

FundAssure

Investment Report, May 2011





Dear Friends,

May 2011 saw the benchmark indices, BSE Sensex and CNX Nifty grinding lower by around 3.30% each even as the decline in the CNX Midcap index was more muted at 1.66% for the month.

The macro-factors in the form of sticky WPI inflation, elevated crude prices and uncertain global scenario acted as headwinds for the Indian market in the month of May 2011. The FIIs sold USD 1480 million in the month of May 2011, even as Insurance companies bought around USD 833 million of equities, mutual funds being a marginal buyer at USD 79 million for the month.

The fourth quarter FY 2011 earnings saw robust increases in top-lines; with the aggregate revenues of the companies making up the BSE Sensex increasing by around 25%. This is a reflection of the inherent strength of the demand in the economy and the positive effect of inflation on the corporate top-lines. The positive surprise in top-line growth failed to translate into profits as the sharp escalation in input costs over the year eroded profit margins of corporate as they could not pass through all of the input price escalations to the end customers. The operating profit margins saw a steep decline on a year on year basis even as the sequential fall was more moderate.

There was some cause to cheer as the south west monsoon hit the Kerala coast three days ahead of schedule. The onset, progress and the intensity of the South West monsoon will be closely watched as there have been recent concerns of weakening of La Nina to near neutral levels. A strong La Nina formation is considered favorable for a normal Indian monsoon, which could in turn be critical for agricultural growth and reining in food inflation.

The March 2011 Index of Industrial Production clocked 7.3% on the back of a strong capital goods number and provided an unexpected spark to a meandering market.

The Indian fourth quarter GDP registered a 7.8% growth, lower than consensus of around 8.2%. While agriculture growth printed 7.5% on favorable base effects, industrial growth was muted at 6.1% largely due to a sharp slowdown in mining. Services however continued to remain buoyant at 8.7%. The deceleration in investment growth has been witnessed in the last 3 quarters on the back of policy uncertainty while the consumption trends remained robust over 7 %

The Indian market is currently at about 14 times one year forward earnings. The earnings growth, expected to be at around 19% CAGR over FY 12 and FY 13 does give some valuation comfort for a long term investor. Valuations in terms of forward PE are close to the long-term average levels and offer an attractive entry point for an investor with a 3-5 year view.

Saravana Kumar
Chief Investment Officer



Market Outlook - Debt

FundAssure, Investment Report, May 2011

TATA
AIG
L I F E

A new look at life

May 2011 was a turbulent month for the Indian debt markets as the 10 year G-sec hardened by almost 30 bps during the month to close at 8.41%. This spike in yields was due to the unexpected 50 bps rise in the policy rates by the RBI on 3rd May and its statements on fighting inflation, perceived to be hawkish by the market. The Bond markets have factored in the elevated crude prices, the petrol price hike effected in May as well as the impending diesel and LPG hikes, all of which would keep inflation at uncomfortably high levels for months to come.

The Corporate bonds hardened by almost 50 bps during the month on the back of a tight liquidity scenario and a string of issues from a clutch of regular PSU borrowers bunched together. The spreads over the G-sec increased from around 100 bps to 120 bps over the month of May 2011.

Liquidity scenario was benign during the beginning of May 2011 and tightened to a negative ₹60,000-80,000 crores by the second week and remained in the range throughout May 2011.

The Government issued cash management bills to the tune of ₹6,000 crores in May to meet the short term cash requirements.

The debt markets were cheered by the onset of the south-west monsoon, three days before schedule as a normal monsoon could lessen some pressure on the food inflation front and is critical variable in meeting the RBIs inflation target for FY 2012.

The fourth quarter GDP growth numbers at 7.8% clearly point to a mild deceleration in growth rates as the lagged transmission effects of the monetary tightening start to keep a lid on the demand. The year's growth, however still looked impressive at 8.5% but market watchers are bracing themselves for a sub 8% growth in FY 2012.

We expect the RBI to hike the policy rates by 25 bps on June 16th, mid-quarter review and another 25-50 bps by the end of H1 FY 2012. The WPI inflation could peak out by September 2011 if the crude oil doesn't spike up from the current levels. The peaking WPI accompanied by a normal monsoon could give the RBI an opportunity to pause the tightening cycle and wait for the transmission effects of the rate increases to play itself out.

The 10 year G-sec could trade in a range between 8.25%-8.50% in the near term and the spread between the corporate bond and G-sec could range between 100-120 bps.



