliamentary election in the UK also exerted pressure on gilts.

- Total trading volumes for government securities rose to Rs 13,995 bn in June from Rs 9,758 bn in May.
- The yield of the 10-year 6.97%, 2026 bond fell 15 bps to 6.51% on June 30, 2017 compared with 6.66% on May 31, 2017.
- CRISIL 10 Year Gilt Index gave returns of 1.33% in June 2017, compared with 1.73% in May 2017.



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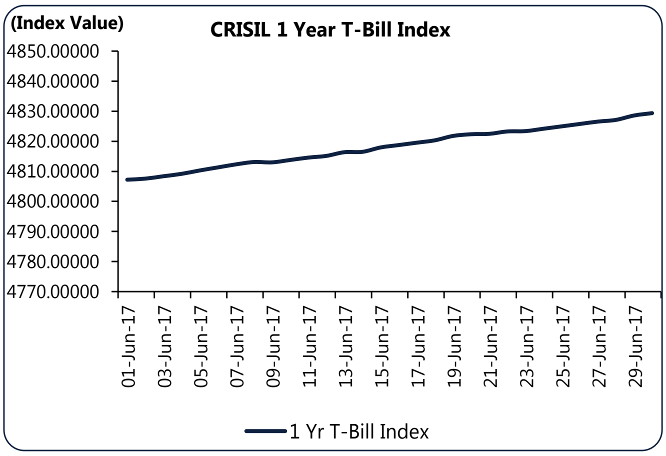
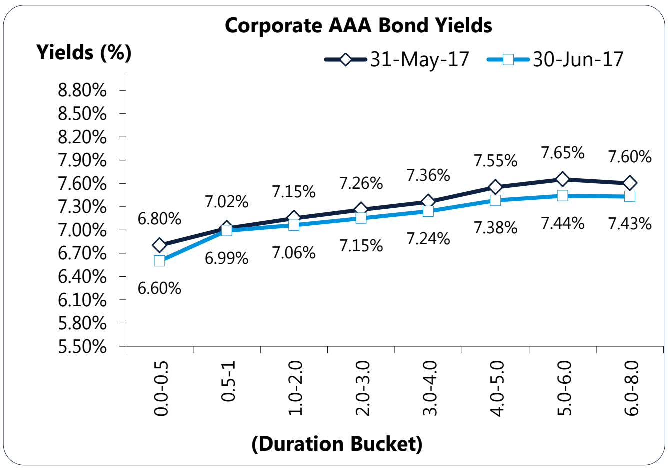
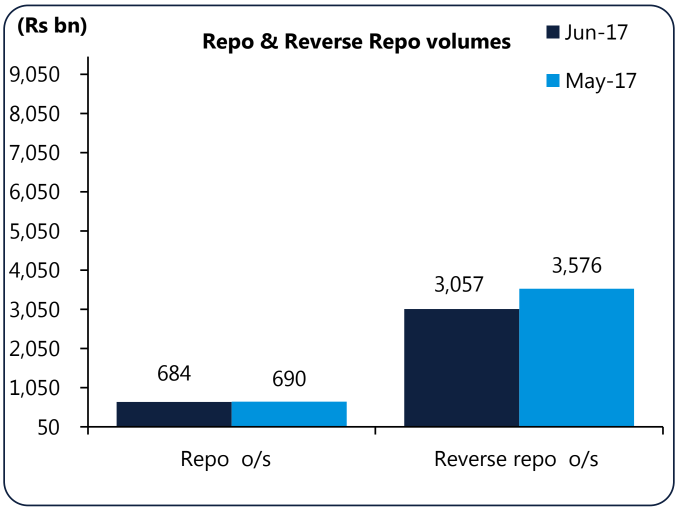


- T-Bill cut-off yields for 91-day, 182-day and 364-day eased by 4 bps, 6 bps and 9 bps, respectively in June.
- CRISIL 1 Year T-Bill Index gave returns of 0.47% in June 2017, vis-a-vis 0.57% in May 2017.



- Corporate bond yields in June fell by 3 bps at the short end, by 12 bps at the intermediate section, and by 17 bps at the long end of the curve.
- 10 year corporate bond spreads narrowed slightly to 81 bps as on June 30, 2017, compared with 83 bps as on May 31, 2017.
- Secondary market volumes for corporate bonds increased in June 2017 to Rs 1,694 bn vis-à-vis Rs 1,259 bn in May 2017.
- EXIM Bank, HDFC Ltd., LIC Housing Finance, PFC, IRFC and NABARD were some of the issuers who tapped the primary market to raise funds in June.



- Interbank call money rates remained below the repo rate of 6.25% in the month owing to ample liquidity in the system. Surplus liquidity prompted the Reserve Bank of India (RBI) to drain away excess funds through regular reverse repo auctions. However, intermittent rise in call rates was seen on outflows towards payment of indirect taxes and corporate advance taxes. Meanwhile, the central bank, in its policy review, reduced the statutory liquidity ratio (SLR) by 50 basis points (bps) to 20% with effect from June 24.
- Demands for funds from banks decreased, with total borrowing from RBI repo facility falling to Rs 684 bn in June from Rs 690 bn in May. Total reverse repo volume also fell to Rs 3,057 bn in June from Rs 3,576 bn in May.

Debt market indicators – Snapshot

Indicators	30-Jun-17	1 month ago	Indicators	30-Jun-17	1 month ago
5-yr corp bond	7.24%	7.36%	Weighted average CBLO rate	6.05%	6.10%
10-yr corp bond	7.43%	7.60%	10-yr G-sec (semi-annual)	6.51%	6.66%
Repo rate	6.25%	6.25%	Reverse repo rate	6.00%	6.00%

Source: RBI, CCIL

Primary issuances data

Date of auction	Security/bond name	Amount raised (Rs billion)	Cut-off yield/coupon	Residual maturity in years (at the time of issuance)
G-sec auctions#				
02-Jun-2017	6.84% GS 2022	30.00	6.76%	6
02-Jun-2017	6.62% GS 2051	30.00	7.40%	34
02-Jun-2017	6.57% GS 2033	20.00	7.13%	17
02-Jun-2017	6.79% GS 2029	70.00	6.81%	13
09-Jun-2017	6.79% GS 2027	80.00	6.52%	10
09-Jun-2017	7.73% GS 2034	20.00	7.01%	18
09-Jun-2017	GOI FLOATING RATE BOND 2024	30.00	6.82%	7
09-Jun-2017	7.06% GS 2046	20.00	7.11%	29
23-Jun-2017	6.84% GS 2022	30.00	6.57%	5
23-Jun-2017	6.79% GS 2029	70.00	6.74%	13
23-Jun-2017	6.57% GS 2033	20.00	6.85%	16
23-Jun-2017	6.62% GS 2051	30.00	7.10%	34
30-Jun-2017	6.79% GS 2027	80.00	6.52%	10
30-Jun-2017	7.73% GS 2034	20.00	7.05%	17
30-Jun-2017	7.06% GS 2046	20.00	7.13%	29
30-Jun-2017	GOI FLOATING RATE BOND 2024	30.00	6.85%	7
State government auctions#				
13-Jun-17	7.15% ASSAM SDL 2027	3	7.15%	10.00
13-Jun-17	7.15% MANIPUR SDL 2027	3	7.15%	10.00
13-Jun-17	7.21% UTTARAKHAND SDL 2027	5	7.21%	10.00
13-Jun-17	7.23% RAJASTHAN SDL 2027	20	7.23%	10.00
13-Jun-17	7.23% TAMILNADU SDL 2027	19	7.23%	10.00
13-Jun-17	7.25% PUNJAB SDL 2027	10	7.25%	10.00
13-Jun-17	7.2% GUJARAT SDL 2027	13	7.20%	10.00
13-Jun-17	7.2% KERALA SDL 2027	5	7.20%	10.00
13-Jun-17	7.16% ANDHRA SDL 2029	12	7.16%	12.00
13-Jun-17	7.16% TELANGANA SDL 2037	18	7.16%	20.00
27-Jun-17	7.1% ODISHA SDL 2022	10	7.10%	5.00
27-Jun-17	7.22% KERALA SDL 2027	5	7.22%	10.00
27-Jun-17	7.22% RAJASTHAN SDL 2027	10	7.22%	10.00

Date of auction	Security/bond name	Amount raised (Rs billion)	Cut-off yield/coupon	Residual maturity in years (at the time of issuance)
27-Jun-17	7.24% ANDHRA SDL 2027	12	7.24%	10.00
27-Jun-17	7.24% TAMILNADU SDL 2027	19	7.24%	10.00
27-Jun-17	7.26% HARYANA SDL 2027	15	7.26%	10.00
27-Jun-17	7.27% JHARKHAND SDL 2027	10	7.27%	10.00
27-Jun-17	7.28% WESTBENGAL SDL 2027	20	7.28%	10.00
27-Jun-17	7.29% ASSAM SDL 2027	5	7.29%	10.00
27-Jun-17	7.2% JAMMUKASHMIR SDL 2027	3	7.20%	10.00
27-Jun-17	7.2% PUNJAB SDL 2027	2	7.20%	10.00
27-Jun-17	7.18% MAHARASHTRA SDL 2029	20	7.18%	12.00
27-Jun-17	7.18% MAHARASHTRA SDL 2032	30	7.18%	15.00
Corporate bond issuances*				
May-17	Reliance Capital Ltd.	15.00	9.05%	10.00
May-17	Housing Development Finance Corp .Ltd.	16.80	1.5% TILL 12/04/2018, 11.08% FROM 13/04/2018 TO 12/04/2020 THEREAFTER 7.78%	10.01
May-17	Housing Development Finance Corp. Ltd.	23.00	1.5% TILL 17/04/2018, THEREAFTER 10.98%	3.17
May-17	Housing Development Finance Corp. Ltd.	16.80	1.5% TILL 23/04/2018, 10.96% FROM 24/04/2018 TO 23/04/2020, THEREAFTER 7.70%	10.01
May-17	National Bank For Agriculture & Rural Development	20.00	7.14%	3.00
May-17	National Bank For Agriculture & Rural Development	5.00	7.14%	3.00
May-17	LIC Housing Finance Ltd.	2.50	7.8%	5.00
May-17	Power Finance Corp. Ltd.	11.80	7.46%	3.09
May-17	LIC Housing Finance Ltd.	7.50	7.9%	7.01
May-17	LIC Housing Finance Ltd.		7.74%	3.08
May-17	PNB Housing Finance Ltd.	3.20	7.8%	4.00
May-17	Infrastructure Leasing & Financial Services Ltd.	1.50	8.09%	7.00
May-17	Infrastructure Leasing & Financial Services Ltd.		8%	3.00
May-17	Infrastructure Leasing & Financial Services Ltd.		8.06%	5.00
May-17	LIC Housing Finance Ltd.	7.00	7.86%	10.01
May-17	Export-Import Bank Of India	3.25	7.35%	5.00
May-17	Export-Import Bank Of India	3.25	7.56%	10.01
May-17	Housing Development Finance Corp. Ltd.	5.00	7.67%	3.00
May-17	Small Industries Development Bank Of India	9.00	7.09%	3.09

