

FundAssure

Investment Report, March 2012





Dear Friends,

The month of March 2012 was an action packed month with the Union Budget and RBI monetary policy review setting the tone for the equity and debt market performance. The benchmark indices, BSE Sensex and CNX Nifty shed 1.96% and 1.66% respectively even as the Midcap index, CNX Midcap closed flat with a 0.08% gain for the month.

The Union Budget 2012-2013 was a sincere workman like document where the Finance Minister made an attempt to deliver a moderate fiscal consolidation by increasing indirect taxes, both excise and service tax from 10% to 12% and widening the service tax net (by introducing a negative list of services). These measures could rein in the fiscal deficit to an estimated 5.1% of the GDP in FY 2013 as against the revised FY 2012 estimate of 5.9% of the GDP. The fiscal deficit for FY 2013 requires a net market borrowing of ₹4.79 trillion, which was a tad higher than what the market was expecting and could potentially crowd out the private sector's funding needs as and when the investment cycle picks up.

Though the Union Budget has fallen short of any big ticket reforms, it is broadly seen as credible as the key assumptions on growth and projections on tax revenue appear realistic. There is an attempt to increase the falling tax to GDP ratio and a broad commitment to cap the subsidies at less than 2% of the GDP in FY 2013 and around the 1.7% levels in 3 years. The market was expecting more detailing of the concrete initiatives to achieve this subsidy curtailment roadmap.

The RBI in its Mid-quarter monetary Policy Review on March 15th 2012 decided to keep the cash reserve ratio (CRR) of scheduled banks unchanged at 4.75 % of their net demand and time liabilities; and keep the policy repo rate under the liquidity adjustment facility (LAF) unchanged at 8.5 %. The consensus among market analysts is moving to a possible cut in policy rates in April 17th policy review as the RBI would have firmed up its own estimate of GDP growth and inflation for FY2013. Going forward, the RBI would need to address the moderating economic activity and high real interest rates prevailing in the economy, as the high cost and scarcity of money act as serious headwinds to the economic growth trajectory.

The Wholesale Price Index (WPI) inflation for February 2012 came in at 6.95% marginally higher than both the consensus of 6.7% and the January 2012 WPI inflation print of 6.55%. The WPI inflation for December 2011 was revised upwards to 7.74% from the provisional 7.47%. We could expect WPI inflation to remain above the RBI's comfort zone of 5–5.5% in FY 2013 on the back of high global commodity prices and pressures from suppressed energy prices of petroleum products (there has not been any pass through in retail fuel prices even as crude oil has registered over 20% increase since mid-December), coal and electricity.

The Index of Industrial Production (IIP) in January 2012 clocked 6.8%, considerably above consensus of 2.1% and much higher than the December 2011 IIP growth of 1.8%, which has since been revised upwards to 2.5%. Though the IIP growth has surprised positively, it does not seem to reflect the moderating growth, clearly visible in the economy.

India has benefited from two successive years of normal and well distributed monsoon and in this regard the Indian Meteorological Department (IMD) 2012 monsoon forecast (normally due in April) would be closely watched. It will be a barometer in determining sentiment on domestic consumption, which has been the bulwark of the Indian GDP growth and can set inflation expectations in the medium term.

The equity market valuation is currently at around 13 times FY2013 earnings, at reasonable valuations and presents an attractive entry point for a long term investor with a 3-5 year view.

Saravana Kumar
Chief Investment Officer



The month of March 2012 saw the benchmark 10 year Government security (G-sec) hardening by around 37 basis points and closing the month at 8.57% levels. During the month, the G-secs was under pressure post announcements of the government borrowing quantum in FY 2013 in the Union budget , even though the RBI continued the purchase of Government securities through the Open market operations (OMOs). The RBI has purchased the G-sec's through OMOs to the tune of around ₹1.3 trillion (USD 25.4 billion) in FY 2012.

The corporate bond yield hardened by around 24 basis points in March 2012 and closed the month at 9.50% levels. As a consequence, the corporate bond spread over the 10 year G-sec stood at 70-80 bps, slightly lower than the February 2012 spread.

On the liquidity front, the Liquidity Adjustment Facility -LAF has emerged as a primary mode of liquidity injection ,maintaining an average shortfall of around ₹1.3-1.7 trillion during the month of March 2012 and reaching an all time high of around ₹1.95 trillion, even though the RBI enabled the infusion of primary liquidity of around ₹48,000 crore (USD 9.4 billion) in the system by effecting a CRR cut of 75 bps.

Despite some attempt at incremental fiscal consolidation in the Union budget, the fiscal policy makes the effectiveness of RBI's monetary stance more challenging. The market watchers are seeing risks on both revenue and spending targets, which could cause the fiscal deficit for FY 2013 to overshoot the government's target of 5.1%. The Budget pegged gross market borrowing by the government at ₹5.69 trillion (net borrowing: ₹4.79trillion), higher than the market expectations of around ₹5.2 trillion and even higher than the FY 2012 revised gross borrowing of ₹5.1trillion (net borrowing: ₹4.36 trillion).

The large quantum of weekly borrowings to the tune of ₹15000-18,000 crore in the first half of FY 2013 would keep the 10 year G-sec yields under pressure and could increase the risk of crowding out of the private sector. In the first half of FY 2013, the Central Government will borrow ₹3.7 trillion on a gross basis, completing around 65% of its gross borrowing program for FY2013. After taking into account redemptions during this time, net borrowing will be ₹2.84 trillion (63% of the full year borrowing), which would be nearly 50% higher than the net borrowing in FY2012.