Pension Schemes

Market Outlook - Equity

FundAssure, Investment Report, May 2011

TATA
AIG
L I F E

A new look at life

The equity markets in May 2011 were under pressure from significant headwinds such as high headline inflation numbers on the back of elevated crude prices, slowdown of the investment cycle as well as an uncertain global scenario. The benchmark indices BSE Sensex and CNX Nifty shed around 3.30% each, on the backdrop of a disappointing earnings season.

The rising commodity prices ensured that inflation became more broad based as the higher input costs got passed through as higher manufacturing inflation, seen by surge in core inflation in recent months.

There has been a significant slowdown of the investment cycle in the wake of uncertain policy framework resulting in delays in execution of key infrastructure projects and resulting in avoidable cost over runs. This is accentuated by the fact that the private capex recovery has been muted. The investment recovery could be another 6-9 months away as inflation peaks out and RBIs pauses its monetary tightening cycle.

The RBI, in a comprehensive study of non-financial private sector companies observed a drop of 140 bps in operating margins in the first half of FY11 as compared to the same period a year ago despite strong top-line growth, mainly due to higher raw material and employee costs. The net margins drop of 120bps could be attributed to the higher interest expenses on the back of rising interest rates.

These trends have played itself out in the fourth quarter FY 11 corporate results wherein the healthy top line growth of 24% registered by the MSCI India companies resulted in a muted 12% growth in margins indicating the pressures on margins from the above headwinds.

On the positive side, the markets can take the comfort of reasonable valuations, below the mean valuations over the last 7 years on a one year forward PE basis and marginally higher than the long term averages. The Indian market appears richly valued in comparison with emerging markets as it still enjoys a 35% premium against the 10-yr average of 26%. This could be justified based on India's unique

domestic consumption story in recent years, which acted as a bulwark of growth post-Lehman crisis.

We need to closely watch the progress of the Indian monsoons as well the Government's agenda on reforms as it plans to pass key bills in the monsoon session of parliament. These legislations can free up more headroom for growth as they could de-bottleneck supply side constraints.

The expected earnings growth has been lowered by around 4% over the last year due to the macro headwinds and is currently expected to be at 19% CAGR for FY 2012 and FY 2013, making the market attractive for a long-term investor with a 3-5 year view.



Pension Schemes

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, May 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 31 May, 2011 : ₹34.87

Benchmark : BSE Sensex - 100%

Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

Portfolio

Instrument	Industry	% of NAV
Equity 95.02		
Reliance Industries Ltd	Refineries	8.08
ICICI Bank Ltd	Banks	6.76
ITC Ltd	Tobacco Products	6.75
Infosys Technologies Ltd	IT - Software	6.30
HDFC Bank	Banks	5.88
State Bank Of India	Banks	4.77
Larsen And Toubro Ltd	Capital Goods-	
	Non Electrical Equipment	4.18
Tata Consultancy Services Ltd	IT - Software	3.49
Bharti Airtel Ltd	Telecomm-Service	2.72
Bharat Heavy Electricals Ltd	Capital Goods -	
	Electrical Equipment	2.57
Mahindra And Mahindra Ltd	Automobile	2.54
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	2.44
HDFC Ltd	Finance	2.26
Tata Motors Ltd	Automobile	2.07
Tata Steel Ltd	Steel	2.00
Axis Bank Ltd	Banks	1.99
Sun Pharmaceutical Industries	Pharmaceuticals	1.98
Sterlite Industries (India) Ltd	Non Ferrous Metals	1.97
Jindal Steel & Power Ltd	Steel	1.83
Crompton Greaves Ltd	Capital Goods -	
	Electrical Equipment	1.79

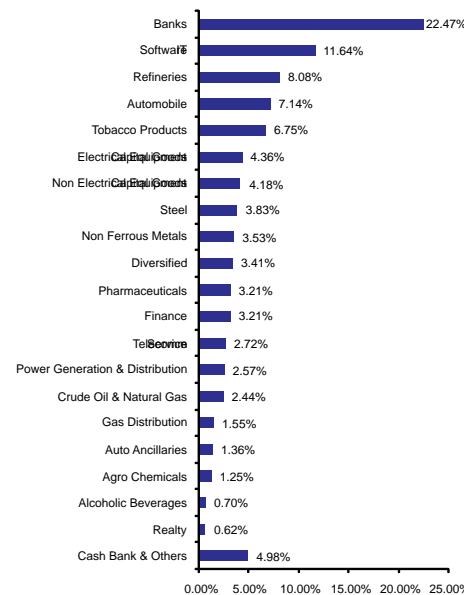
Instrument	Industry	% of NAV
Hindalco Industries Ltd	Non Ferrous Metals	1.56
Gail India Ltd	Gas Distribution	1.55
Union Bank Of India	Banks	1.50
Maruti Suzuki India Ltd	Automobile	1.39
Exide Industries Ltd	Auto Ancillaries	1.36
Sintex Industries Ltd	Diversified	1.27
Voltas Limited	Diversified	1.27
United Phosphorus Ltd	Agro Chemicals	1.25
Cipla Ltd	Pharmaceuticals	1.23
Bajaj Auto Ltd - New Shs	Automobile	1.14
NTPC Ltd	Power Generation & Distribution	1.11
Wipro Ltd	IT - Software	1.01
Power Finance Corp Ltd	Finance	0.95
Tata Power Co Ltd	Power Generation & Distribution	0.93
Grasim Industries Ltd	Diversified	0.87
Mphasis Ltd	IT - Software	0.84
Bank Of Baroda	Banks	0.81
Punjab National Bank	Banks	0.76
United Spirits Ltd	Alcoholic Beverages	0.70
Cesc Ltd	Power Generation & Distribution	0.53
Jaiprakash Associates Ltd	Realty	0.49
Ivrc Ltd	Realty	0.13
Cash Bank & Others		4.98
Total		100.00

