

FundAssure

Investment Report, August 2011





Dear Friends,

August 2011 saw a sell-off in the global equity markets resulting in steep corrections and increased volatility in the Indian equity markets. The Benchmark indices, BSE Sensex and CNX Nifty shed 8.36% and 8.77% respectively in the month of August 2011 even as the CNX Midcap index lost 9.01%.

The month began with the an unprecedented move by Standard & Poors rating agency (S&P) downgrading the US long-term debt rating by one notch to AA+ from AAA while maintaining a negative outlook. The US rating downgrade caused some near term volatility and lead to knee jerk reaction in global financial markets. However, in the medium term any major turmoil in the global financial system is not anticipated as the US continues to enjoy the top notch AAA rating from Moody's and Fitch on long term US debt.

On the domestic front there was some cause to cheer as the south west monsoon advanced at a brisk rate in August, with the cumulative rainfall for the season till Aug 24, 2011 remained stable at just 1% below normal. This reduces the concerns to the Kharif crop sowing which emanated following a tepid July south west monsoon rainfall reading.

There was further reason to be optimistic on the Indian economy as the Index of Industrial production (IIP) for June 2011 surprised on the upside to clock a robust 8.8% year on year as against the consensus of 5.5%. The surge in the IIP number can be attributed to a broad based growth registered in the manufacturing sector which grew at 10% year on year, with 15 out of 22 manufacturing sub-sectors growing in June 2011. The spike in the IIP coincided with the sharp jump in the volatile capital goods segment at 37.7% year on year and the continued robust growth in the electricity sector.

Wholesale Price Index (WPI) Inflation for the month of July 2011 came in at 9.22% close to the consensus of around 9.24% and lower compared to the June 2011 headline inflation figure of 9.44%. The July inflation number is the lowest in eight months. However, the manufactured products inflation with an overwhelming weight of around 65% in the WPI basket continued its upward trajectory clocking 7.49% on a year on year basis in July 2011 as against the June reading of 7.43%, a trend visible since February 2011, when it crossed the 6 % mark and has remained stubbornly high since.

The Indian GDP growth for April-June 2011 printed a respectable 7.7%, close to the consensus of 7.6% and marginally below the previous quarter growth of 7.8%. While services registered a robust growth of 10% as compared to a 10.4% growth in the corresponding quarter a year ago, the brunt of the slowing economic activity was felt by industry as it registered a muted growth of 5.1% even as the farm sector grew by 3.9% over the quarter as against 2.4% growth a year ago. The services sector continued to witness impressive growth in major sub- segments. Trade, hotels, transport, and communications saw acceleration in growth clocking 12.8% year on year . The heavyweight finance, insurance, and real estate sector saw activity growing at an impressive 9.1% year on year.

The growth in the Indian economy is still showing resilience, despite the slew of policy rate increases over the last 18 months. The growth has been on a moderating trajectory as the lagged effects of monetary tightening play itself out to reduce the demand and thereby the inflationary pressures in the economy.

With growth still strong enough, the anti-inflationary stance of the RBI is expected to continue into its mid-quarter monetary policy review on September 16th, where the possibility of another rate hike of 25 bps looms large.

Markets, as represented by the benchmark BSE Sensex is currently trading at around 13 times one year forward earnings and offer reasonable valuation relative to the long-term average of around 14.2 times one year forward earnings. We reiterate that the markets present an attractive entry point for a medium term investor with a 2-5 year view.

Saravana Kumar
Chief Investment Officer



The month of August 2011 saw the benchmark 10 year Government security (G-sec) starting the month at 8.45% and rallied to 8.19% during the month following the global uncertainty triggered by Standard and Poors downgrade of the rating of US long term debt. The 10 year G-sec stabilized eventually to close the month at 8.32%. Overall, the G-sec yields eased by 13 bps for the month of August 2011.

The corporate bond yields took the cue from the easing G-sec yields as they eased by 11 bps in August 2011 from 9.50% to 9.39%. As a consequence, the corporate bond spread over the 10 year G-sec was in the range of around 90-95 bps over the month of August, similar to the spreads in July 2011.

The liquidity position was benign throughout August, in the RBIs comfort zone of a negative 1% of NDTL (Net Demand Time Liabilities). The Government borrowings for August 2011 stood at ₹47,000 crores as compared to the planned borrowing number of ₹35,000 crores. The increase of ₹12,000 crores over the planned borrowing number was due to the advancing of the borrowing slated for the last week of September 2011 into mid-August. This paves the way for a higher than plan first half borrowing as the market analysts infer the possibility of an extra round of weekly borrowing in September 2011. It is widely believed that the government would exceed its borrowing target for FY 2012 on the back of a ballooning fuel and fertilizer subsidy bill and could slip on the fiscal deficit target of 4.6% of the GDP set for FY 2012.

Wholesale Price Index (WPI) Inflation for the month of July 2011 came in at 9.22% close to the consensus of around 9.24% and lower compared to the June 2011 headline inflation figure of 9.44% and July 2010 print of 9.98%. In keeping with the recent trend, the WPI inflation for May 2011 was revised upward to 9.56 % from the provisional estimate of 9.06 %. The July inflation number is the

lowest in eight months and might give an early indication of the start of the peaking out process of headline inflation over the next couple of months.