Date of auction	Security/bond name	Amount raised (Rs billion)	Cut-off yield/coupon	Residual maturity in years (at the time of issuance)
May-17	Housing Development Finance Corp. Ltd.	12.50	1.5% TILL 21/06/2018, THEREAFTER STEP UP BY 11.50%	3.09
May-17	LIC Housing Finance Ltd.	8.00	7.78%	5.00
May-17	Export-Import Bank Of India	3.25	7.74%	20.01
May-17	National Bank For Agriculture & Rural Development	16.00	7.07%	3.00
May-17	The Great Eastern Shipping Co. Ltd.	1.50	8.25%	10.01
May-17	PNB Housing Finance Ltd.	3.05	7.77%	3.34
May-17	Housing Development Finance Corp. Ltd.	7.50	1.5% TILL 28/06/2018 THEREAFTER 11.5%	3.09
May-17	Indian Railway Finance Corp. Ltd.	22.00	7.49%	10.01
May-17	Power Finance Corp. Ltd.	15.60	7.3%	3.09

**Source – Prime database*

#Source – RBI

Indian Economy – Performance

- Inflation based on the consumer price index (CPI) slipped to a record low of 2.2% in May as food inflation dipped into negative territory. Food inflation dipped sharply to -1.1% in May, down from 0.6% in April. The decline continued to be led by the pulses and vegetables category where inflation was down to -13.4% and -19.5%, respectively. Excluding these categories, food inflation stood at 1.6% compared with 1.7% in April. Fuel inflation, measured by adding petrol, diesel, fuel and light components, slowed to 6.2% from 7.1% in April. Core inflation (CPI excluding food, fuel and light, petrol and diesel) eased slightly to 4.1% from 4.2% in April, led by lower inflation in 'health', 'personal care and effects' and the 'transport and communication segment' and some pick-up in inflation in 'recreation and amusement'.
- Industrial activity declined in the first month of the fiscal as IIP growth fell to 3.1% on-year from 3.8% in March. Even as manufacturing activity recorded a mild upturn in April (growing 2.6% compared with 2.4% in March), it was the sharp slowdown in mining sector growth and moderation in the growth of electricity sector that pulled the overall IIP growth down in April – while the former slowed down to 4.2% from 10.3% earlier, the latter to 5.4% from 6.2%. Within the manufacturing sector – the largest segment of IIP with a weightage of 77.6% – fourteen out of the 23 industry groups have shown positive growth in April, compared with the year-ago period. Sectors which displayed high positive growth in manufacturing were 'pharmaceuticals, medicinal, chemical and botanical products' (29.1% growth), followed by 'tobacco products' (17.9%) and 'machinery and equipment n.e.c.' (9.5%).
- Export growth slowed to 8.3% on-year in May, compared with 17.9% in April. That was because of a slowdown in non-oil exports, to 6.6% in May, from 14.7%. Oil export growth, however, was robust at 24.9%. Industrial goods such as engineering goods and chemicals grew 8.3% and 15.3%, respectively. Imports have been on a trot since late 2016, primarily due to oil and gold. In May, oil imports grew 29.5%, and gold imports trebled on-year. Core imports (consumption goods excluding oil and gold) grew 31.7% in May. The largest rise was seen in precious and semi-precious stones (37.6%), and electronic goods (34.2%).

Indian Economy – Outlook

Normal monsoon, lower borrowing costs, relatively benign inflation, pent up demand due to demonetisation and a mild budgetary support to incomes to drive consumption growth. Meanwhile, higher government spending on transport and housing will push investments. GDP growth to therefore rise to 7.4% in fiscal 2018 from an estimated 7.1% in fiscal 2017.

CPI inflation is expected to stay low this fiscal at 4% from 4.5% in fiscal 2017, as food inflation remains in control supported by a good monsoon forecast, bumper crop production in fiscal 2017 and benign global food prices. Some upside in inflation from higher global oil prices and pick-up in domestic demand is possible. But low food inflation is seen keeping a tab on overall inflation.

Given the negative impact of demonetisation on consumption demand for imports, CAD reduced to 0.7% of GDP in fiscal 2017, from 1.1% in fiscal 2016. However, **CRISIL Center for Economic Research (CCER)** expects CAD to widen marginally to 1.0% of GDP in fiscal 2018 on account of higher oil prices and improved domestic demand.

Rupee forecast at 66.5/$ by fiscal 2018 end compared to 65.9/$ at fiscal 2017 end. Rupee is likely to experience weakness in fiscal 2018 due to higher CAD and capital outflows owing to tighter US monetary policy.

Government achieved the fiscal deficit target of 3.5% of GDP in fiscal 2017 comfortably because of windfall gains from income disclosure scheme. Fiscal deficit target of 3.2% for fiscal 2018 looks manageable. Tax collection assumptions are reasonable despite the anticipated short term disruptions on account of GST implementation mid-way next fiscal.

Debt Market – Outlook

10-year G-sec yield to settle around 6.9% by March 2018 from 6.8% in March 2017. While government's net market borrowing in fiscal 2018 are similar as in fiscal 2017, yields could nudge up slightly on account of higher inflationary pressures and higher SDL issuances next fiscal.

2. Executive summary

Performance evaluation of portfolio managers - approach[1]

Performance evaluation of portfolio managers is based on the following parametric weights -

a) Portfolio yield - 80%

b) Asset quality - 20%

Performance evaluation ranking

Cumulative performance evaluation for the period July 01, 2015 to June 30, 2017

Portfolio manager	Score on yield out of 100%	Rank on yield	Score on asset quality out of 100%	Rank on debt-asset quality	Final score	Final rank
UTI AMC	93.375%	1	75.584%	1	89.817%	1
SBI	92.125%	2	74.712%	2	88.642%	2
Reliance AMC	91.671%	3	74.552%	3	88.247%	3
I-Sec PD	91.160%	4	73.752%	5	87.679%	4
HSBC AMC	90.950%	5	74.453%	4	87.651%	5

- In the performance evaluation ranking for cumulative period, UTI AMC is ranked first, followed by SBI, Reliance AMC, I-Sec PD and HSBC AMC.
- UTI AMC is ranked first on both yield parameter and asset quality parameter.

Financial year performance evaluation for the period April 01, 2017 to June 30, 2017

Portfolio manager	Score on yield out of 100%	Rank on yield	Score on asset quality out of 100%	Rank on debt-asset quality	Final score	Final rank
Reliance AMC	91.594%	1	89.887%	3	91.252%	1
SBI	91.496%	2	89.872%	4	91.171%	2
UTI AMC	91.371%	3	89.316%	5	90.960%	3
HSBC AMC	90.952%	4	90.149%	2	90.791%	4
I-Sec PD	90.542%	5	90.976%	1	90.629%	5

- In the performance evaluation rankings for financial year period, Reliance AMC is ranked first, followed by SBI, UTI AMC, HSBC AMC and I-Sec PD.
- Reliance AMC is ranked first on yield parameter while I-Sec PD is ranked first on asset quality parameter.

Quarter performance evaluation for the period April 01, 2017 to June 30, 2017

- Same as Financial year performance evaluation.

[1] The performance evaluation ranking of the EPFO's portfolio managers is carried out for cumulative, financial year and quarterly period from the performance evaluation for period ended June 30, 2017. For the evaluation of cumulative, financial year and quarterly period, investments made during the cumulative period, financial year period and quarterly periods and which are outstanding as on the date of evaluation; respectively, are considered.

Performance vis-à-vis the benchmark

- The benchmark yield was 7.49% in the month of June 2017.
  - All portfolio managers outperformed the monthly benchmark yield of 7.49% due to higher allocation to relatively high yielding SDLs and private sector bonds, compared with the benchmark
  - Reliance and UTI AMCs generated the highest yield on account of relatively higher allocation to private sector bonds among the portfolio managers
- The benchmark yield was 7.67% in the quarterly/financial year period (April 01, 2017 to June 30, 2017)
  - All portfolio managers outperformed the quarterly/financial year benchmark yield of 7.67% due to higher allocation to relatively high yielding SDLs compared with the benchmark
  - Reliance AMC generated the highest yield on account of higher allocation to relatively high yielding SDLs and higher allocation to private sector bonds among portfolio managers,
  - There were no allocation to G-Secs and PSU bonds during the period.
- The cumulative benchmark yield for the period July 01, 2015 to June 30, 2017 was 7.93%
  - All portfolio managers outperformed the cumulative benchmark yield of 7.93% owing to lower allocation to G-sec[2] and higher allocation to relatively high yielding SDLs compared with the benchmark
  - UTI AMC generated the highest yield of 8.04% because of exposure to higher-yielding SDLs among the portfolio managers.