Fund Performance

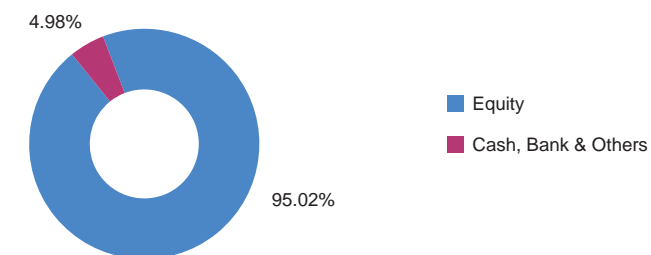
PERIOD	DATE	NAV	BSE Sensex	NAV Change	INDEX Change
Last 1 Month	29-Apr-11	35.72	19130.00	-2.38%	-3.28%
Last 3 Months	28-Feb-11	33.28	17823.40	4.78%	3.81%
Last 6 Months	30-Nov-10	37.16	19521.25	-6.18%	-5.21%
Last 1 Year	31-May-10	31.69	16944.63	10.03%	9.20%
Last 3 Years	30-May-08	30.56	16415.57	4.49%	4.07%
Since Inception	29-Mar-04	10.00	5571.37	19.01%	18.21%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

Sector Allocation



Asset Allocation



Pension Liquid Fund

FundAssure, Investment Report, May 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 31 May, 2011 : ₹15.28

Benchmark : CRISIL Liquid Fund Index -100%

Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Portfolio

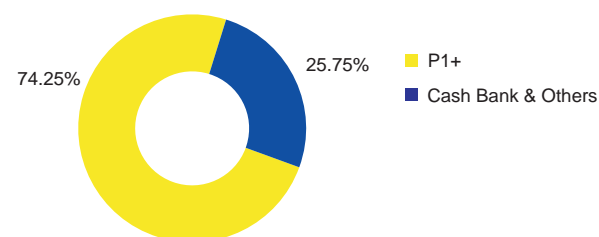
Instrument	Rating	% of NAV
CD/CP's		74.25
Oriental Bank Of Commerce 2012 - CD	P1+	7.13
Punjab National Bank 2012 - CD	P1+	7.13
Syndicate Bank 2012 - CD	P1+	6.96
State Bank of India 2012 - CD	P1+	6.92
Federal Bank 2012 - CD	P1+	6.75
Vijaya Bank 2012 - CD	P1+	6.74
Axis Bank 2012 - CD	P1+	4.92
ICICI Bank 2012 - CD	P1+	4.91
Canara Bank 2012 - CD	P1+	3.98
State Bank of Travancore 2012 - CD	P1+	2.71
Bank of India 2012 - CD	P1+	2.57
Andhra Bank 2011 - CD	P1+	2.21
Aditya Birla Finance Ltd 2011 - CP	P1+	2.17
Canara Bank 2011 - CD	P1+	2.16
Axis Bank 2012 - CD	P1+	2.14
ICICI Bank 2012 - CD	P1+	2.13
State Bank of Hyderabad 2012 - CD	P1+	1.65
State Bank of Patiala 2011 - CD	P1+	1.08
Cash Bank & Others		25.75
Total		100.00