On an annualized basis, there was a moderation in food articles inflation in July 2011 at 8.19% as against the 8.38% inflation recorded in June, with inflation in overall primary articles weighted at around 20% in the WPI basket, moderating to 11.30% in July from 12.22% in June due to favorable base effects and a fall in fibre prices. However, the manufactured products inflation with an overwhelming weight of around 65% in the WPI basket continued its upward trajectory clocking 7.49% on a year on year basis in July 2011. The manufactured non-food inflation clocked around 7.5% as against 7.3% in June on the back of higher prices of beverages & tobacco, textiles, and basic metals.

We could see upward pressure on the 10 year G-sec due to RBIs continued anti-inflationary stance on the back of elevated headline inflation numbers. There is a strong possibility of another policy rate hike from the RBI to the tune of 25 bps during the mid-quarter monetary policy meeting slated for September 16th as the first quarter GDP growth of 7.7% has been within the RBIs tolerance limit but the 9% plus headline inflation level is clearly above the RBI comfort zone. The 10 year G-sec could trade in the range of 8.30-8.45% in the near term.



Indian Benchmark indices, BSE Sensex and CNX Nifty saw a sharp correction in August 2011 on the back of a mood of global risk aversion triggered by increased risks in the Euro zone as well as a possible slowdown in the US economy. The Benchmark indices, BSE Sensex and CNX Nifty shed 8.36 % and 8.77 % respectively in the month of August 2011, even as the mid cap index, CNX Midcap lost 9.01 %.

The FIIs had been net sellers of Indian equity to the extent of USD 2.30 billion in August 2011, which has resulted in the year to date FII outflow of around USD 0.1 billion. The domestic mutual funds have been net buyers of Indian equity to the tune of USD 0.5 billion in August 2011, year to date domestic mutual funds inflow being USD 1.3 billion. The insurance companies have been large buyers of Indian equity in August 2011, as they bought around USD 1.3 billion, the insurance companies inflow for the year standing at USD 3.7 billion.

The Indian GDP growth for April-June 2011 printed a respectable 7.7% close to the consensus of 7.6% and marginally below the previous quarter growth of 7.8%. The growth in the Indian economy is still showing resilience, despite the slew of policy rate increases over the last 18 months. The growth has been on a moderating trajectory as the lagged effects of monetary tightening play itself out to reduce the demand and thereby the inflationary pressures in the economy. The RBI has effectively hiked rates by 475 basis points over past 18 months to rein in rising inflation.

The real GDP growth for FY 2012 could read a sub-8% number, considering a weaker global growth trajectory. In the near term, the high rate of inflation and consequently a tight monetary policy from the RBI is expected to result in a muted second quarter GDP growth. However, as the inflation peaks out in the next few months resulting in a pause in the monetary tightening, the second half of FY 2012

could witness a more robust GDP growth.

The combination of increased global uncertainty and a moderating domestic economy has resulted in a slew of earnings downgrades since the beginning of the year. The consensus EPS estimates for the benchmark indices, BSE Sensex and CNX Nifty have been revised downwards by 2-3% since June end resulting in a cumulative earnings downgrade of around 6% since January 2011. The Sensex EPS estimates stand at around ₹1,150 in FY12 and close to ₹1,360 in FY13 but the FY 13 EPS number could be vulnerable to further downgrades.

India has been one of the worst performing markets, down over 18% YTD and has been largely ignored by the foreign investors (FII) in the past year. All this could change as India is among the few markets in Emerging Asia with least dependence on the slowing advanced economies, India having a robust domestic consumption story on the back of a strong rural demand.

The Indian equity markets, as indicated by the benchmark BSE Sensex is currently trading at around 13 times one year forward earnings, offering reasonable valuations as compared to its long term average of around 14.2 times. It presents an attractive entry point for a medium term investor with a 2-5 year view.



Pension Equity Fund

Pension Liquid Fund

**Pension
Income Fund**

**Pension Short Term
Income Fund**

Pension Bond Fund

**Pension
Balance Fund**

**Pension
Growth Fund**



Pension Equity Fund

FundAssure, Investment Report, August 2011

Fund Details

Investment Objective : To deliver medium to long-term capital appreciation through a portfolio essentially comprising of large cap stocks that can perform well through market and economic cycles.

Fund Manager : Mr. Saravana Kumar

NAV as on 30 Aug, 2011 : ₹31.34

Benchmark : BSE Sensex - 100%

Investment Style

Investment Style			
Value	Blend	Growth	Size
			Large
			Mid
			Small

Portfolio

Instrument	Industry	% of NAV
Equity		92.43
ITC Ltd	Tobacco Products	7.81
Reliance Industries Ltd	Refineries	7.46
HDFC Bank	Banks	6.75
Infosys Ltd	IT - Software	6.48
ICICI Bank Ltd	Banks	5.99
Larsen And Toubro Ltd	Capital Goods-Non Electrical Equipment	4.14
State Bank of India	Banks	4.14
Tata Consultancy Services Ltd	IT - Software	3.97
Bharti Airtel Ltd	Telecomm-Service	3.66
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	3.01
Mahindra And Mahindra Ltd	Automobile	2.81
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	2.36
Sun Pharmaceutical Industries Ltd	Pharmaceuticals	2.25
Axis Bank Ltd	Banks	2.09
Bajaj Auto Ltd - New Shs	Automobile	1.80