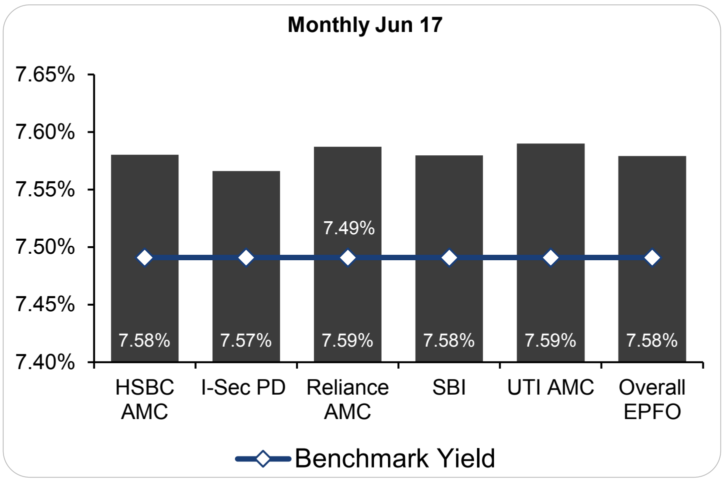
[2] The weighted average allocation of G-Sec in the benchmark for the cumulative period July 2015 to June 2017 was 28% compared with 8-16% allocation by portfolio managers.

3. Performance vis-à-vis the benchmark

The following analysis displays trends in the performance of portfolio managers. The portfolio manager yield is arrived by aggregative yields of all investments during the period, weighed by book value and maturity of investments.

Monthly yield comparison (June 2017)

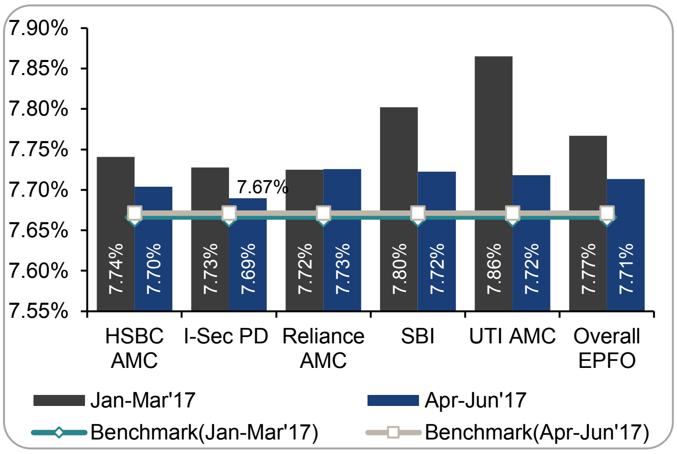
Monthly performance of portfolio managers vis-à-vis the benchmark:



- All portfolio managers outperformed the monthly benchmark yield of 7.49% due to higher allocation to relatively high yielding SDLs and higher exposure to private sector bonds (issued by Axis Bank, HDFC Bank and Bajaj Finance) compared with the benchmark
- Reliance and UTI AMCs generated the highest yield of 7.59%, followed by SBI and HSBC AMC generating 7.58% each and I-Sec PD (7.57%)
- Reliance and UTI AMCs generated the highest yield on account of relatively higher allocation to private sector bonds among the portfolio managers.
- The yield differential between the top and lowest performers narrowed to 2 bps in June 2017 from 4 bps in May 2017

Quarter-on-quarter performance (April-June 2017 versus January-March 2017)

Performance of portfolio managers for the April-June 2017 quarter vis-à-vis the January-March 2017 quarter:

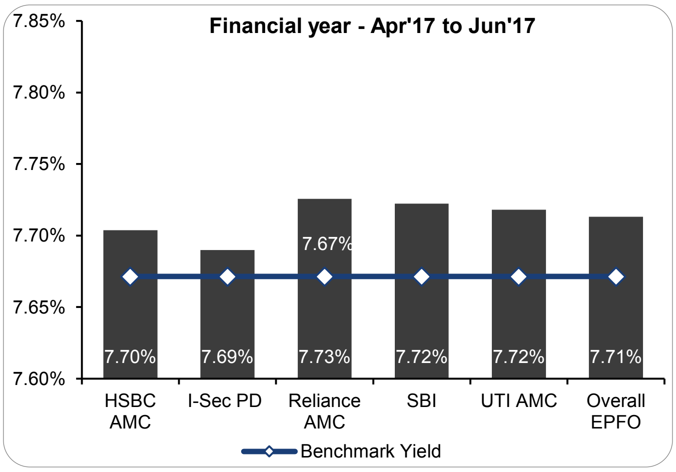


- In April-June 2017, all portfolio managers outperformed the benchmark yield of 7.67% due to higher allocation to relatively high yielding SDLs and higher exposure to private sector bonds compared with the benchmark.
- Reliance AMC generated the highest yield of 7.73%, followed by SBI (7.72%), UTI AMC (7.72%), HSBC AMC PD (7.70%) and I-Sec PD (7.69%).
- The yield differential between the top and lowest performers narrowed to 4 bps in the April-June 2017 quarter from 14 bps in the January-March 2017 quarter.

Portfolio yield	April to June 2017	January to March 2017
HSBC AMC	7.70%	7.74%
I-Sec PD	7.69%	7.73%
Reliance AMC	7.73%	7.72%
SBI	7.72%	7.80%
UTI AMC	7.72%	7.86%
Benchmark Yield	**7.67%**	**7.67%**

Financial Year yield comparison (April 2017 to June 2017)

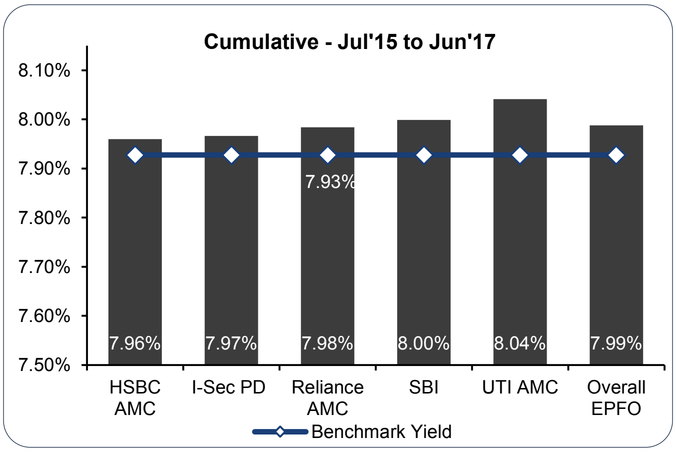
Performance of portfolio managers for the period vis-à-vis the benchmark.



- All portfolio managers outperformed the benchmark yield of 7.67% due to higher allocation to relatively high yielding SDLs and higher exposure to private sector bonds (issued by Axis Bank, HDFC Bank, Bajaj Finance, LIC Housing Finance, Indiabulls Housing Finance) compared with the benchmark
- Reliance AMC generated the highest yield of 7.73%, followed by SBI (7.72%), UTI AMC (7.72%), HSBC AMC PD (7.70%) and I-Sec PD (7.69%).
- Reliance AMC generated the highest yield on account of higher allocation to relatively high yielding SDLs and higher allocation to private sector bonds among portfolio managers,
- The yield differential between the top and lowest performers was increased to 4 bps for the period ended June 2017 compared 3 bps for the period ended March 2017.

Cumulative yield comparison (July 2015 to June 2017)

Performance of portfolio managers for the period vis-à-vis the benchmark.



- All portfolio managers outperformed the cumulative benchmark yield of 7.93% owing to lower allocation to G-sec[3] and higher allocation to relatively high yielding SDLs compared with the benchmark
- UTI AMC generated the highest yield of 8.04%, followed by SBI (8%), Reliance AMC (7.98%) and I-Sec PD (7.97%) and HSBC AMC (7.96%)
- UTI AMC generated the highest yield of 8.04% because of exposure to higher-yielding SDLs among the portfolio managers
- The yield differential between the top and lowest performers remained 8 bps for the period ended June

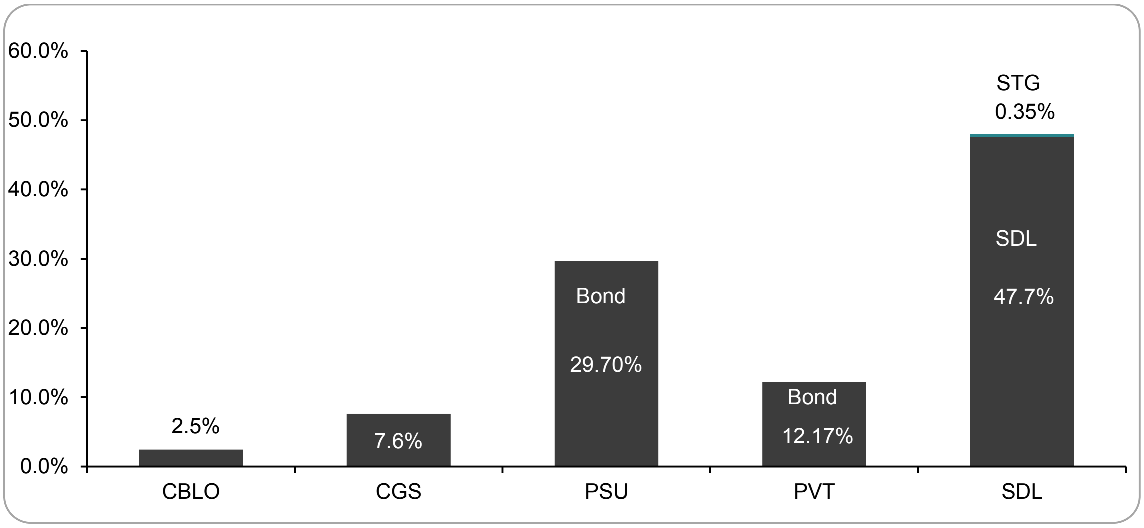
[3] The weighted average allocation of G-Sec in the benchmark for the cumulative period July 2015 to June 2017 was 28% compared with 8-16% allocation by portfolio managers.

2017 compared with the period ended May 2017

4. Portfolio allocation

Cumulative asset-wise allocation[4] for July 2015 to June 2017

This table shows the percentage of incremental investment across asset classes from July 01, 2015 to June 30, 2017.