Fund Performance

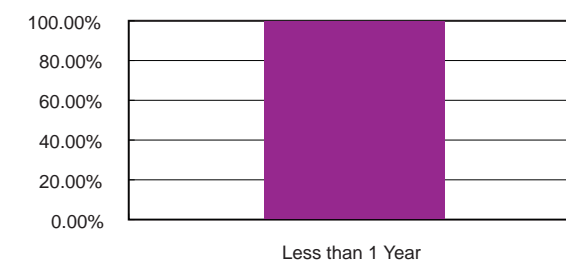
PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 1 Month	29-Apr-11	15.17	1666.56	0.74%	0.67%
Last 3 Months	28-Feb-11	14.99	1645.33	1.98%	1.97%
Last 6 Months	30-Nov-10	14.76	1614.97	3.58%	3.89%
Last 1 Year	31-May-10	14.39	1569.37	6.24%	6.91%
Last 3 Years	30-May-08	12.57	1400.70	6.74%	6.20%
Since inception	25-May-04	10.00	1113.63	6.23%	6.01%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

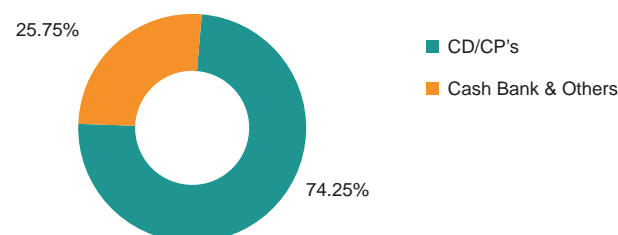
Rating Profile



Maturity Profile



Asset Allocation



Pension Income Fund

FundAssure, Investment Report, May 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 31 May, 2011 : ₹14.94

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		6.09
7.80% GOI 2021	Sovereign	2.10
9.39% GOI 2011	Sovereign	1.42
7.17% GOI 2015	Sovereign	1.40
8.32% GOI 2032	Sovereign	0.71
7.38% GOI 2015	Sovereign	0.47
Corporate Bonds		57.39
8.80% Tata Sons 2015	AAA	4.24
8.60% PFC 2014	AAA	4.24
HDFC LTD 2013	AAA	4.15
9.50% United Phosphorus Ltd 2015	AA+	3.60
7.95% IDFC 2014	AAA	3.49
9.40% LIC Housing Finance Ltd 2013	AAA	3.25
9.95% State Bank Of India 2026	AAA	2.59
9.80% PFC 2012	AAA	2.55
7.35% HPCL 2012	AAA	2.48
10.75% RECL 2013	AAA	2.23
7.40% Tata Chemicals 2011	AA+	2.17
7.45% LIC Housing 2012	AAA	2.14
7.20% RECL 2012	AAA	2.12
10.95% RECL 2011	AAA	1.83
9.25% DR Reddy's Lab Ltd 2014	AA+	1.80
9.80% ICICI Bank 2013	AAA	1.46
9.20% Larsen & Toubro 2012	AAA	1.45

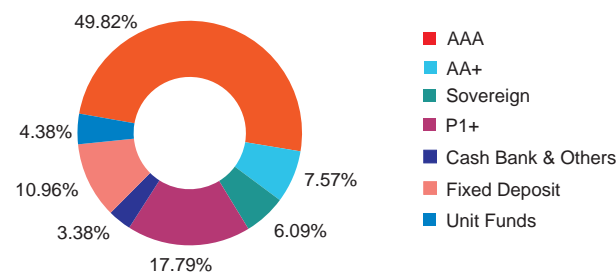
Instrument	Rating	% of NAV
9.45% REC 2013	AAA	1.45
9.50% Exim Bank 2013	AAA	1.45
9.20% Power Grid 2013	AAA	1.45
8.46% IRFC 2014	AAA	1.42
8.50% PFC 2014	AAA	1.40
8.40% HDFC 2014	AAA	1.40
10.00% IDFC 2012	AAA	0.73
8.50% Exim Bank 2011	AAA	0.73
8.80% SAIL 2015	AAA	0.71
9.09% IRFC 2026	AAA	0.64
8.70% PFC 2020	AAA	0.21
CD/CP's		17.79
State Bank of Patiala 2011 - CD	P1+	5.93
ICICI Bank 2012 - CD	P1+	4.89
Bank of Baroda 2011 - CD	P1+	2.45
Canara Bank 2011 - CD	P1+	2.44
Canara Bank 2011 - CD	P1+	2.08
Fixed Deposit		10.95
10.20 % Federal Bank 2012		5.84
9.50% State Bank of Hyderabad 2014		5.11
Unit Fund's		4.38
Birla Cash Plus IP Premium Plan-GR		4.38
Cash Bank & Others		3.38
Total		100.00