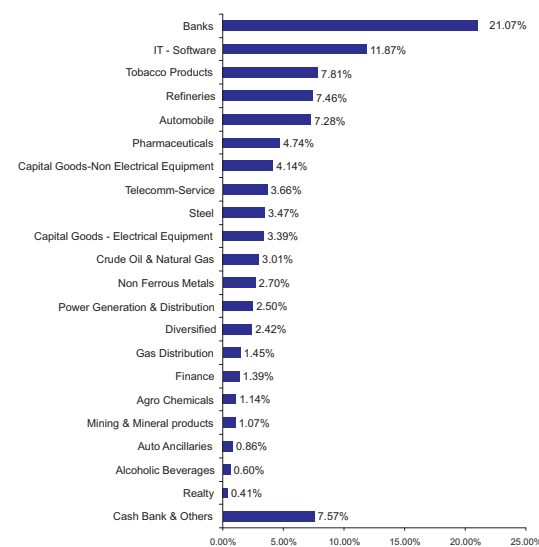
Instrument	Industry	% of NAV
Tata Steel Ltd	Steel	1.79
Jindal Steel & Power Ltd	Steel	1.68
Sterlite Industries (India) Ltd	Non Ferrous Metals	1.50
Gail India Ltd	Gas Distribution	1.45
Dr Reddys Laboratories Ltd	Pharmaceuticals	1.43
Tata Motors Ltd	Automobile	1.41
Power Finance Corp Ltd	Finance	1.39
Maruti Suzuki India Ltd	Automobile	1.25
Hindalco Industries Ltd	Non Ferrous Metals	1.21
United Phosphorus Ltd	Agro Chemicals	1.14
NTPC Ltd	Power Generation & Distribution	1.13
Bank Of Baroda	Banks	1.12
Coal India Ltd	Mining & Mineral products	1.07
Cipla Ltd	Pharmaceuticals	1.07
Crompton Greaves Ltd	Capital Goods - Electrical Equipment	1.03
Other Equity (less than 1% of corpus)		8.05
Cash Bank & Others		7.57
Total		100.00

Fund Performance

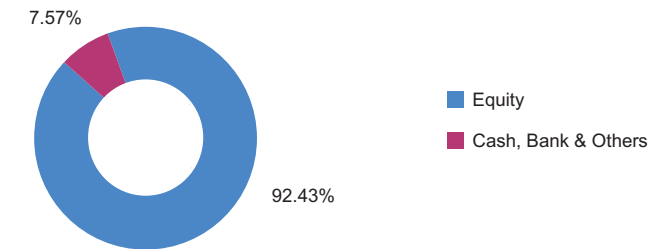
PERIOD	DATE	NAV	BSE Sensex	NAV Change	INDEX Change
Last 6 Months	28-Feb-11	33.28	17823.40	-5.83%	-6.43%
Last 1 Year	31-Aug-10	34.65	17971.12	-9.57%	-7.20%
Last 2 Years	31-Aug-09	28.43	15666.64	4.99%	3.17%
Last 3 Years	29-Aug-08	26.50	14564.53	5.75%	4.62%
Last 4 Years	31-Aug-07	29.90	15318.60	1.18%	2.15%
Last 5 Years	31-Aug-06	20.69	11699.05	8.66%	7.35%
Since Inception	29-Mar-04	10.00	5571.37	16.63%	15.91%

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 Income Fund

FundAssure, Investment Report, August 2011

Fund Details

Investment Objective : To provide long-term capital appreciation by investing in high credit quality fixed-income instruments. Stability of return and protection of principal over a long-term investment horizon will be the prime driver for investment management.

Fund Manager : Mr. Saravana Kumar

NAV as on 30 Aug, 2011 : ₹15.34

Benchmark : CRISIL Composite Bond Index -100%

Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Portfolio

Instrument	Rating	% of NAV
Government Securities		12.66
7.80% GOI 2021	Sovereign	7.03
8.30% GOI 2040	Sovereign	2.83
6.35% GOI 2024	Sovereign	1.69
8.32% GOI 2032	Sovereign	0.66
7.38% GOI 2015	Sovereign	0.44
Corporate Bonds		53.17
9.48% RECL 2021	AAA	7.51
9.95% State Bank of India 2026	AAA	4.43
8.80% Tata Sons 2015	AAA	4.00
8.60% PFC 2014	AAA	4.00
HDFC Ltd 2013	AAA	3.98
9.50% United Phosphorus Ltd 2015	AA+	3.39
7.95% IDFC 2014	AAA	3.29
9.40% LIC Housing Finance Ltd 2013	AAA	3.06
10.75% RECL 2013	AAA	2.09
7.45% LIC Housing 2012	AAA	2.01
7.20% RECL 2012	AAA	2.00
9.25% DR Reddy's Lab Ltd 2014	AA+	1.69
9.80% ICICI Bank 2013	AAA	1.37
9.20% Larsen & Toubro 2012	AAA	1.36
8.50% PFC 2014	AAA	1.33
8.40% HDFC 2014	AAA	1.32
9.64% PGC 2021	AAA	0.86