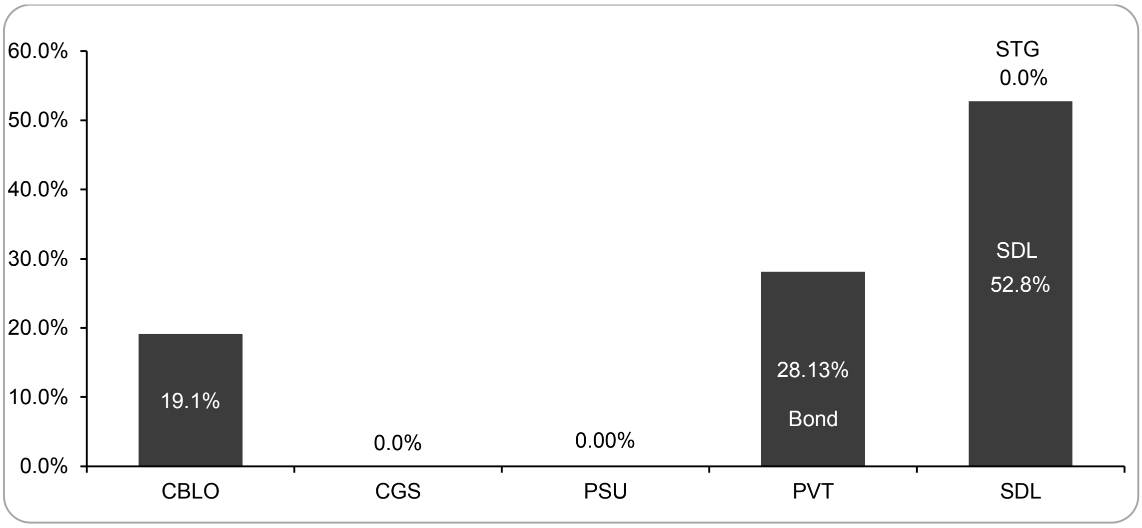


- The overall portfolio gives consolidated investments by five portfolio managers.
- The highest investment was made in SDLs (including STGs), followed by PSU bonds, private sector bonds and G-sec.

[4] Investments in the bonds of MTNL have been considered in the SDL category

Financial year asset-wise allocation[5] for April 2017 to June 2017

This table shows the percentage of incremental investment across asset classes from April 01, 2017 to June 30, 2017.



- The overall portfolio gives consolidated investments by five portfolio managers.
- The highest investment was made in SDLs (including STGs), followed by private sector bonds and there was no allocation to G-Secs and PSU bonds.

[5] Investments in the bonds of MTNL have been considered in the SDL category

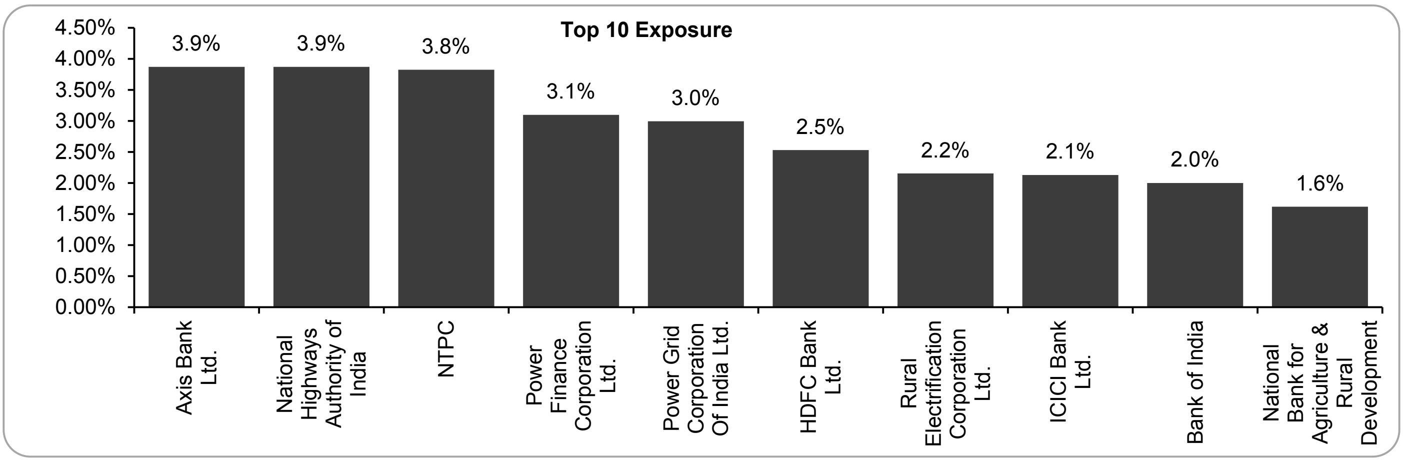
Quarterly asset-wise allocation[6] for April 2017 to June 2017

The quarterly period is same as the financial year period.

[6] Investments in the bonds of MTNL have been considered in the SDL category

Issuer-wise allocation for cumulative period July 2015 to June 2017

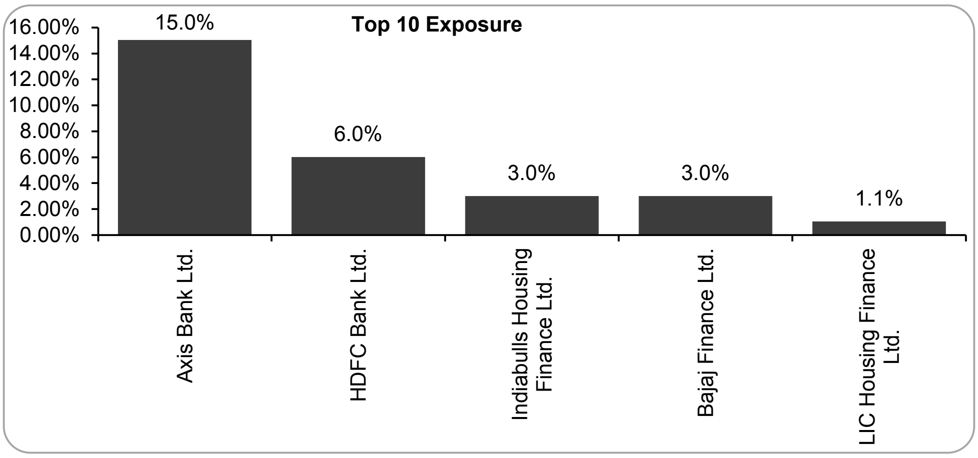
This table shows issuer-wise allocation for corporate bonds, FDs and STGs made by portfolio managers on incremental investment from July 01, 2015 to June 30, 2017.



- In the PSU category, the highest exposure was to National Highway Authority of India while in private sector category, the highest exposure was to Axis Bank.

Issuer-wise allocation for financial year period April 2017 to June 2017

This table shows issuer-wise allocation for corporate bonds, FDs and STGs made by portfolio managers on incremental investment from April 01, 2017 to June 30, 2017.



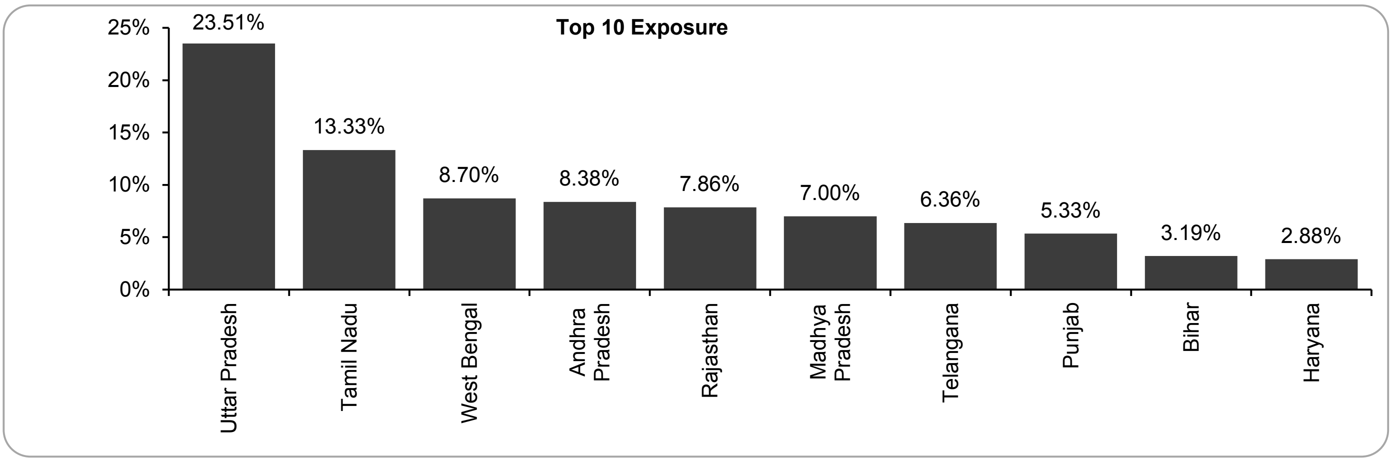
- There were exposure to only five issuers in the corporate bond category.
- In the private bonds category, the highest exposure was to Axis Bank Ltd. Followed by HDFC Bank Ltd.
- There was no exposure in the PSU category

Issuer-wise allocation for quarter period April 2017 to June 2017

The quarterly period is same as the financial year period.

State-wise allocation to SDLs for cumulative period July 2015 to June 2017

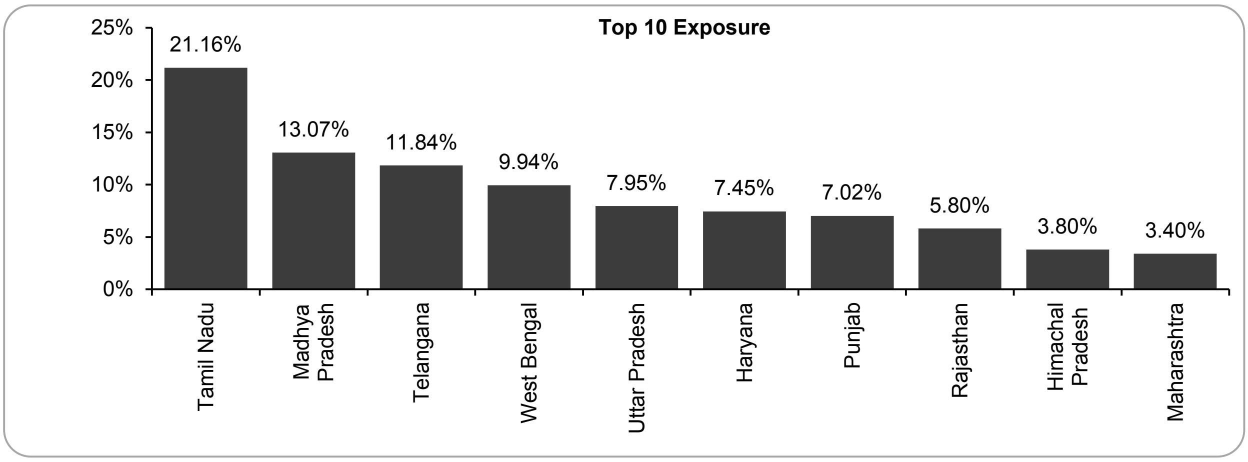
The following graph shows the state-wise allocation for SDLs made by portfolio managers for the period July 01, 2015 to June 30, 2017.