Fund Performance

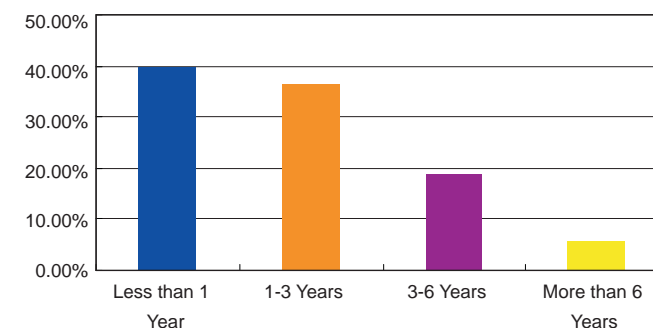
PERIOD	DATE	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 1 Month	29-Apr-11	14.90	1672.95	0.26%	0.02%
Last 3 Months	28-Feb-11	14.67	1653.11	1.81%	1.22%
Last 6 Months	30-Nov-10	14.55	1638.39	2.66%	2.13%
Last 1 Year	31-May-10	14.26	1607.49	4.74%	4.09%
Last 3 Years	30-May-08	11.87	1410.86	7.96%	5.85%
Since Inception	2-Mar-04	10.00	1193.20	5.69%	4.77%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

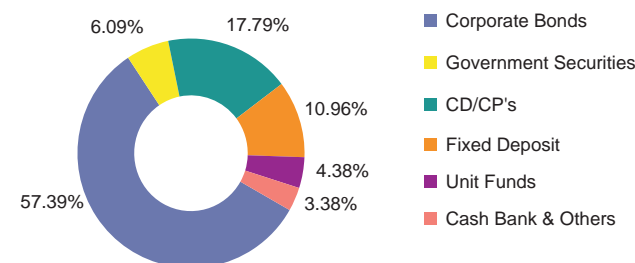
Rating Profile



Maturity Profile



Asset Allocation



Pension Short Term Income Fund

FundAssure, Investment Report, May 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 31 May, 2011 : ₹13.28

Benchmark : CRISIL India Short Term Bond Index -100%

Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Portfolio

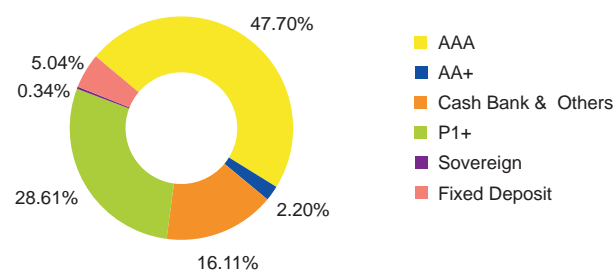
Instrument	Rating	% of NAV
Government Securities		0.34
9.39% GOI 2011	Sovereign	0.34
Corporate Bonds		49.90
7.76% LIC Housing 2012	AAA	13.08
7.90% RECL 2012	AAA	10.94
7.40% Infrastructure 2012	AAA	9.84
9.68% IRFC 2012	AAA	3.93
7.35% HPCL 2012	AAA	3.80
9.50% NABARD 2012	AAA	2.79
7.74% Tata Communication Ltd 2012	AAA	2.21
9.25% DR Reddy's Lab Ltd 2014	AA+	2.20
8.25% Britannia Industries Ltd 2013	AAA	1.12
CD/CP's		28.61
State Bank of Patiala 2011 - CD	P1+	8.02
Canara Bank 2011 - CD	P1+	8.01
IDBI Bank 2011 - CD	P1+	5.32
Syndicate Bank CD - 2012	P1+	4.70
State Bank of Hyderabad 2012 - CD	P1+	2.55
Fixed Deposit		5.04
9.50% State Bank of Hyderabad 2014		5.04
Cash Bank & Others		16.11
Total		100.00

Fund Performance

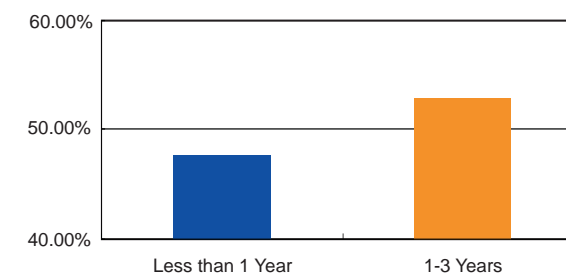
PERIOD	DATE	NAV	Crisil India Short Term Bond Index	NAV Change	INDEX Change
Last 1 Month	29-Apr-11	13.21	1725.16	0.49%	0.30%
Last 3 Months	28-Feb-11	13.02	1701.47	1.99%	1.70%
Last 6 Months	30-Nov-10	12.89	1682.27	2.99%	2.86%
Last 1 Year	31-May-10	12.70	1647.89	4.55%	5.00%
Last 3 Years	30-May-08	10.59	1422.20	7.81%	6.76%
Since Inception	3-Jul-06	10.00	1242.33	5.94%	6.98%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