Given the huge borrowing program, the RBI will need to continue its OMO operations into FY 2013 to prevent disruptive movement in G-Sec yields and manage the domestic liquidity situation. The actual timing of OMOs would factor in the Government borrowing program as well as the structural liquidity requirements due to the RBIs likely forex intervention

In the absence of the continued OMO support from the RBI, the G-sec yields will be under pressure due to increased supply on a weekly basis. The only near term positive for G-sec yields is the possible repo rate cut of 25 bps by the RBI on April 17th monetary policy review. Given the backdrop of a depreciating currency and persistently high oil prices ,there could be a limited cumulative easing of policy rates in FY 2013.

We expect the benchmark 10 year G-sec yields to remain under pressure and trade in a range of 8.50-8.80% in the near term and the continuation of OMOs as well as the commentary from the RBI in its monetary policy review along with the expected rate cut would be a key trigger in easing the bond yields in April 2012



Market Outlook - Equity

FundAssure, Investment Report, March 2012

TATA
AIG
L I F E

A new look at life

The benchmark indices, BSE Sensex and CNX Nifty shed 1.96 % and 1.66 % respectively even as the Midcap index, CNX Midcap closed flat with a 0.08% gain.

The FIIs remained net buyers in March 2012 bring in inflows of USD 1.80 billion even as DIIs continued to be net sellers of Indian equities- Insurance companies net sellers at USD 410 million and Domestic mutual funds net sellers at USD 280 million. For the quarter ending March 2012, the FIIs have bought Indian equities to the tune of around USD 9 billion.

In the near term, the Indian equity markets would be tracking the fourth quarter earnings season, which could see a decline in EBITDA margins of Indian corporate (ex banks and oil & gas) on a year on year basis, mainly on account of slower volume growth and rising cost of inputs, coupled with corporate India saddled with limited pricing power. At the net profit level, the pressure is expected to be even more acute as the net margins in Q4 FY12 are likely to decline even more sharply on a year on year basis due to increased interest costs. However, on a quarter-on-quarter basis, EBITDA margins would improve marginally.

The Union budget took some fledgling steps to revive the equity markets and broaden the equity participation. The Finance minister unveiled the Rajiv Gandhi Equity Saving Scheme, intending to allow for income tax deduction of 50 % to new retail investors, who invest up to ₹50,000 directly in equities and whose annual income is below ₹10 lakh. The scheme will have a lock-in period of 3 years and is expected to be operationalized in a few months.

In the Union budget, the Finance minister has provided a corpus of ₹15,880 crore for bank capitalization, to protect the financial health of Public Sector Banks and Financial Institutions and stated that he would examine the possibility of creating a financial holding company to raise resources to meet the capital requirements of PSU Banks.

With Infrastructure being the key thrust area of the Twelfth Plan period and investment in infrastructure expected to go up to ₹50 lakh crore, the private sector participation is key to the Infra creation (as private sector would need to fund 50% of the total investment). In the union budget, the Finance minister allowed Tax free bonds of ₹60,000 crore for financing infrastructure projects in 2012-13 and considered expanding the sectors eligible for Viability Gap Funding under the scheme "Support to PPP in infrastructure".

The Finance minister alluded to the National Manufacturing Policy announced with the objective to increase the share of manufacturing in GDP to 25% and create 10 crore jobs within a decade, in a bid to kick start the industrial growth.

The quality of fiscal deficit in the FY 2013 budget would be determined by the initiatives around containing the ballooning subsidies. In that context, the fuel price hike is critical to solving the issue of oil under-recoveries and avoiding a slippage in the government's budgeted fiscal deficit target of 5.1% in FY 2013. The scale of hike will send a key signal to the market watchers on the government's resolve to rationalize the subsidy bill. In an effort to target subsidies, the Finance minister in the Union Budget has focused on expanding the scope of the UID project by leveraging the initiative for direct transfer of kerosene and LPG subsidy through phase wise UID enablement. Similar efforts would be undertaken to effect the direct transfer of fertilizer subsidy to retailer and the farmer. The markets are bracing for a directional shift in the RBI's tightening trajectory and to that effect, the April 17th Monetary policy review may be crucial to understand the RBI's assessment on fiscal consolidation attempted in the Union budget as well as to determine the magnitude of rate cuts possible in FY 2013.

The equity markets are trading at around 13 times FY 2013 earnings and offer a reasonable entry point for a long term investor with 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
Maxima Fund**



Pension Equity Fund

ULGF 001 02/03/04 E1 110

FundAssure, Investment Report, March 2012

TATA
AIG
L I F E

A new look at life

Fund Details

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

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Mar, 2012 : ₹32.87

Benchmark : BSE Sensex - 100%

Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

Portfolio

Instrument	Industry	% of NAV
Equity		94.53
Infosys Ltd	IT - Software	8.46
ITC Ltd	Tobacco Products	7.69
HDFC Bank	Banks	7.22
ICICI Bank Ltd	Banks	7.19
Reliance Industries Ltd	Refineries	7.17
Tata Consultancy Services Ltd	IT - Software	4.06
State Bank Of India	Banks	3.64
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	3.26
Larsen And Toubro Ltd	Capital Goods-Non Electrical Equipment	3.07
Sun Pharmaceutical Industries Ltd	Pharmaceuticals	2.97
Bharti Airtel Ltd	Telecomm-Service	2.93
Mahindra And Mahindra Ltd	Automobile	2.43
Tata Motors Ltd	Automobile	2.39
Axis Bank Ltd	Banks	2.03
Jindal Steel & Power Ltd	Steel	1.89
Tata Steel Ltd	Steel	1.84
Power Finance Corp Ltd	Finance	1.76
Bajaj Auto Ltd - New Shs	Automobile	1.68
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	1.56
Dr Reddys Laboratories Ltd	Pharmaceuticals	1.53
Coal India Ltd	Mining & Mineral products	1.49
Maruti Suzuki India Ltd	Automobile	1.41
Sterlite Industries (India) Ltd	Non Ferrous Metals	1.25
Gail India Ltd	Gas Distribution	1.21