- Uttar Pradesh has the highest allocation of 23.51%, followed by Tamil Nadu, West Bengal, Andhra Pradesh, Rajasthan, Madhya Pradesh, Telangana and Punjab, with allocation above 5% of overall investments in SDLs.

State-wise allocation to SDLs for financial year period April 2017 to June 2017

The following graph shows the state-wise allocation for SDLs made by portfolio managers for the period April 01, 2017 to June 30, 2017.



- Tamil Nadu has the highest allocation of 21.16%, followed by Madhya Pradesh, Telangana, West Bengal, Uttar Pradesh, Haryana, Punjab and Rajasthan, with allocation above 5% of overall investments in SDLs during the financial year.

State-wise allocation to SDLs for quarter period April 2017 to June 2017

The quarterly period is same as the financial year period.

5. Portfolio allocation

Financial Year asset-wise allocation

This table shows the allocation across asset classes from April 01, 2017 to June 30, 2017.

Allocation														
Portfolio	CGS		SDL		STG		PSU Bond		PVT Bond		CBLO		Grand Total
	Rs Cr.	%	Rs Cr.	%	Rs Cr.	%	Rs Cr.	%	Rs Cr.	%	Rs Cr.	%	Rs Cr.
HSBC AMC	-	-	3,194	54%	-	-	-	-	1,636	28%	1,107	19%	5,937
I-Sec PD	-	-	3,180	45%	-	-	-	-	1,870	27%	1,957	28%	7,007
Reliance AMC	-	-	2,735	50%	-	-	-	-	1,636	30%	1,063	20%	5,434
SBI	-	-	7,044	58%	-	-	-	-	3,273	27%	1,732	14%	12,049
UTI AMC	-	-	1,386	49%	-	-	-	-	935	33%	491	17%	2,812
EPFO	**-**	**-**	**17,539**	**53%**	**-**	**-**	**-**	**-**	**9,350**	**28%**	**6,351**	**19%**	**33,240**

- Allocation to EPFO in the above table is consolidated investments by five portfolio managers.
- The highest investment was made in SDL, followed by private sector bonds. There were no investment made in CGS and PSU bonds while a major portion is temporarily deployed in CBLOs.

6. Performance evaluation ranking[7]

The analysis factors and weights for the portfolios are:

- Portfolio yields – 80%
- Asset quality – 20%

Cumulative performance evaluation for the period July 01, 2015 to June 30, 2017

Portfolio manager	Score on yield out of 100%	Rank on yield	Score on asset quality out of 100%	Rank on debt-asset quality	Final score	Final rank
UTI AMC	93.375%	1	75.584%	1	89.817%	1
SBI	92.125%	2	74.712%	2	88.642%	2
Reliance AMC	91.671%	3	74.552%	3	88.247%	3
I-Sec PD	91.160%	4	73.752%	5	87.679%	4
HSBC AMC	90.950%	5	74.453%	4	87.651%	5

- On the portfolio yield parameter, UTI AMC is ranked first with portfolio yield of 8.04%.
- On the asset quality parameter, UTI AMC is ranked first due to highest exposure of 59.16% to G-secs and SDLs.

Financial performance evaluation for the period April 01, 2017 to June 30, 2017

Portfolio manager	Score on yield out of 100%	Rank on yield	Score on asset quality out of 100%	Rank on debt-asset quality	Final score	Final rank
Reliance AMC	91.594%	1	89.887%	3	91.252%	1
SBI	91.496%	2	89.872%	4	91.171%	2
UTI AMC	91.371%	3	89.316%	5	90.960%	3
HSBC AMC	90.952%	4	90.149%	2	90.791%	4
I-Sec PD	90.542%	5	90.976%	1	90.629%	5

- On the portfolio yield parameter, Reliance AMC is ranked first with portfolio yield of 7.73%.
- On the asset quality parameter, I-Sec PD is ranked first due to lowest exposure of 2.85% to AA+/AA rated bonds.

Quarter performance evaluation for the period April 01, 2017 to June 30, 2017

- The quarterly period is same as the financial year period.

[7] The performance evaluation ranking of the EPFO's portfolio managers is carried out for cumulative, financial year and quarterly period from the performance evaluation for period ended March 31, 2017. For the evaluation of cumulative, financial year and quarterly period, investments made during the cumulative period, financial year period and quarterly periods; respectively, are considered.

7. Parameter-wise analysis (cumulative period)

Portfolio yield analysis

Ranking of cumulative (July 2015 to June 2017)

Portfolio manager	Portfolio Manager yield (%)	Score on yield out of 100%	Rank on yield
UTI AMC	8.04%	93.375%	1
SBI	8.00%	92.125%	2
Reliance AMC	7.98%	91.671%	3
I-Sec PD	7.97%	91.160%	4
HSBC AMC	7.96%	90.950%	5

- UTI AMC generated the highest yield, backed by exposure to higher-yielding SDLs among the portfolio managers.
- HSBC AMC's exposure to relatively lower yielding G-secs impacted its overall yield.

Cumulative portfolio allocation – premium and discounted securities (July 2015 to June 2017)

Portfolio of discounted securities		
Portfolio manager	Yield*(%)	% Allocation**
UTI AMC	8.11%	66.92%
I-Sec PD	8.06%	68.27%
SBI	8.08%	65.91%
Reliance AMC	8.10%	66.28%
HSBC AMC	8.09%	63.18%

Portfolio of premium securities		
Portfolio manager	Yield* (%)	% Allocation**
HSBC AMC	7.76%	36.82%
Reliance AMC	7.81%	33.72%
SBI	7.88%	34.09%
I-Sec PD	7.81%	31.73%
UTI AMC	7.95%	33.08%

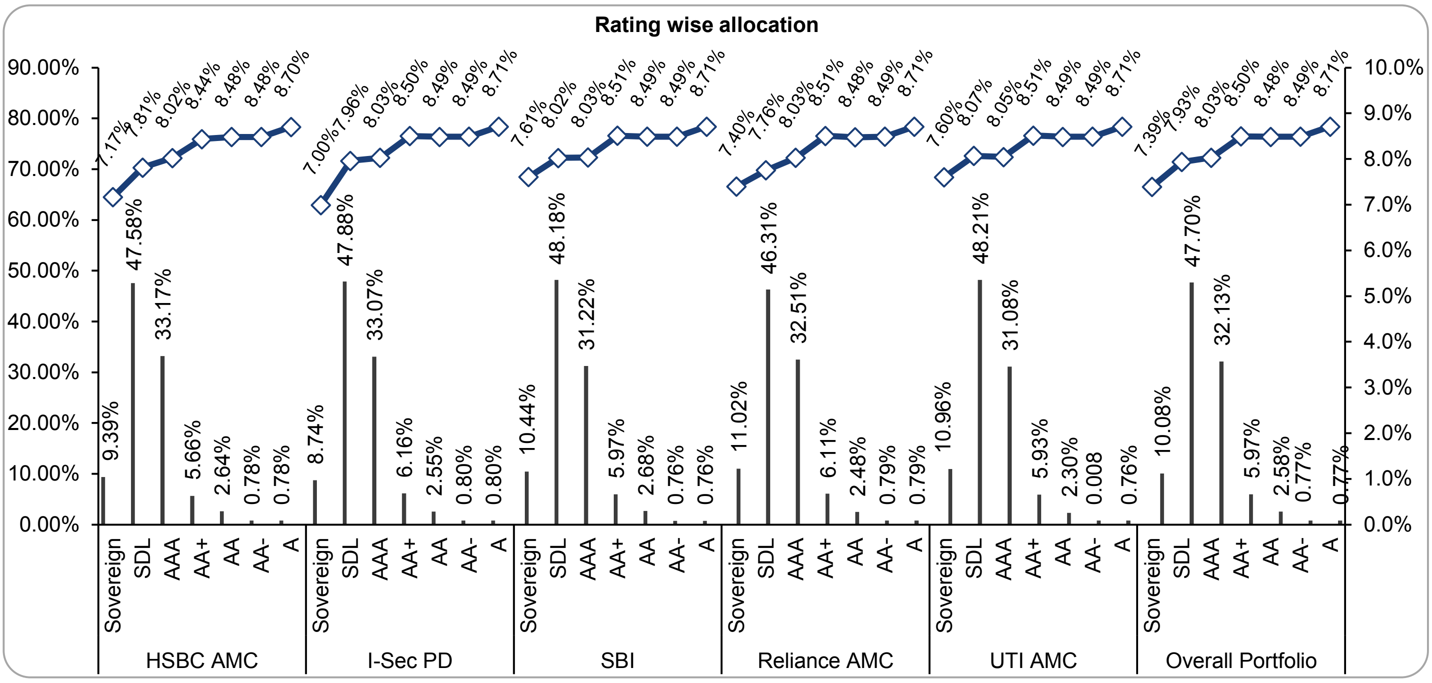
*Yield is weighed by tenor and book value **Allocation based on book value

- As shown in the above table, all portfolio managers mostly invested in discounted securities for the period ended June 2017.

Asset quality analysis – cumulative portfolio for July 2015 to June 2017

Asset quality for portfolio managers is measured by the credit quality scoring mechanism that CRISIL has allotted to each security in the portfolio. G-secs, being risk-free, have the lowest credit score and corporate bonds are assigned progressively higher scores, based on their ratings.