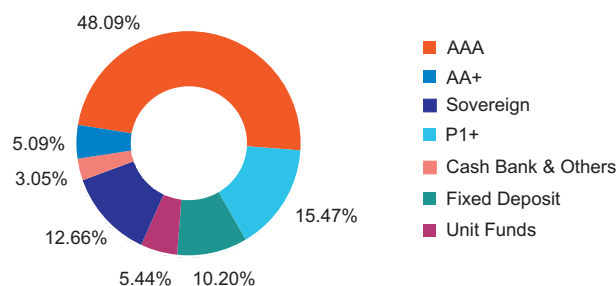
Instrument	Rating	% of NAV
9.64% PGC 2018	AAA	0.86
9.64% PGC 2016	AAA	0.86
9.64% PGC 2015	AAA	0.86
9.57% IRFC 2021	AAA	0.77
10.00% IDFC 2012	AAA	0.68
8.80% SAIL 2015	AAA	0.67
9.09% IRFC 2026	AAA	0.61
8.70% PFC 2020	AAA	0.20
CD/CP's		15.47
State Bank of Patiala 2011 - CD	P1+	5.65
ICICI Bank 2012 - CD	P1+	4.67
Bank of Baroda 2011 - CD	P1+	2.33
Canara Bank 2011 - CD	P1+	1.98
Punjab National Bank 2012 - CD	P1+	0.84
Fixed Deposit		10.20
10.20 % Federal Bank 2012		5.44
9.50% State Bank of Hyderabad 2014		4.76
Unit Fund's		5.44
ICICI Prudential Liquid - Super Ip Gr		4.08
Kotak Liquid Inst.Premium Gr		1.36
UTI MMF - Inst. Gr		0.00
Birla Cash Plus Inst. Premium Plan Gr		0.00
Cash Bank & Others		3.05
Total		100.00

Fund Performance

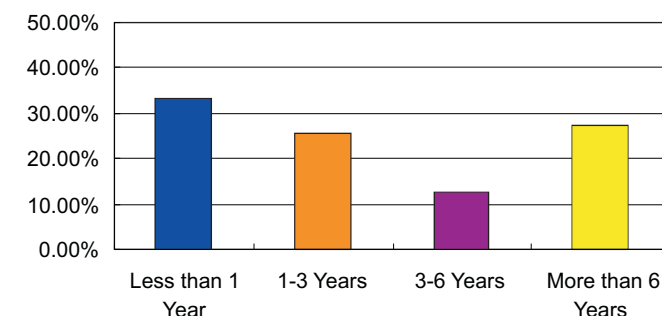
PERIOD	DATE	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 6 Months	28-Feb-11	14.67	1653.11	4.54%	3.64%
Last 1 Year	31-Aug-10	14.36	1618.71	6.84%	5.85%
Last 2 Years	31-Aug-09	13.51	1530.92	6.57%	5.79%
Last 3 Years	29-Aug-08	11.76	1393.70	9.27%	7.13%
Last 4 Years	31-Aug-07	11.23	1341.12	8.10%	6.32%
Last 5 Years	31-Aug-06	10.50	1275.53	7.87%	6.08%
Since Inception	02-Mar-04	10.00	1193.20	5.87%	4.94%

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.

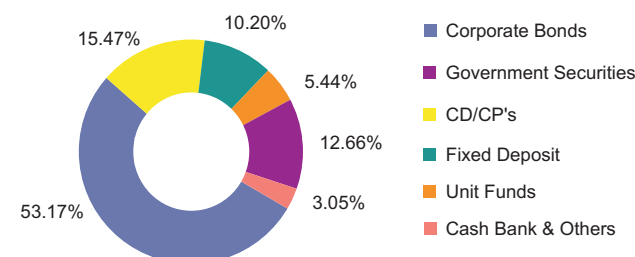
Rating Profile



Maturity Profile



Asset Allocation



Pension Liquid Fund

FundAssure, Investment Report, August 2011

Fund Details

Investment Objective : To provide safety of funds, liquidity and return on investments, in that order.

Fund Manager : Mr. Saravana Kumar

NAV as on 30 Aug, 2011 : ₹15.60

Benchmark : CRISIL Liquid Fund Index -100%

Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Portfolio

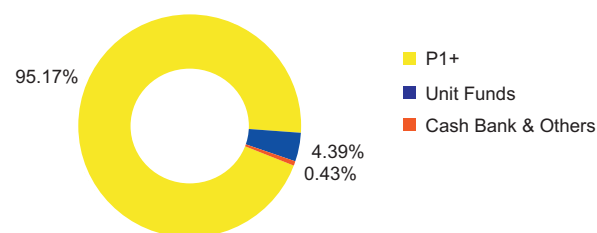
Instrument	Rating	% of NAV
CD/CP's		95.17
Corporation Bank 2012 - CD	P1+	9.13
State Bank of India 2012 - CD	P1+	8.98
IDBI Bank 2011 - CD	P1+	8.54
Oriental Bank of Commerce 2012 - CD	P1+	7.72
Punjab National Bank 2012 - CD	P1+	7.72
Syndicate Bank 2012 - CD	P1+	6.92
Federal Bank 2012 - CD	P1+	6.72
Vijaya Bank 2012 - CD	P1+	6.70
Axis Bank 2012 - CD	P1+	4.89
ICICI Bank 2012 - CD	P1+	4.89
State Bank of Hyderabad 2012 - CD	P1+	4.10
Canara Bank 2012 - CD	P1+	3.96
State Bank of Travancore 2012 - CD	P1+	2.70
Bank of India 2012 - CD	P1+	2.56
Andhra Bank 2011 - CD	P1+	2.19
Aditya Birla Finance Ltd 2011 - CP	P1+	2.15
Axis Bank 2012 - CD	P1+	2.13
ICICI Bank 2012 - CD	P1+	2.12
State Bank of Patiala 2011 - CD	P1+	1.07
Unit Fund's		4.39
UTI MMF - Inst. Gr		3.30
Kotak Liquid Inst Premium-Gr		1.10
Birla Cash Plus Inst. Premium Plan Gr		0.00
Cash Bank & Others		0.43
Total		100.00