Instrument	Industry	% of NAV
Nestle India Ltd	FMCG	1.21
Cipla Ltd	Pharmaceuticals	1.17
Punjab National Bank	Banks	1.13
Bank Of Baroda	Banks	1.11
Union Bank Of India	Banks	1.02
NTPC Ltd	Power Generation & Distribution	0.99
Hindalco Industries Ltd	Non Ferrous Metals	0.94
Ambuja Cements Ltd	Cement	0.90
Crompton Greaves Ltd	Capital Goods - Electrical Equipment	0.79
Exide Industries Ltd	Auto Ancillaries	0.78
Zee Entertainment Enterprises Ltd	Entertainment	0.77
United Phosphorus Ltd	Agro Chemicals	0.72
Multi Commodity Exchange Of India Ltd	Other Financial Activities	0.64
Sintex Industries Ltd	Diversified	0.52
Cesc Ltd	Power Generation & Distribution	0.47
Jaiprakash Associates Ltd	Realty	0.43
HCL Technologies Ltd	IT - Software	0.42
Tata Power Co Ltd	Power Generation & Distribution	0.26
IvrcI Ltd	Realty	0.11
Unit Fund's		3.48
Reliance Liquid Fund-Treasury Plan-Inst Gr		3.48
Cash Bank & Others		1.99
Total		100.00

Fund Performance

PERIOD	DATE	NAV	BSE Sensex	NAV Change	INDEX Change
Last 6 Months	30-Sep-11	30.90	16453.76	6.37%	5.78%
Last 1 Year	31-Mar-11	35.91	19445.22	-8.48%	-10.50%
Last 2 Years	31-Mar-10	32.17	17527.77	1.07%	-0.35%
Last 3 Years	31-Mar-09	16.94	9708.50	24.72%	21.48%
Last 4 Years	31-Mar-08	30.48	15644.44	1.90%	2.70%
Last 5 Years	30-Mar-07	24.00	13072.10	6.49%	5.89%
Since Inception	29-Mar-04	10.00	5571.37	16.01%	15.28%

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.

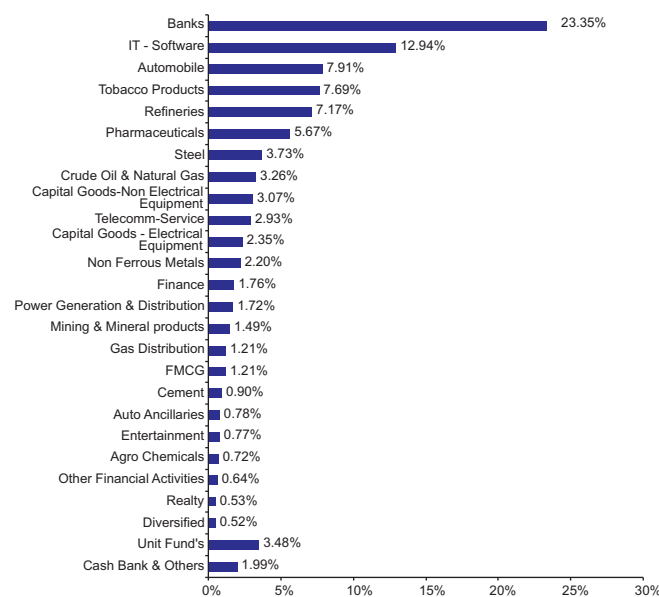
Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	up to 100%	95%
Debt *	0	5%
Cash & Money Market **	up to 40%	5%

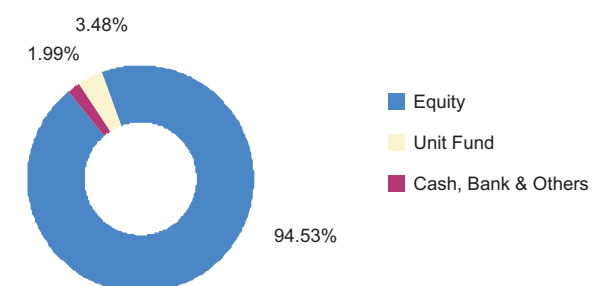
* Actual Asset Mix % includes Cash & Money Market

** Cash & Money Market includes current assets

Sector Allocation



Asset Allocation



Pension Schemes

Pension Short Term Income Fund

ULGF 004 01/07/06 S1 110

FundAssure, Investment Report, March 2012

Fund Details

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

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Mar, 2012 : ₹14.25

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		81.78
7.90% RECL 2012	AAA	10.27
7.40% Infrastructure 2012	AAA	9.29
2.00% Tata Motors 2014	AAA	7.90
9.40% NHB 2015	AAA	7.74
7.76% LIC Housing Finance Ltd. 2012	AAA	7.17
9.25% Dr Reddy's Lab Ltd 2014	AA+	6.97
10.40% ICICI Sec Prim 2013	AAA	5.22
9.63% PFC 2014	AAA	5.19
9.55% HDFC Ltd 2013	AAA	5.17
9.20% Power Grid 2013	AAA	5.15
9.68% IRFC 2012	AAA	3.64
8.40% HDFC 2014	AAA	3.03
9.50% NABARD 2012	AAA	2.59
8.25% Britannia Industries Ltd 2013	AAA	2.47
CD/CP's		2.56
State Bank of Hyderabad 2012 - CD	P1+	2.56
Fixed Deposit		4.67
9.50% State Bank of Hyderabad 2014		4.67
Unit Fund's		2.60
Kotak Liquid Inst Premium-Gr		2.60
CASH BANK & OTHERS		8.39
Total		100.00