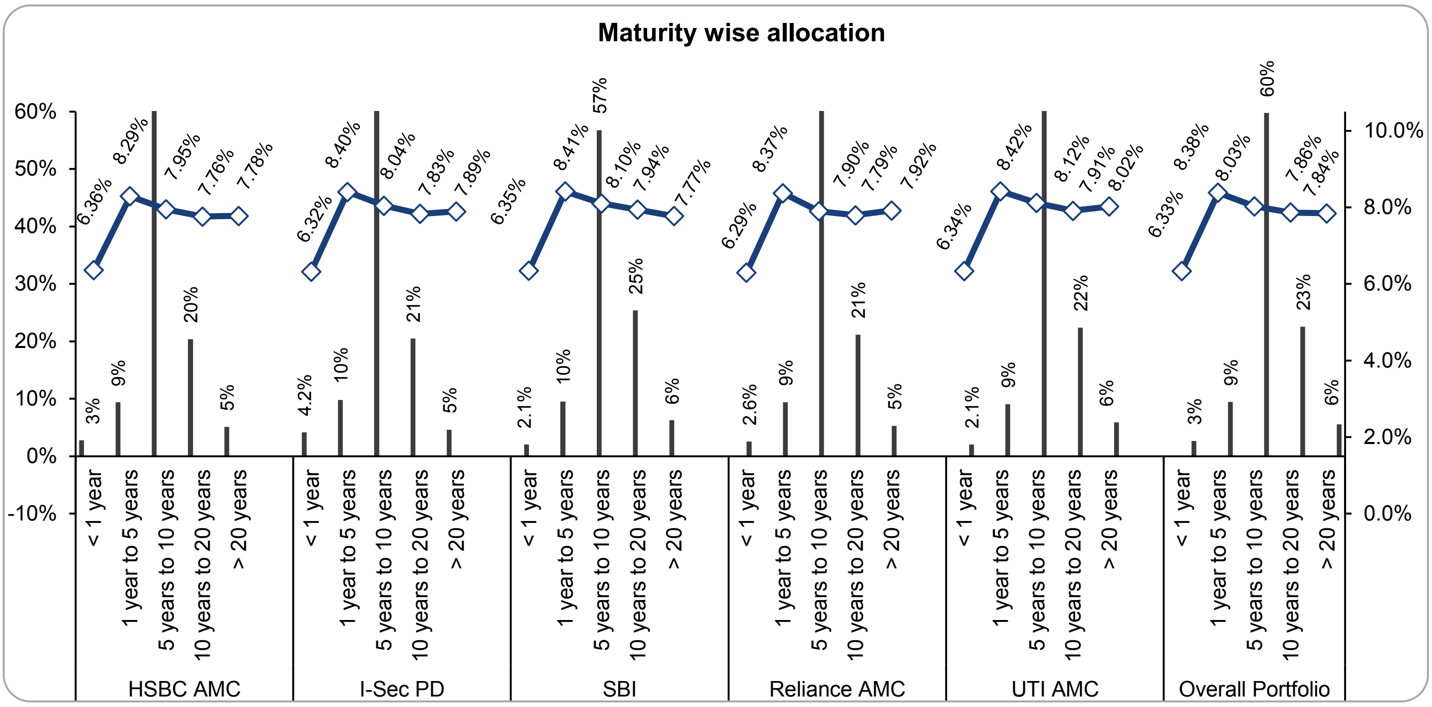
Portfolio manager	Asset quality score	Score on asset quality out of 100%	Asset quality rank
UTI AMC	4.7349	75.584%	1
SBI	4.8405	74.712%	2
Reliance AMC	4.8599	74.552%	3
HSBC AMC	4.8718	74.453%	4
I-Sec PD	4.9567	73.752%	5



Note: *Sovereign exposure in includes CBLO and Cash exposure*

- UTI AMC is ranked first due to highest exposure of 59.16% to G-secs and SDLs.
- I-Sec PD is ranked last due to highest exposure of 10.13% to securities rated 'AA+' & below.

Maturity profile[8] – cumulative portfolio for July 2015 to June 2017



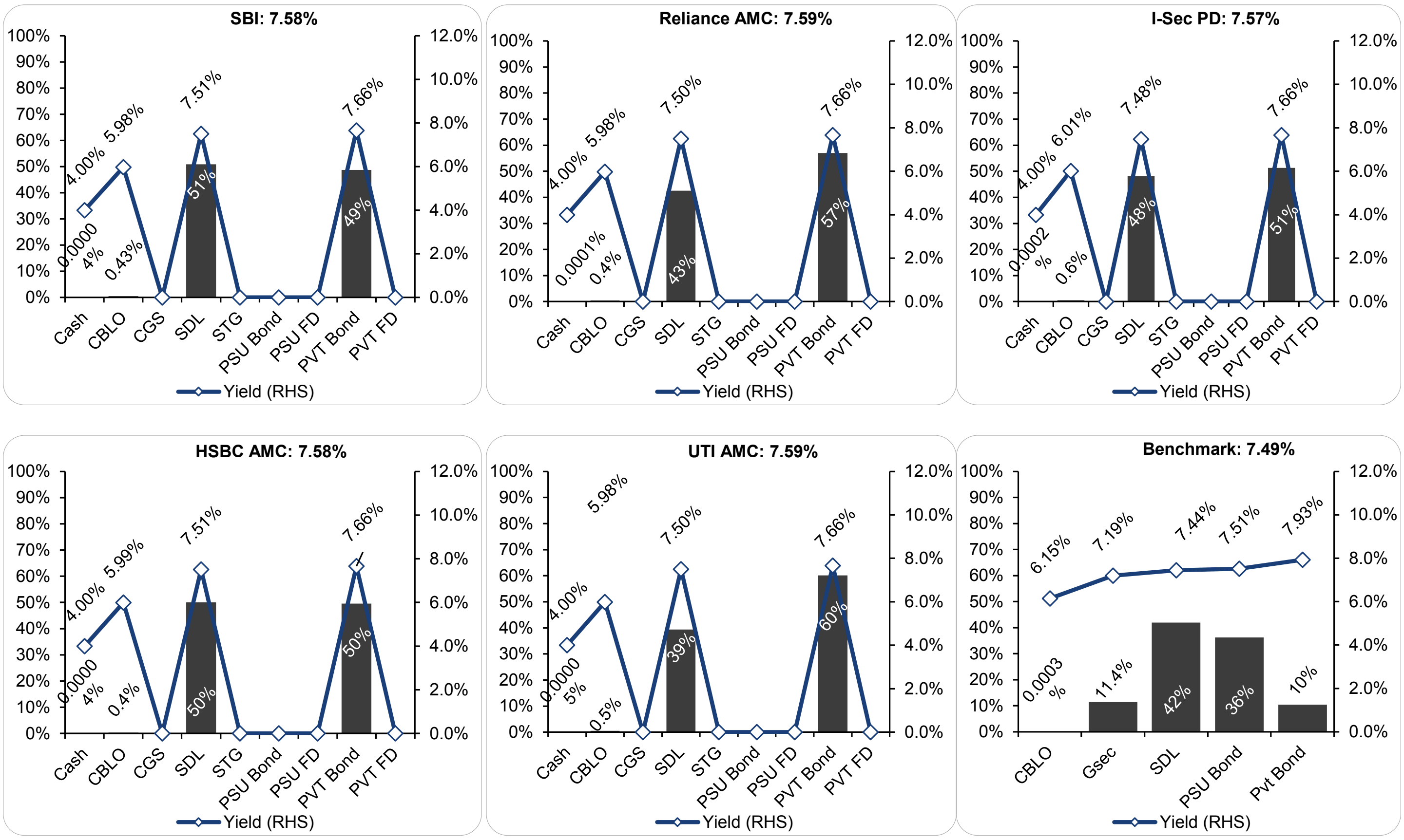
- Across portfolio managers, majority of investments are in securities with five to ten year residual maturity bucket.

[8] Analysis is based on the residual maturity of investment in the portfolio

8. Contribution analysis

Contribution analysis – June 2017 (Monthly period)

This analysis shows asset allocation with performance across portfolio managers. Allocation to an asset class is analysed by taking the maturity weighted book value.



- All portfolio managers outperformed the monthly benchmark yield by 8-10 bps due to higher allocation to relatively high yielding SDLs and higher exposure to private sector bonds (issued by Axis Bank, HDFC Bank and Bajaj Finance) compared with the benchmark
- Reliance and UTI AMCs generated the highest yield on account of relatively higher allocation to private sector bonds among the portfolio managers
- I-Sec PD generated the lowest yield on account of allocation to relatively lower yielding SDL bonds among portfolio managers