Fund Performance

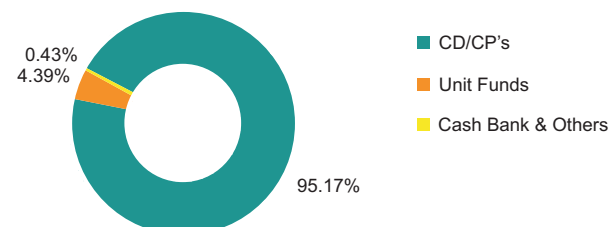
PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 6 Months	28-Feb-11	14.99	1645.33	4.11%	3.95%
Last 1 Year	31-Aug-10	14.57	1590.19	7.08%	7.56%
Last 2 Years	31-Aug-09	13.84	1532.04	6.16%	5.66%
Last 3 Years	29-Aug-08	12.82	1426.33	6.76%	6.24%
Last 4 Years	31-Aug-07	11.79	1329.00	7.26%	6.51%
Last 5 Years	31-Aug-06	10.94	1239.96	7.35%	6.64%
Since inception	25-May-04	10.00	1113.63	6.31%	6.08%

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.

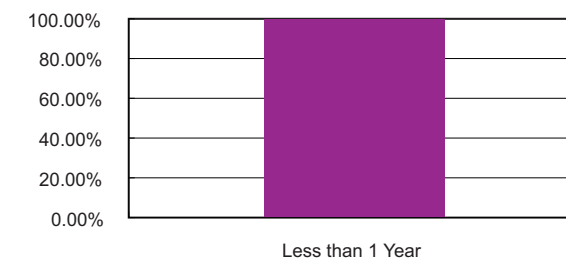
Rating Profile



Asset Allocation



Maturity Profile



Pension Short Term Income Fund

FundAssure, Investment Report, August 2011

Fund Details

Investment Objective : The primary objective is to generate stable returns by investing in fixed-income securities having maturities between 1 & 3 years.

Fund Manager : Mr. Saravana Kumar

NAV as on 30 Aug, 2011 : ₹13.61

Benchmark : CRISIL India Short Term Bond Index -100%

Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Portfolio

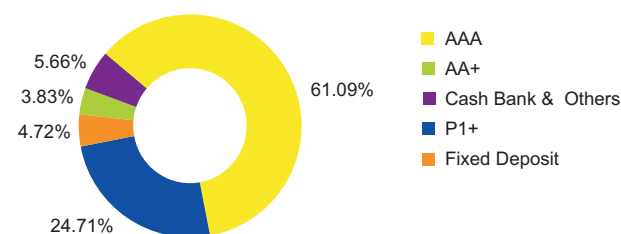
Instrument	Rating	% of NAV
Corporate Bonds		64.92
7.76% LIC Housing Finance Ltd. 2012	AAA	12.36
7.90% RECL 2012	AAA	10.33
7.40% Infrastructure 2012	AAA	9.29
2% Tata Motors Ltd 2014	AAA	7.69
10.40% ICICI Sec Prim Deal Ltd 2013	AAA	5.33
9.20% Power Grid 2013	AAA	5.23
9.25% DR Reddy's Lab Ltd 2014	AA+	3.83
9.68% IRFC 2012	AAA	3.68
9.50% NABARD 2012	AAA	2.62
8.25% Britannia Industries Ltd 2013	AAA	2.49
7.74% Tata Communications Ltd 2012	AAA	2.08
CD/CP's		24.71
State Bank of Patiala 2011 - CD	P1+	7.68
IDBI Bank 2011 - CD	P1+	5.10
Oriental Bank Of Commerce 2012 - CD	P1+	4.98
Syndicate Bank CD - 2012	P1+	4.50
State Bank of Hyderabad 2012 - CD	P1+	2.45
Fixed Deposit		4.72
9.50% State Bank of Hyderabad 2014		4.72
Cash Bank & Others		5.66
Total		100.00

Fund Performance

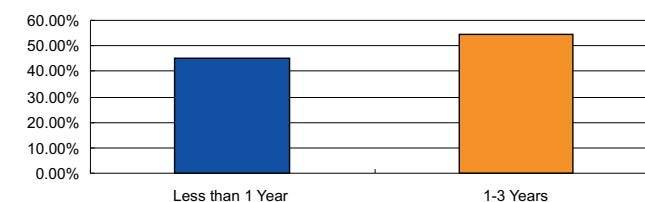
PERIOD	DATE	NAV	CRISIL Short-Term Bond Index	NAV Change	INDEX Change
Last 6 Months	28-Feb-11	13.02	1701.47	4.51%	4.29%
Last 1 Year	31-Aug-10	12.77	1662.57	6.51%	6.73%
Last 2 Years	31-Aug-09	12.06	1583.39	6.22%	5.86%
Last 3 Years	29-Aug-08	10.69	1431.80	8.38%	7.41%
Last 4 Years	31-Aug-07	10.10	1341.94	7.73%	7.23%
Last 5 Years	31-Aug-06	9.99	1258.49	6.37%	7.11%
Since Inception	03-Jul-06	10.00	1242.33	6.15%	7.15%

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.