Fund Performance

PERIOD	DATE	NAV	CRISIL Short-Term Bond Index	NAV Change	INDEX Change
Last 6 Months	30-Sep-11	13.68	1784.00	4.14%	4.18%
Last 1 Year	31-Mar-11	13.12	1716.04	8.57%	8.31%
Last 2 Years	31-Mar-10	12.54	1632.46	6.60%	6.70%
Last 3 Years	31-Mar-09	11.60	1541.81	7.10%	6.43%
Last 4 Years	31-Mar-08	10.56	1404.31	7.78%	7.26%
Last 5 Years	30-Mar-07	10.01	1290.28	7.32%	7.57%
Since Inception	3-Jul-06	10.00	1242.33	6.35%	7.26%

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.

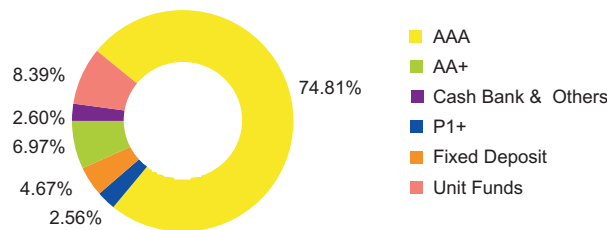
Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	0	0%
Debt *	60% - 100%	100%
Cash & Money Market **	up to 40%	18%

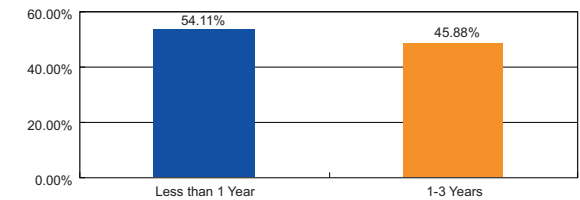
* Actual Asset Mix % includes Cash & Money Market

** Cash & Money Market includes current assets

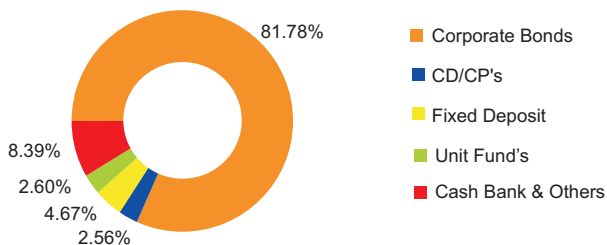
Rating Profile



Maturity Profile



Asset Allocation



Pension Income Fund

ULGF 002 02/03/04 11 110

FundAssure, Investment Report, March 2012

Fund Details

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

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Mar, 2012 : ₹16.12

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		12.68
8.79% GOI 2021	Sovereign	8.30
8.19% GOI 2020	Sovereign	2.36
9.15% GOI 2024	Sovereign	1.67
7.38% GOI 2015	Sovereign	0.35
Corporate Bonds		52.13
9.95% State Bank Of India 2026	AAA	3.93
9.55% HDFC Ltd 2013	AAA	3.74
HDFC Ltd 2013	AAA	3.30
8.60% PFC 2014	AAA	3.15
8.80% Tata Sons 2015	AAA	3.14
9.35% PGC 2016	AAA	2.67
9.50% United Phosphorus Ltd 2015	AA+	2.66
7.95% IDFC 2014	AAA	2.60
9.00% NTPC 2023	AAA	2.59
9.57% IRFC 2021	AAA	2.46
9.40% LIC Housing Finance Ltd 2013	AAA	2.40
9.30% SAIL 2021	AAA	2.39
9.40% NABARD 2015	AAA	1.87
10.75% RECL 2013	AAA	1.63
9.70% PFC 2018	AAA	1.62
7.45% LIC Housing 2012	AAA	1.60
7.20% RECL 2012	AAA	1.59
8.25% Britannia Industries Ltd 2013	AAA	1.58

Instrument	Rating	% of NAV
9.61% PFC 2021	AAA	1.51
8.50% PFC 2014	AAA	1.05
9.64% PGC 2021	AAA	0.68
9.64% PGC 2016	AAA	0.67
9.64% PGC 2018	AAA	0.67
9.64% PGC 2015	AAA	0.67
10.00% IDFC 2012	AAA	0.54
8.80% SAIL 2015	AAA	0.52
9.09% IRFC 2026	AAA	0.48
9.40% NABARD 2014	AAA	0.27
8.70% PFC 2020	AAA	0.15
CD/CP's		10.27
Corporation Bank 2013 - CD	P1+	4.64
Canara Bank 2013 - CD	P1+	3.15
Punjab National Bank 2013 - CD	P1+	2.48
Fixed Deposit		17.72
10.70% Panjab National Bank 2013		5.37
9.50% State Bank of Hyderabad 2014		3.76
10.70% Bank Of Baroda 2013		2.95
10.80% Canara Bank 2013		2.95
10.70% Bank Of Baroda 2013		2.68
Unit Fund's		3.22
Kotak Liquid Inst Premium-Gr		3.22
Cash Bank & Others		3.98
Toatl		100.00

Fund Performance

PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	30-Sep-11	15.38	1718.92	4.83%	4.46%
Last 1 Year	31-Mar-11	14.83	1667.12	8.71%	7.70%
Last 2 Years	31-Mar-10	14.03	1586.80	7.21%	6.37%
Last 3 Years	31-Mar-09	12.98	1505.33	7.48%	6.05%
Last 4 Years	31-Mar-08	11.83	1402.21	8.05%	6.38%
Last 5 Years	30-Mar-07	10.79	1295.33	8.37%	6.75%
Since Inception	2-Mar-04	10.00	1193.20	6.09%	5.18%

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.