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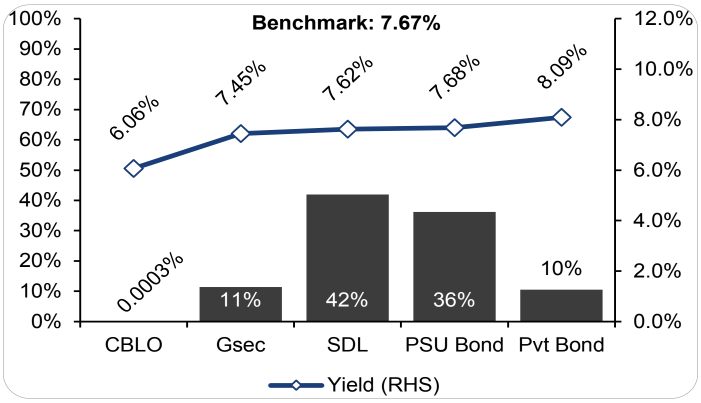
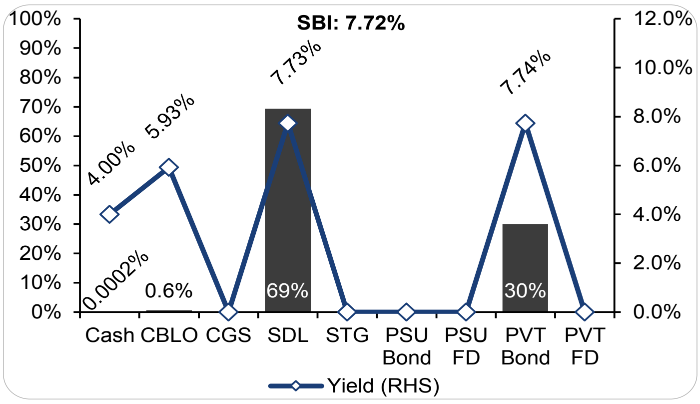
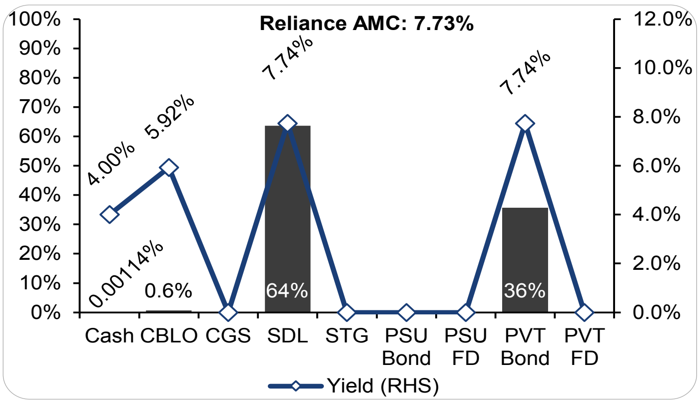
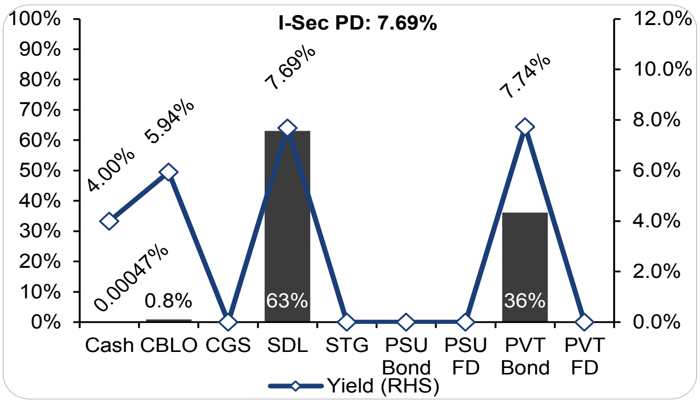
Contribution analysis – April 2017 to June 2017 (Quarterly period / financial year period)

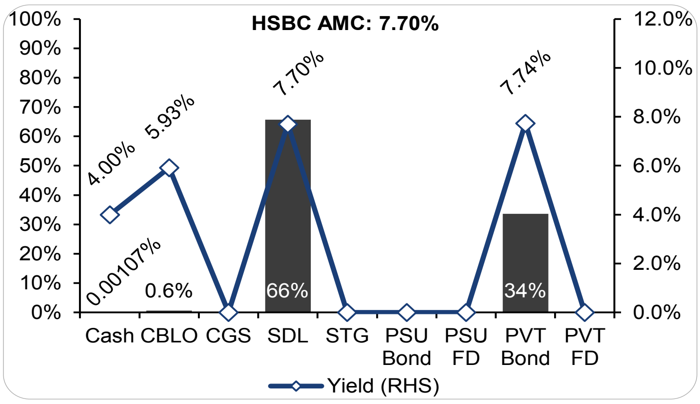
This analysis shows asset allocation with performance across portfolio managers. Allocation to an asset class is analysed by taking the maturity weighted book value.

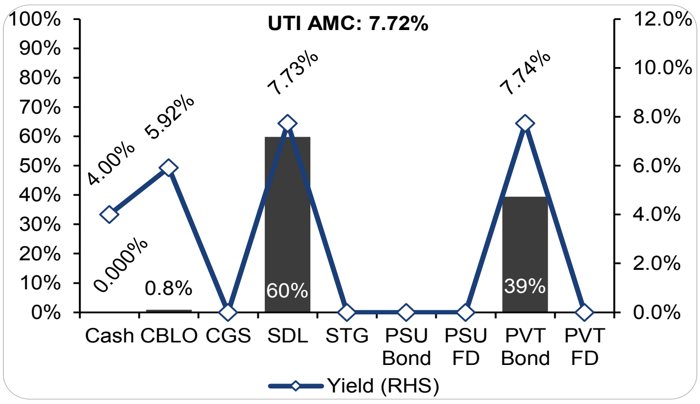








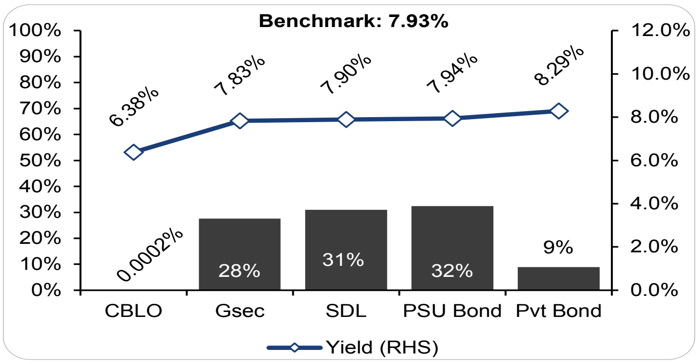


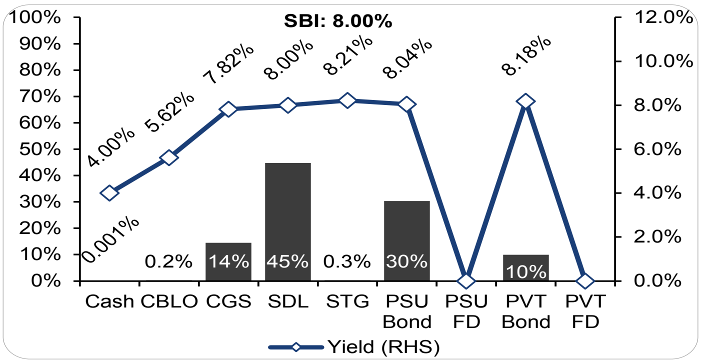


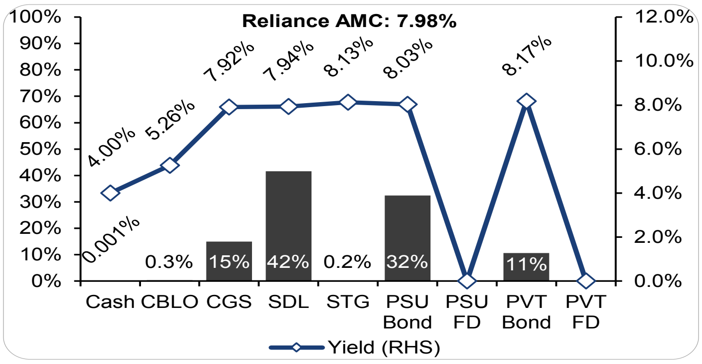
- All portfolio managers outperformed the quarterly/financial year benchmark yield by 2-6 bps (without rounding-off) due to higher allocation to relatively high yielding SDLs and higher exposure to private sector bonds (issued by Axis Bank, HDFC Bank, Bajaj Finance, LIC Housing Finance, Indiabulls Housing Finance) compared with the benchmark
- Reliance AMC generated the highest yield on account of higher allocation to relatively high yielding SDLs and higher allocation to private sector bonds among portfolio managers.

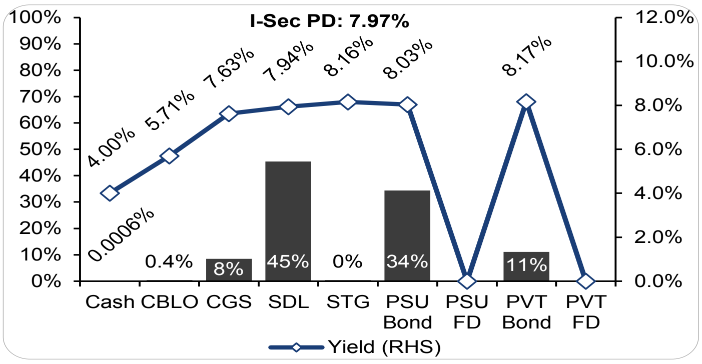
Contribution analysis – cumulative (July 2015 to June 2017)

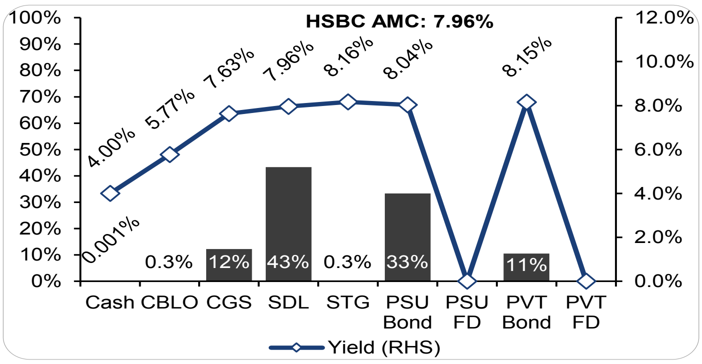
The analysis shows asset allocation with performance across portfolio managers. Allocation to an asset class is analysed by taking the maturity weighted book value.

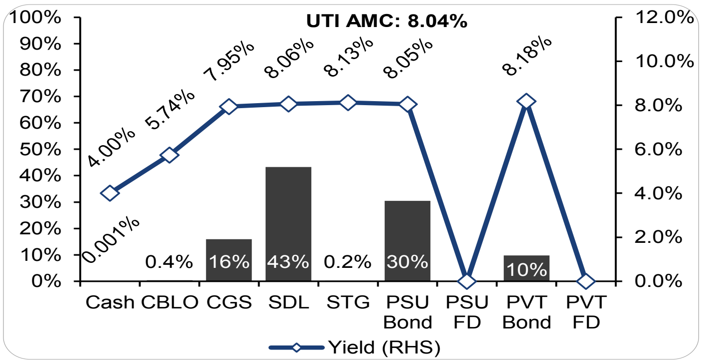












- All portfolio managers outperformed the benchmark yield of 7.93% owing to lower allocation to G-sec[9] and higher allocation to relatively high yielding SDLs compared with the benchmark.
- UTI AMC generated the highest yield of 8.04% because of exposure to higher-yielding SDLs among the portfolio managers.
- The revised allocation of minimum 5% in G-Sec got reflected in the benchmark since January 01, 2017 from prospective basis and therefore the overall allocation of G-Sec in cumulative period is higher compared with portfolio managers.