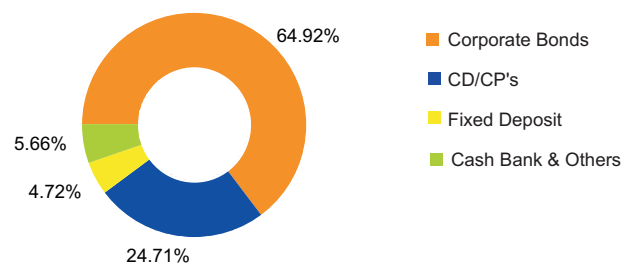
Rating Profile



Maturity Profile



Asset Allocation



Pension Bond Fund

FundAssure, Investment Report, August 2011

Fund Details

Investment Objective : To generate income through investing in a range of debt and money market instruments of various maturities with a view to maximising the optimal balance between yield, safety and liquidity.

Fund Manager : Mr. Saravana Kumar

NAV as on 30 Aug, 2011 : ₹13.10

Benchmark : CRISIL Composite Bond Index -100%

Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Portfolio

Instrument	Rating	% of NAV
Government Securities		
7.80% GOI 2021	Sovereign	7.02
8.30% GOI 2040	Sovereign	2.88
8.32% GOI 2032	Sovereign	2.32
6.35% GOI 2024	Sovereign	1.97
7.00% GOI 2012	Sovereign	1.76
Corporate Bonds		
9.48% RECL 2021	AAA	9.56
9.95% State Bank of India 2026	AAA	5.44
2.00% Indian Hotels Company Ltd 2014	AA+	5.32
9.50% HDFC Ltd. 2013	AAA	5.00
7.45% LIC Housing 2012	AAA	4.68
9.50% United Phosphorus LTD 2015	AA+	4.16
9.25% DR Reddy's Lab Ltd 2014	AA+	3.94
8.80% Tata Sons 2015	AAA	3.50
9.80% ICICI Bank 2013	AAA	2.39
10.70% Sundaram Finance Ltd 2014	AA+	1.83
6.98% IRFC 2012	AAA	1.65
9.64% PGC Ltd 2021	AAA	1.51
9.64% PGC Ltd 2015	AAA	1.50
9.64% PGC Ltd 2016	AAA	1.50
9.64% PGC Ltd 2018	AAA	1.50

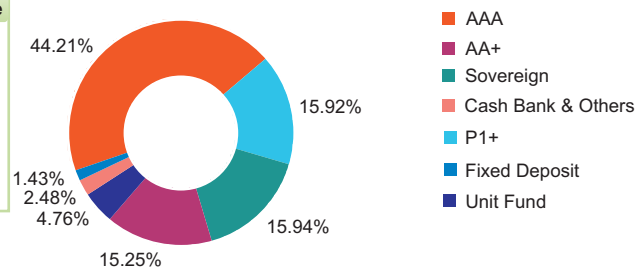
Instrument	Rating	% of NAV
9.30% Tata Sons 2015	AAA	1.19
9.20% Larsen & Toubro 2012	AAA	1.19
9.75% SBI Series 2021	AAA	0.98
7.76% LIC Housing 2012	AAA	0.94
9.57% IRFC 2021	AAA	0.85
9.45% LIC Housing 2012	AAA	0.48
9.09% IRFC 2026	AAA	0.35
CD/CP's		
ICICI Bank 2012 - CD	P1+	4.90
State Bank of Patiala 2011 - CD	P1+	3.49
Canara Bank 2011 - CD	P1+	2.31
Axis Bank 2012 - CD	P1+	2.30
Bank of Baroda 2011 - CD	P1+	1.75
Bank of Baroda 2011 - CD	P1+	1.16
Fixed Deposit		
9.50% State Bank of Hyderabad 2014		1.43
Unit Fund		
UTI MMF - Inst. Gr		4.17
Kotak Liquid Inst.Premium Gr		0.60
Birla Cash Plus Inst. Premium Plan Gr		0.00
Cash Bank & Others		
		2.48
Total		100.00

Fund Performance

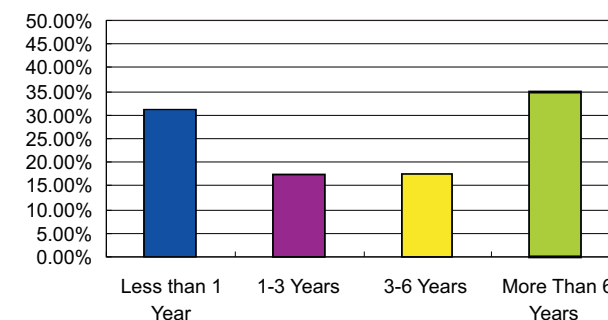
PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	28-Feb-11	12.52	1653.11	4.57%	3.64%
Last 1 Year	31-Aug-10	12.27	1618.71	6.75%	5.85%
Last 2 Years	31-Aug-09	11.50	1530.92	6.70%	5.79%
Last 3 Years	29-Aug-08	10.27	1393.70	8.42%	7.13%
Last 4 Years	31-Aug-07	10.00	1341.12	6.98%	6.32%
Since Inception	17-Aug-07	10.00	1339.53	6.91%	6.28%

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.