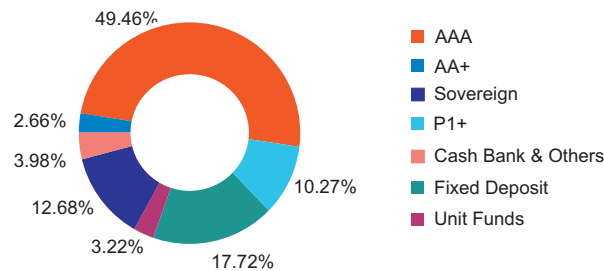
Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	0	0%
Debt *	Upto 85%	100%
Cash & Money Market **	up to 40%	35%

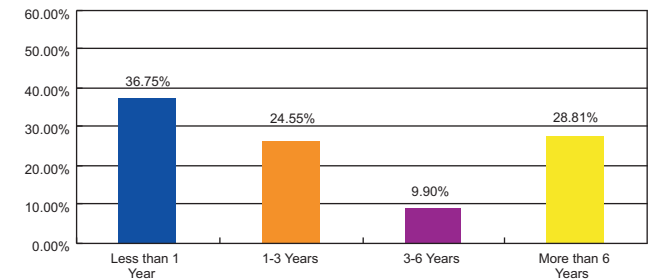
* Actual Asset Mix % includes Cash & Money Market

** Cash & Money Market includes current assets

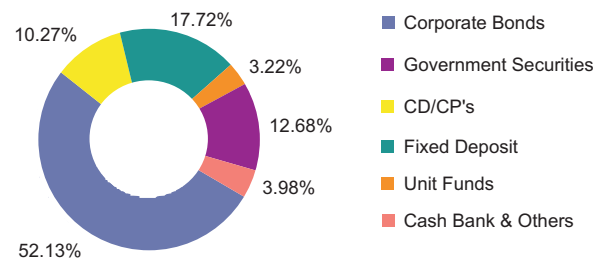
Rating Profile



Maturity Profile



Asset Allocation



Pension Liquid Fund

ULGF 003 02/03/04 L1 110

FundAssure, Investment Report, March 2012

Fund Details

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

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Mar, 2012 : ₹16.38

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		98.12
Andhra Bank 2012 - CD	P1+	9.74
Bank of Baroda 2013 - CD	P1+	9.49
State Bank of Hyderabad 2013 - CD	P1+	9.49
Allahabad Bank 2013 - CD	P1+	9.48
Vijaya Bank 2013 - CD	P1+	9.43
Canara Bank 2013 - CD	P1+	9.12
Corporation Bank 2013 - CD	P1+	9.10
Bank of India 2013 - CD	P1+	9.10
Punjab National Bank 2013 - CD	P1+	8.43
Axis Bank 2012 - CD	P1+	7.15
State Bank of Travancore 2012 - CD	P1+	3.94
Indian Bank 2013 - CD	P1+	3.65
Cash Bank & Others		1.88
Total		100.00

Fund Performance

PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 6 Months	30-Sep-11	15.71	1721.98	4.25%	4.38%
Last 1 Year	31-Mar-11	15.07	1657.04	8.67%	8.47%
Last 2 Years	31-Mar-10	14.28	1560.20	7.11%	7.33%
Last 3 Years	31-Mar-09	13.42	1504.63	6.86%	6.11%
Last 4 Years	31-Mar-08	12.40	1382.85	7.20%	6.78%
Last 5 Years	30-Mar-07	11.35	1285.85	7.61%	6.93%
Since inception	25-May-04	10.00	1113.63	6.48%	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.

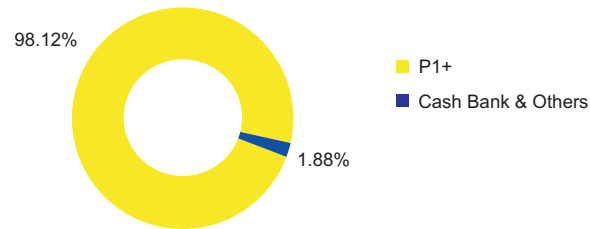
Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	0	0%
Debt *	0	100%
Cash & Money Market **	up to 100%	100%

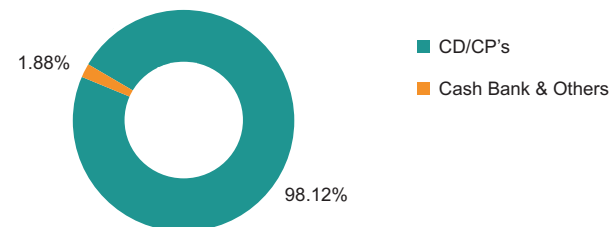
* Actual Asset Mix % includes Cash & Money Market