[9] The weighted average allocation of G-Sec in the benchmark for the cumulative period July 2015 to June 2017 was 28% compared with 8-16% allocation by portfolio managers.

9. Equity investments – August 2015 to June 2017

			Since August 05, 2015	As on June 30, 2017	XIRR Scheme	Absolute return of Scheme	XIRR Benchmark	Absolute return of Benchmark	Benchmark return after adjusting for STT, Brokerage and expense	
Scheme	**ETF**	**Benchmark**	**Amount invested (Rs crore)**	**Market value (Rs crore)**					**XIRR Benchmark**	**Absolute return of Benchmark**
CBT-EPF-05-V-DM	SBI ETF Nifty 50	Nifty 50 TRI	9,454.25	10,803.68	18.11%	14.27%	18.42%	14.54%	18.19%	14.27%
CBT-EPF-08-V-DM	SBI ETF Nifty 50	Nifty 50 TRI	15.31	17.78	23.21%	16.15%	23.68%	16.50%	23.42%	16.26%
CBT-EPF-09-V-DM	SBI ETF Nifty 50	Nifty 50 TRI	203.79	230.21	22.45%	12.96%	22.83%	13.20%	22.54%	12.97%
CBT-EPF-11-V-DM	SBI ETF Nifty 50	Nifty 50 TRI	4,709.90	5,359.79	17.81%	13.80%	18.15%	14.08%	17.91%	13.81%
CBT-EPF-25-V-DM	SBI ETF Nifty 50	Nifty 50 TRI	390.86	446.49	22.08%	14.23%	22.42%	14.47%	22.15%	14.23%
CBT-EPF-05-V-DM	SBI ETF SENSEX	S&P BSE SENSEX TRI	3,193.92	3,636.72	17.73%	13.86%	18.12%	14.20%	17.89%	13.94%
CBT-EPF-08-V-DM	SBI ETF SENSEX	S&P BSE SENSEX TRI	16.49	18.63	23.31%	13.00%	23.92%	13.37%	23.63%	13.14%
CBT-EPF-09-V-DM	SBI ETF SENSEX	S&P BSE SENSEX TRI	75.93	85.76	21.80%	12.94%	22.22%	13.21%	21.95%	12.98%
CBT-EPF-11-V-DM	SBI ETF SENSEX	S&P BSE SENSEX TRI	1,590.29	1,804.82	17.50%	13.49%	17.92%	13.85%	17.69%	13.58%
CBT-EPF-25-V-DM	SBI ETF SENSEX	S&P BSE SENSEX TRI	133.50	153.08	21.94%	14.67%	22.33%	14.95%	22.07%	14.72%
CBT-EPF-05-V-DM	UTI MF NIFTY ETF	Nifty 50 TRI	1,695.46	1,860.81	28.44%	9.75%	29.24%	10.01%	28.75%	9.83%
CBT-EPF-11-V-DM	UTI MF NIFTY ETF	Nifty 50 TRI	826.69	900.60	27.47%	8.94%	28.02%	9.11%	27.52%	8.93%
CBT-EPF-05-V-DM	UTI MF SENSEX ETF	S&P BSE SENSEX TRI	565.97	623.75	29.35%	10.21%	30.24%	10.50%	29.76%	10.32%
CBT-EPF-11-V-DM	UTI MF SENSEX ETF	S&P BSE SENSEX TRI	300.71	328.26	28.18%	9.16%	29.17%	9.46%	28.67%	9.28%
Overall - SBI MF	**Overall - SBI MF**	**75% Nifty 50 TRI and 25% S&P BSE SENSEX**	**19,784.25**	**22,556.96**	**18.06%**	**14.01%**	**19.85%**	**15.56%**	**19.62%**	**15.28%**
Overall - UTI MF	**Overall - UTI MF**	**75% Nifty 50 TRI and 25% S&P BSE SENSEX**	**3,388.84**	**3,713.42**	**28.35%**	**9.58%**	**29.11%**	**9.82%**	**28.62%**	**9.64%**
Overall SBI+UTI MF	**Overall SBI+UTI MF**	**75% Nifty 50 TRI and 25% S&P BSE SENSEX**	**23,173.08**	**26,270.38**	**18.69%**	**13.37%**	**20.41%**	**14.72%**	**20.16%**	**14.45%**
CPSE ETF	**CPSE ETF**	**NA**	**1,807.81**	**1,844.70**	**5.27%**	**2.04%**	**NA**	**NA**	**NA**	**NA**
Overall Equity	**Overall**	**75% Nifty 50 TRI and 25% S&P BSE SENSEX**	**24,980.89**	**28,115.08**	**18.21%**	**12.55%**	**NA**	**NA**	**NA**	**NA**

- There are 2,149,161.73 units outstanding in SBI Premier Liquid Fund - Direct Plan - Growth with market value of Rs. 557.38 crores as on June 30, 2017.
- XIRR is the internal rate of return for a series of cash flows considering the amount and timing of each cash flow. It is an annualised number and may be inflated when shorter time horizons are considered and hence is appropriate for a period of more than one year.
- Absolute return is the absolute amount of profit or loss on an investment. This approach does not take into account the time value of money and may be used when there are no redemptions during time period considered. And absolute returns do not represent returns on an annualised basis.
- Following is the methodology followed for calculation of benchmark return after adjusting for STT, Brokerage and expense
  - The amount considered for investment in benchmark index is equal to the invested amount by EPFO in the ETF on the day
  - Units allotted for investment in benchmark index is based on the investment amount less brokerage and STT charged by SBI
  - Benchmark return is based on the investments made as per point no. 1 above and market value of the units allotted as on the date of evaluation
  - Latest expense of 6.9 bps is subtracted for XIRR return while 6.9 bps is subtracted on a proportionate basis to the absolute return

10. FD investments maturing on Saturday / Sunday – June 2017

- No portfolio manager invested in FDs in June 2017.

11. Cash and CBLO investments – June 2017

This analysis shows daily average[10] cash and CBLO investments by all portfolio managers.

Portfolio manager	Total investments (excludes CBLO & cash) (Rs crore)	Category	Daily average investments (Rs crore)	Daily average Investment as % to total investment	Weighted avg. YTM
HSBC AMC	3,002.69	CBLO	1,231.99	41.03%	5.99%
		Cash	0.12	0.004%	4.00%
I-Sec PD	3,259.11	CBLO	2,032.14	62.35%	6.01%
		Cash	0.68	0.021%	4.00%
SBI	5,960.90	CBLO	2,868.23	48.12%	5.98%
		Cash	0.24	0.004%	4.00%
Reliance AMC	2,599.62	CBLO	1,225.86	47.16%	5.98%
		Cash	0.31	0.012%	4.00%
UTI AMC	1,395.01	CBLO	813.15	58.29%	5.98%
		Cash	0.07	0.005%	4.00%

Note: *Borrowings through CBLO have been excluded for the analysis*

- On average, daily allocation by all portfolio managers to the CBLO ranged from 41.03% to 62.35%. I-Sec PD had the highest daily average allocation, while HSBC AMC had the lowest.
- All portfolio managers had daily average cash allocation in the range of 0.004% to 0.021%.

[10] Number of days in the month considered to compute daily average investments

12. Annexure – existing benchmark constituents and ranking methodology

Existing benchmark constituents: The benchmark HTM yields have been formulated, using the following constituents for various asset classes.

Investment category	Constituents and composition
G-sec	6% (15-year, 20-year, 30-year G-sec in the ratio of 4:4:2)
SDLs	44% (Top 12 states selected based on issuance amount in latest financial year; Weights for the selected 12 states assigned on the basis of issuance amount in the latest financial year; On the run securities with 10 year maturity selected for each of the 12 states; SDL yield calculated as weighted average yield of the 12 securities using CRISIL's SDL valuation)
Corporate bonds (public)	38% (CRISIL AAA and AA+ matrix yields for 10-year maturity in the ratio of 2:1 + Spread; Spread is reviewed quarterly)
Corporate bonds (private)	11% (CRISIL AAA matrix yield for 10-year maturity + Spread; Spread is reviewed quarterly)
CBLO	1% (weighted average rate for the day)

Performance ranking methodology: The performance ranking methodology for cumulative, financial year and quarterly period is summarized below.

Time period for ranking	Methodology
Cumulative	Parameters: 1. Portfolio manager yield for the cumulative period (80% weight) 2. Asset quality on the basis of investments done by portfolio manager during the cumulative period and which are outstanding as on date on evaluation (20% weight)
Financial Year	Parameters: 1. Portfolio manager yield for the financial year period (80% weight) 2. Asset quality on the basis of investments done by portfolio manager during the financial year period and which are outstanding as on date on evaluation (20% weight)
Quarterly	Parameters: 1. Portfolio manager yield for the quarterly period (80% weight) 2. Asset quality on the basis of investments done by portfolio manager during the quarterly period and which are outstanding as on date on evaluation (20% weight)

Change in the performance evaluation criteria for credit quality: For the evaluation of investments made for period less than 12 months, the best and worst score used for evaluation of credit quality is revised to ''0' (zero) for best score and '26' (twenty six) for worst score. This will capture the asset allocation call taken by the portfolio managers during the financial year where portfolio managers are required to meet the investment pattern at the end of the financial year. The best score will capture if the allocation is entirely made to G-sec to worst score if allocation is entirely made to AA rated corporate bonds. However, the existing approach for best and worst score will continue for the evaluation period of 12 months period or more.

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CRISIL is a global, agile and innovative analytics company driven by its mission of making markets function better. We are India's foremost provider of ratings, data, research, analytics and solutions. A strong track record of growth, culture of innovation and global footprint sets us apart. We have delivered independent opinions, actionable insights, and efficient solutions to over 100,000 customers.

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