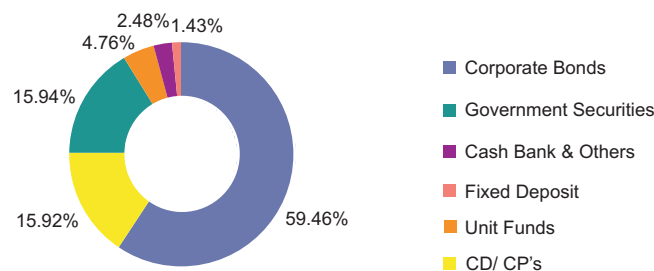
Rating Profile



Maturity Profile



Asset Allocation



Pension Balance Fund

FundAssure, Investment Report, August 2011

Fund Details

Investment Objective : 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 30 Aug, 2011 : ₹12.56

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	28-Feb-11	12.25	2.54%	2.66%
Last 1 Year	31-Aug-10	12.17	3.24%	4.52%
Last 2 Years	31-Aug-09	11.40	4.98%	5.57%
Last 3 Years	29-Aug-08	10.05	7.74%	6.88%
Last 4 Years	31-Aug-07	10.01	5.85%	5.97%
Since Inception	17-Aug-07	10.00	5.82%	6.16%

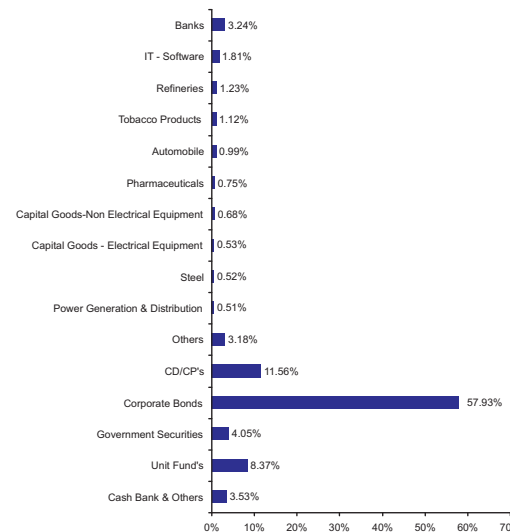
Note : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

Portfolio

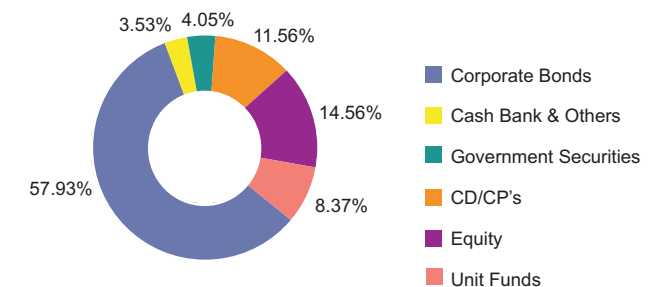
Instrument	Industry	% of NAV
Equity 14.56		
ITC Ltd	Tobacco Products	1.12
Reliance Industries Ltd	Refineries	1.06
Infosys Ltd	IT - Software	0.98
ICICI Bank Ltd	Banks	0.85
HDFC Bank	Banks	0.82
Larsen And Toubro Ltd	Capital Goods-Non Electrical Equipment	0.67
State Bank of India	Banks	0.55
Tata Consultancy Services Ltd	IT - Software	0.48
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	0.44
Mahindra And Mahindra Ltd	Automobile	0.41
Other Equity		7.16
Corporate Bonds 57.93		
8.28% LIC Housing 2015	AAA	9.42
9.95% State Bank of India 2026	AAA	6.05
7.75% RECL 2012	AAA	5.75
8.80% Power Grid 2015	AAA	5.13
8.70% PFC 2015	AAA	4.78
8.35% HDFC 2015	AAA	4.05
9.20% HDFC 2012	AAA	3.48
7.90% RECL 2012	AAA	3.16
9.30% Tata Sons 2015	AAA	2.78
9.20% Power Grid 2015	AAA	2.77

Instrument	Industry	% of NAV
8.40% HDFC 2014	AAA	2.03
9.25% DR Reddy's LAB Ltd 2014	AA+	1.80
9.57% IRFC Ltd 2021	AAA	1.57
10.40% ICICI Sec Prim		
Deal Ltd 2013	AAA	1.42
9.50% NABARD 2012	AAA	1.40
9.09% IRFC Ltd 2026	AAA	1.38
9.80% PFC 2012	AAA	0.70
8.83% IRFC 2012	AAA	0.28
CD/CP's		11.56
Bank of Baroda 2011 - CD	P1+	4.78
PNB 2012 - CD	P1+	4.06
Bank of Baroda 2011 - CD	P1+	2.72
Government Securities		4.05
7.80% GOI 2021	Sovereign	2.02
8.30% GOI 2040	Sovereign	1.35
8.32% GOI 2032	Sovereign	0.68
Unit Fund's		8.37
UTI MMF - Inst. Gr		4.18
Kotak Liquid Inst.Premium Gr		4.18
ICICI Prudential Liquid - Super Ip Gr		0.00
Cash Bank & Others		3.53
Total		100.00

Sector Allocation



Asset Allocation



Pension Growth Fund

FundAssure, Investment Report, August 2011

Fund Details

Investment Objective : The objective of this fund is to generate long term capital appreciation and income by investing a considerable percentage of the fund in equity and equity linked instruments and the balance in Government Bonds and high quality fixed income instruments.