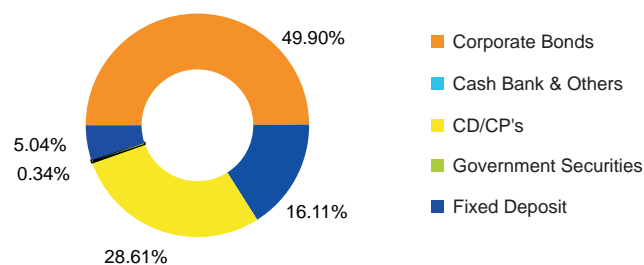
Rating Profile



Maturity Profile



Asset Allocation



Pension Bond Fund

FundAssure, Investment Report, May 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 31 May, 2011 : ₹12.76

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 6.56		
8.32% GOI 2032	Sovereign	2.35
7.00% GOI 2012	Sovereign	1.78
7.80% GOI 2021	Sovereign	1.74
7.17% GOI 2015	Sovereign	0.69
Corporate Bonds 59.65		
10.00% PFC 2012	AAA	5.81
2.00% Indian Hotels Company Ltd 2014	AA+	5.25
9.50% HDFC Ltd. 2013	AAA	5.05
7.45% LIC Housing 2012	AAA	4.71
9.50% United Phosphorus LTD 2015	AA+	4.17
9.25% DR Reddy's Lab Ltd 2014	AA+	3.96
9.50% Exim Bank 2013	AAA	3.60
9.20% Power Grid 2013	AAA	3.59
8.80% Tata Sons 2015	AAA	3.51
7.35% HPCL 2012	AAA	2.93
9.95% SBI 2026	AAA	2.82
11.75% Rural Electric Corp Ltd 2011	AAA	2.43
9.80% ICICI Bank 2013	AAA	2.42
9.30% Sundaram Finance 2013	AA+	1.79
6.98% IRFC 2012	AAA	1.66

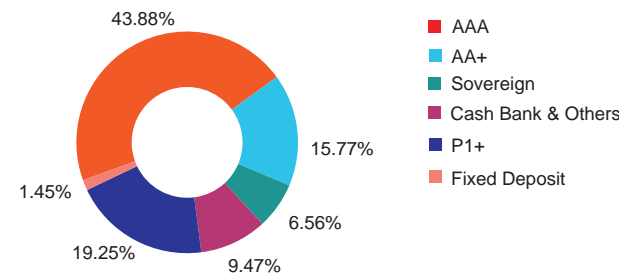
Instrument	Rating	% of NAV
9.20% Larsen & Toubro 2012	AAA	1.20
9.30% Tata Sons 2015	AAA	1.19
8.46% IRFC 2014	AAA	1.18
7.76% LIC Housing 2012	AAA	0.94
7.40% Tata Chemicals 2011	AA+	0.60
9.45% LIC Housing 2012	AAA	0.48
9.09% IRFC 2026	AAA	0.35
CD/CP's 19.25		
ICICI Bank 2012 - CD	P1+	4.86
State Bank of Patiala 2011 - CD	P1+	3.46
Canara Bank 2011 - CD	P1+	3.46
Canara Bank 2011 - CD	P1+	2.30
Axis Bank 2012 - CD	P1+	2.29
Bank of Baroda 2011 - CD	P1+	1.74
Bank of Baroda 2011 - CD	P1+	1.15
Fixed Deposit 1.45		
9.50% State Bank of Hyderabad 2014		1.45
Unit Fund 3.63		
Birla Cash Plus IP Premium Plan-GR		3.63
Cash Bank & Others 9.47		
Total		100.00

Fund Performance

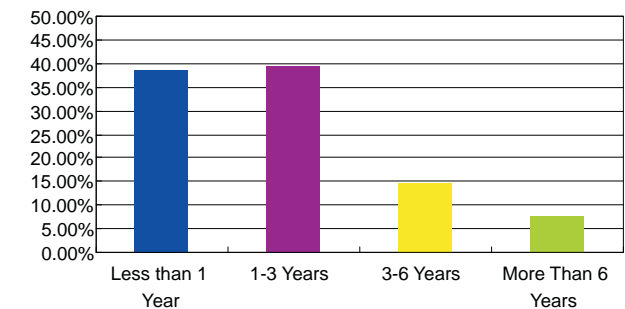
PERIOD	DATE	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 1 Month	29-Apr-11	12.73	1672.95	0.24%	0.02%
Last 3 Months	28-Feb-11	12.52	1653.11	1.85%	1.22%
Last 6 Months	30-Nov-10	12.42	1638.39	2.70%	2.13%
Last 1 Year	31-May-10	12.21	1607.49	4.48%	4.09%
Last 3 Years	30-May-08	10.43	1410.86	6.93%	5.85%
Since Inception	17-Aug-07	10.00	1339.53	6.63%	6.05%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