Fund Manager : Mr. Saravana Kumar

NAV as on 30 Aug, 2011 : ₹12.38

Benchmark : Nifty - 30%
CRISIL Composite Bond Fund 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

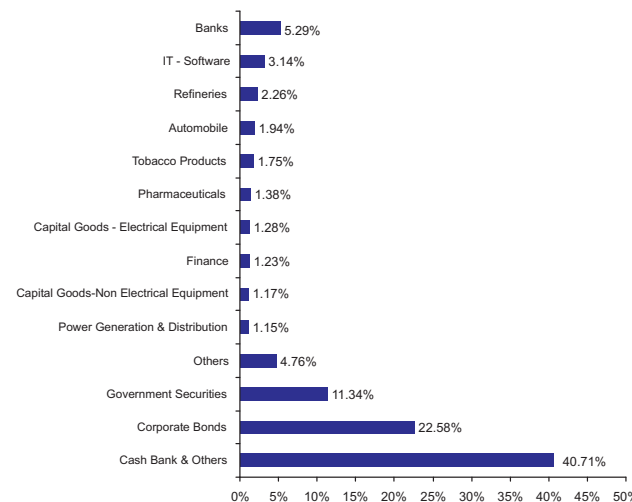
PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 6 Months	28-Feb-11	12.34	0.31%	0.68%
Last 1 Year	31-Aug-10	12.37	0.07%	1.86%
Last 2 Years	31-Aug-09	11.40	4.22%	5.12%
Last 3 Years	29-Aug-08	10.14	6.87%	6.39%
Last 4 Years	31-Aug-07	10.00	5.48%	5.28%
Since Inception	17-Aug-07	10.00	5.43%	5.90%

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.

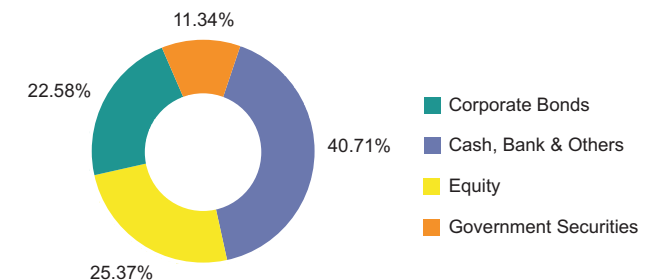
Portfolio

Instrument	Industry	% of NAV
Equity		25.37
Reliance Industries Ltd	Refineries	1.87
ITC Ltd	Tobacco Products	1.75
HDFC Bank	Banks	1.72
Infosys Ltd	IT - Software	1.70
ICICI Bank Ltd	Banks	1.40
Larsen And Toubro Ltd	Capital Goods-Non Electrical Equipment	1.17
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	0.98
HDFC Ltd	Finance	0.96
Tata Consultancy Services Ltd	IT - Software	0.91
State Bank of India	Banks	0.86
Other Equity		12.05
Government Securities		11.34
7.83% GOI 2018	Sovereign	11.34
Corporate Bonds		22.58
8.28% LIC Housing 2015	AAA	11.23
7.40% Infrastructure 2012	AAA	5.73
8.30% HDFC Ltd 2015	AAA	5.62
Cash Bank & Others		40.71
Total		100.00

Sector Allocation



Asset Allocation



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Peninsula Corporate Park,
Ganpatrao Kadam Marg,
Lower Parel, Mumbai 400 013

Disclaimer

1. The fund is managed by Tata AIG Life Insurance Company Ltd. (hereinafter the "Company").
2. Past performance is not indicative of future performance. Returns are calculated on an absolute basis for a period of less than (or equal to) a year, with reinvestment of dividends (if any).
3. All investments made by the Company are subject to market risks. The Company does not guarantee any assured returns. The investment income and price may go down as well as up depending on several factors influencing the market.
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7. Various funds offered under this contract are the names of funds and do not, in any way, indicate the quality of the plans, their future prospects & returns.
8. 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.
9. ULIP products are different from traditional Life Insurance products and are subject to risk factors.
10. Interest Rate Sensitivity
Less than 3 year duration - Low
3 to 10 years duration - Medium
more than 10 years duration - High
11. Shading indicates the general representative nature of the portfolio to a particular style or cap".
12. 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.

Insurance is the subject matter of the solicitation

Tata AIG Life Insurance Company Ltd. (Reg. No. 110)
Registered and Corporate Office
Delphi-B Wing, 2nd Floor, Orchard Avenue
Hiranandani Business Park, Powai, Mumbai - 400076

Pension Schemes