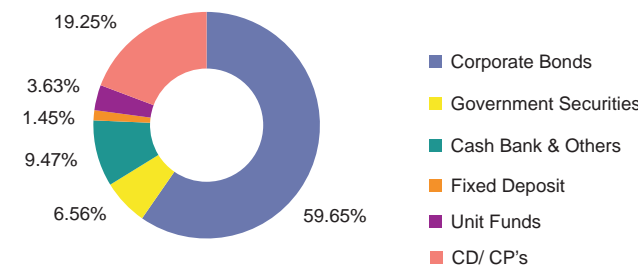
Rating Profile



Maturity Profile



Asset Allocation



Pension Balance Fund

FundAssure, Investment Report, May 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 31 May, 2011 : ₹12.50

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 1 Month	29-Apr-11	12.57	-0.57%	-0.31%
Last 3 Months	28-Feb-11	12.25	2.03%	1.52%
Last 6 Months	30-Nov-10	12.42	0.66%	1.40%
Last 1 Year	31-May-10	11.96	4.55%	4.61%
Last 3 Years	30-May-08	10.34	6.54%	5.72%
Since Inception	17-Aug-07	10.00	6.07%	6.27%

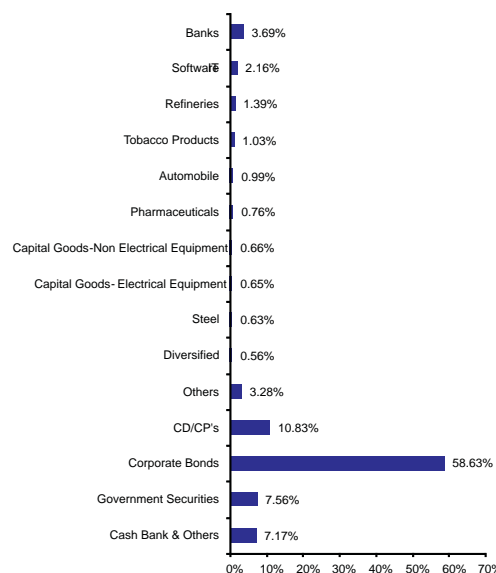
Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

Portfolio

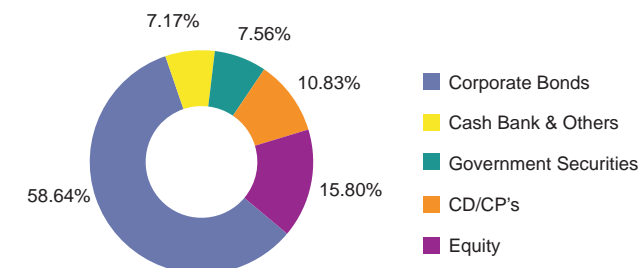
Instrument	Industry	% of NAV
Equity 15.80%		
Reliance Industries Ltd	Refineries	1.24%
Infosys Technologies Ltd	IT - Software	1.12%
ITC Ltd	Tobacco Products	1.03%
ICICI Bank Ltd	Banks	1.02%
HDFC Bank	Banks	0.80%
Larsen And Toubro Ltd	Capital Goods- Non Electrical Equipment	0.66%
State Bank Of India	Banks	0.61%
Tata Consultancy Services Ltd	IT - Software	0.51%
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	0.45%
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	0.39%
Other Equities		7.97%
Corporate Bonds 58.63%		
8.28% LIC Housing 2015	AAA	8.91%
9.95% State Bank Of India 2026	AAA	7.19%
7.75% RECL 2012	AAA	5.46%
8.80% Power Grid 2015	AAA	4.85%
8.70% PFC 2015	AAA	4.53%
8.35% HDFC 2015	AAA	3.83%
9.20% HDFC 2012	AAA	3.32%

Instrument	Industry	% of NAV
7.40% Tata Chemical 2011	AA+	3.04%
7.90% RECL 2012	AAA	3.00%
9.30% Tata Sons 2015	AAA	2.63%
9.20% Power Grid 2015	AAA	2.62%
7.35% HPCL 2012	AAA	1.94%
8.40% HDFC 2014	AAA	1.92%
9.25% DR Reddy's LAB Ltd 2014	AA+	1.71%
9.50% NABARD 2012	AAA	1.33%
9.09 % IRFC Ltd 2026	AAA	1.29%
9.80% PFC 2012	AAA	0.67%
8.83% IRFC 2012	AAA	0.26%
10.00% PFC 2012	AAA	0.13%
CD/CP's		10.83%
Bank of Baroda 2011 - CD	P1+	4.48%
PNB 2012 - CD	P1+	3.80%
Bank of Baroda 2011 - CD	P1+	2.54%
Government Securities		7.56%
7.17% GOI 2015	Sovereign	5.62%
8.30% GOI 2040	Sovereign	1.29%
8.32% GOI 2032	Sovereign	0.65%
Cash Bank & Others		7.17%
Total		100.00

Sector Allocation



Asset Allocation



Pension Growth Fund

FundAssure, Investment Report, May 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 31 May, 2011 : ₹12.54

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

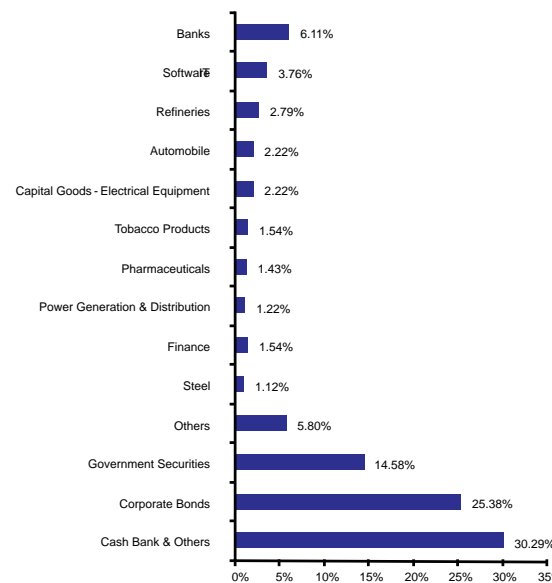
PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	29-Apr-11	12.66	-0.95%	-0.97%
Last 3 Months	28-Feb-11	12.34	1.61%	2.13%
Last 6 Months	30-Nov-10	12.66	-0.98%	-0.06%
Last 1 Year	31-May-10	12.02	4.33%	5.66%
Last 3 Years	30-May-08	9.99	7.87%	5.45%
Since Inception	17-Aug-07	10.00	6.16%	6.73%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

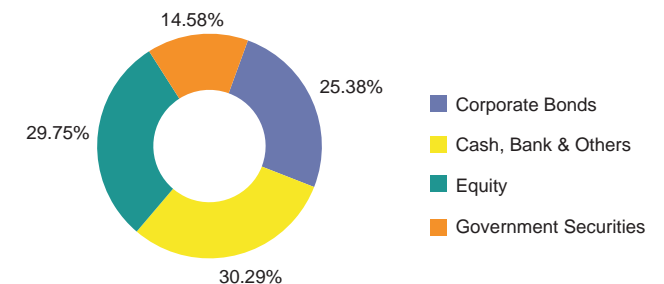
Portfolio

Instrument	Industry	% of NAV
Equity		29.75
Reliance Industries Ltd	Refineries	2.37
Infosys Technologies Ltd	IT - Software	2.12
ICICI Bank Ltd	Banks	1.62
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	1.61
HDFC Bank	Banks	1.59
ITC Ltd	Tobacco Products	1.54
State Bank Of India	Banks	1.14
HDFC Ltd	Finance	1.13
Larsen And Toubro Ltd	Capital Goods- Non Electrical Equipment	1.09
Tata Consultancy Services Ltd	IT - Software	0.96
Other Equities		14.58
Government Securities		14.58
7.83% GOI 2018	Sovereign	12.79
9.39% GOI 2011	Sovereign	1.79
Corporate Bonds		25.38
8.28% LIC Housing 2015	AAA	12.61
7.40% Infrastructure 2012	AAA	6.46
8.30% HDFC Ltd 2015	AAA	6.31
Cash Bank & Others		30.29
Total		100.00

Sector Allocation



Asset Allocation



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Tata AIG Life 3rd floor, Unit 302,
Building No. 4, Infinity IT Park,
Film City Road, Dindoshi,
Malad (East), Mumbai - 400 097.

Disclaimer

1. The fund is managed by Tata AIG Life Insurance Company Ltd. (hereinafter the "Company").
2. Past performance is not indicative of future results. 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. Tax benefits are as per the Income Tax Act, 1961 and are subject to amendments made therein from time to time.
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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