** Cash & Money Market includes current assets

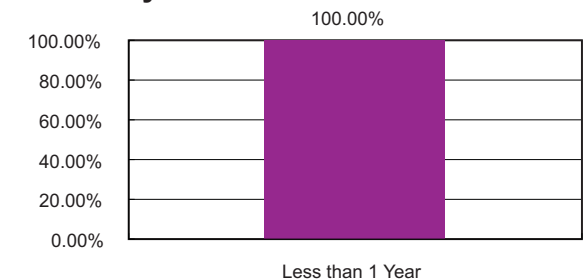
Rating Profile



Asset Allocation



Maturity Profile



Pension Bond Fund

ULGF 005 17/08/07 BO 110

FundAssure, Investment Report, March 2012

Fund Details

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

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Mar, 2012 : ₹13.77

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 9.77		
8.19% GOI 2020	Sovereign	6.23
9.15% GOI 2024	Sovereign	1.81
7.00% GOI 2012	Sovereign	1.73
Corporate Bonds 52.54		
2.00% Indian Hotels Company Ltd 2014	AA+	5.40
7.45% LIC Housing 2012	AAA	4.62
8.25% Britannia Industries Ltd 2013	AAA	4.57
9.95% State Bank Of India 2026	AAA	4.40
9.55% HDFC Ltd 2013	AAA	4.05
9.50% United Phosphorus Ltd 2015	AA+	4.04
8.80% Tata Sons 2015	AAA	3.40
9.30% SAIL 2021	AAA	2.87
9.57% IRFC 2021	AAA	2.37
9.35% PGC 2021	AAA	2.30
9.70% PFC 2018	AAA	1.87
10.70% Sundaram Finance 2014	AA+	1.77
9.64% PGC 2016	AAA	1.46
9.64% PGC 2018	AAA	1.46
9.64% PGC 2021	AAA	1.46

Instrument	Rating	% of NAV
9.64% PGC 2015	AAA	1.45
9.61% PFC 2021	AAA	1.40
9.40% NABARD 2015	AAA	1.16
9.30% Tata Sons 2015	AAA	1.15
7.76% LIC Housing 2012	AAA	0.92
9.09% IRFC 2026	AAA	0.34
9.75% SBI Series 2021	AAA	0.08
CD/CP's 13.22		
Canara Bank 2013 - CD	P1+	5.25
Corporation Bank 2013 - CD	P1+	4.76
Punjab National Bank 2013 - CD	P1+	3.22
Fixed Deposit 10.66		
10.70% Bank of Baroda 2013		3.49
10.00% State Bank of Travancore 2013		3.45
10.70% Bank of Baroda 2013		2.32
9.50% State Bank of Hyderabad 2014		1.39
Unit Fund 3.49		
Kotak Liquid Inst Premium-Gr		3.49
Cash Bank & Others 10.32		
Total		100.00

Fund Performance

PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 6 Months	30-Sep-11	13.13	1718.92	4.89%	4.46%
Last 1 Year	31-Mar-11	12.66	1667.12	8.75%	7.70%
Last 2 Years	31-Mar-10	11.98	1586.80	7.20%	6.37%
Last 3 Years	31-Mar-09	11.06	1505.33	7.57%	6.05%
Last 4 Years	31-Mar-08	10.34	1402.21	7.41%	6.38%
Since Inception	17-Aug-07	10.00	1339.53	7.16%	6.54%

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

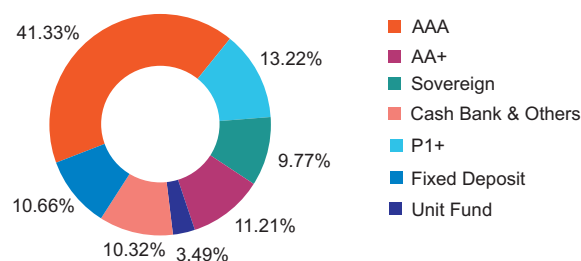
Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	0	0%
Debt *	60% - 100%	100%
Cash & Money Market **	up to 40%	38%

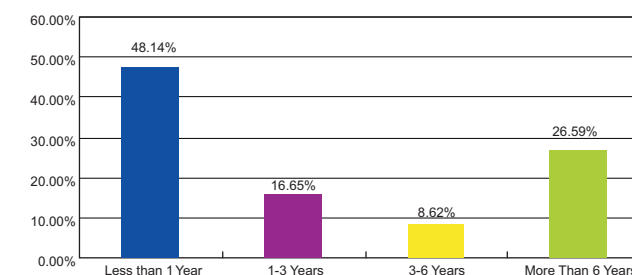
* Actual Asset Mix % includes Cash & Money Market

** Cash & Money Market includes current assets

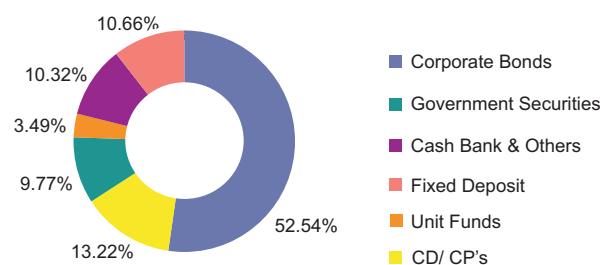
Rating Profile



Maturity Profile



Asset Allocation



Pension Balance Fund

ULGF 006 17/08/07 BL 110

FundAssure, Investment Report, March 2012

Fund Details

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

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Mar, 2012 : ₹13.08

Benchmark : Nifty - 10%
CRISIL Composite Bond Index - 90%

Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Equity Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 6 Months	30-Sep-11	12.57	4.08%	4.72%
Last 1 Year	31-Mar-11	12.53	4.41%	6.01%
Last 2 Years	31-Mar-10	11.81	5.25%	5.78%
Last 3 Years	31-Mar-09	10.78	6.67%	7.50%
Last 4 Years	31-Mar-08	10.28	6.22%	6.02%
Since Inception	17-Aug-07	10.00	5.99%	6.45%

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.

Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	Upto 20%	8%
Debt *	80% - 100%	92%
Cash & Money Market **	up to 40%	9%

* Actual Asset Mix % includes Cash & Money Market

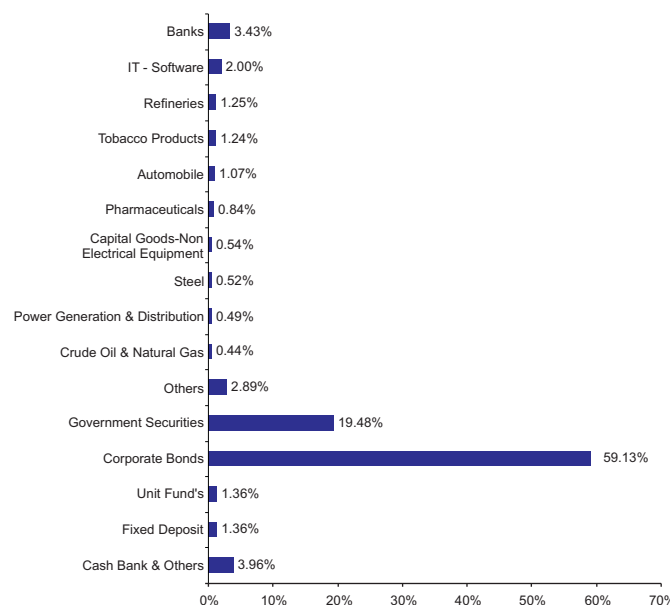
** Cash & Money Market includes current assets

Portfolio

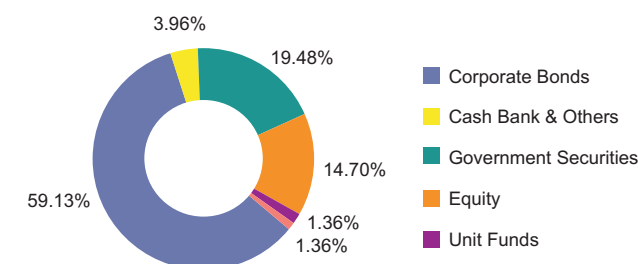
Instrument	Industry	% of NAV
Equity 14.70		
ITC Ltd	Tobacco Products	1.24
Infosys Ltd	IT - Software	1.17
Reliance Industries Ltd	Refineries	1.08
ICICI Bank Ltd	Banks	0.97
HDFC Bank	Banks	0.89
State Bank Of India	Banks	0.57
Larsen And Toubro Ltd	Capital Goods-Non Electrical Equipment	0.54
Tata Consultancy Services Ltd	IT - Software	0.53
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	0.44
Sun Pharmaceutical Industries Ltd	Pharmaceuticals	0.39
Other Equity		6.90
Corporate Bonds 59.13		
8.28% LIC Housing 2015	AAA	9.19
9.95% State Bank Of India 2026	AAA	5.88
7.75% RECL 2012	AAA	5.64
8.80% Power Grid 2015	AAA	4.99
8.70% PFC 2015	AAA	4.66
9.97% IL&FS 2016	AAA	4.16
8.35% HDFC 2015	AAA	3.94
9.655% NABARD 2014	AAA	3.41

Instrument	Industry	% of NAV
7.90% RECL 2012	AAA	3.10
9.30% Tata Sons 2015	AAA	2.70
9.20% Power Grid 2015	AAA	2.70
8.40% HDFC 2014	AAA	1.99
9.25% DR Reddy's LAB Ltd 2014	AA+	1.76
10.40% ICICI Sec Prim Deal Ltd 2013	AAA	1.37
9.50% NABARD 2012	AAA	1.36
9.09 % IRFC Ltd 2026	AAA	1.34
9.80% PFC 2012	AAA	0.68
8.83% IRFC 2012	AAA	0.27
Government Securities 19.48		
8.79% GOI 2021	Sovereign	9.68
9.15% GOI 2024	Sovereign	7.06
8.83% GOI 2041	Sovereign	2.74
Unit Fund's 1.36		
Kotak Liquid Inst Premium-Gr		1.36
Fixed Deposit 1.36		
10.70% Bank Of Baroda 2013		1.36
Cash Bank & Others 3.96		
Total		100.00

Sector Allocation



Asset Allocation



Pension Growth Fund

ULGF 007 17/08/07 G2 110

FundAssure, Investment Report, March 2012

Fund Details

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

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Mar, 2012 : ₹12.76

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	30-Sep-11	12.36	3.25%	5.26%
Last 1 Year	31-Mar-11	12.65	0.82%	2.62%
Last 2 Years	31-Mar-10	12.00	3.10%	4.59%
Last 3 Years	31-Mar-09	9.88	8.88%	10.41%
Last 4 Years	31-Mar-08	9.98	6.33%	5.31%
Since Inception	17-Aug-07	10.00	5.41%	6.27%

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.

Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	20% - 40%	27%
Debt *	60% - 80%	73%
Cash & Money Market **	up to 80%	11%

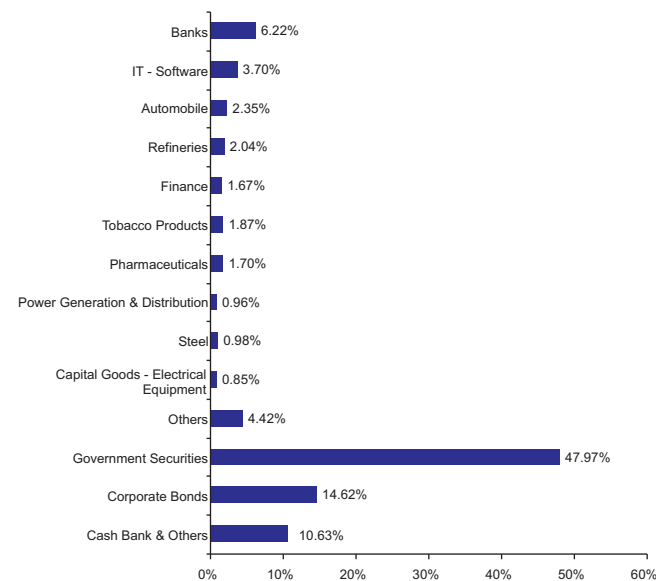
* Actual Asset Mix % includes Cash & Money Market

** Cash & Money Market includes current assets

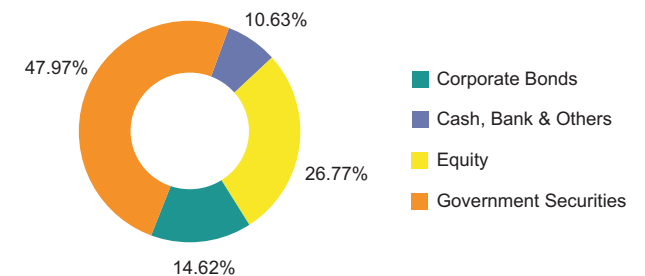
Portfolio

Instrument	Industry	% of NAV
Equity		26.77
Infosys Ltd	IT - Software	2.15
HDFC Bank	Banks	1.95
ITC Ltd	Tobacco Products	1.87
ICICI Bank Ltd	Banks	1.78
Reliance Industries Ltd	Refineries	1.69
State Bank Of India	Banks	1.31
Tata Consultancy Services Ltd	IT - Software	0.99
HDFC Ltd	Finance	0.93
Tata Motors Ltd	Automobile	0.90
Sun Pharmaceutical Industries Ltd	Pharmaceuticals	0.86
Other Equity		12.34
Government Securities		47.97
9.15% GOI 2024	Sovereign	15.55
8.79% GOI 2021	Sovereign	15.22
7.83% GOI 2018	Sovereign	9.66
8.83% GOI 2041	Sovereign	7.54
Corporate Bonds		14.62
7.40% Infrastructure 2012	AAA	4.97
8.30% HDFC Ltd 2015	AAA	4.82
8.28% LIC Housing 2015	AAA	4.82
Cash Bank & Others		10.63
Total		100.00

Sector Allocation



Asset Allocation



Pension Maxima Fund

ULGF 008 17/08/07 M1 110

FundAssure, Investment Report, March 2012

Fund Details

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

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Mar, 2012 : ₹10.07

Benchmark : -

Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Mid	Low	
			High
			Mid
			Low

Equity Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

Asset Mix

Instrument	Asset Mix As Per F&U	Actual Asset Mix
Equity	0	0%
Debt *	0% - 60%	100%
Cash & Money Market **	up to 100%	22%

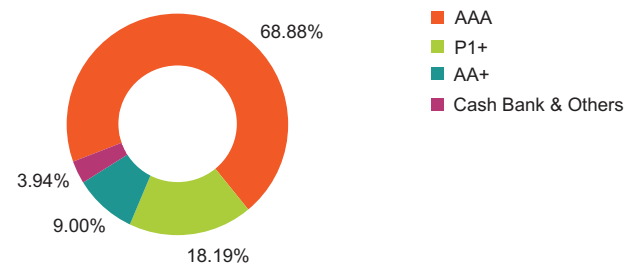
* Actual Asset Mix % includes Cash & Money Market

** Cash & Money Market includes current assets

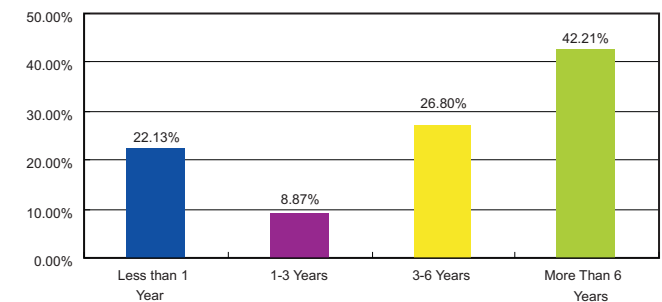
Portfolio

Instrument	Rating	% of NAV
Corporate Bonds		77.88
9.70% GE Shipping 2021	AAA	9.03
9.90% Indian Hotels Ltd 2017	AA+	9.00
9.60% HDFC Ltd 2016	AAA	8.93
9.48% RECL 2021	AAA	8.91
9.43% LIC Housing 2022	AAA	8.88
9.40% NABARD 2015	AAA	8.87
9.40% National Housing Bank 2015	AAA	8.87
9.00% Exim 2019	AAA	8.77
9.95% SBI 2026	AAA	6.62
CD/CP's		18.19
Bank of Baroda 2013 - CD	P1+	9.09
State Bank of Hyderabad 2013 - CD	P1+	9.09
Cash Bank & Others		3.94
Total		100.00

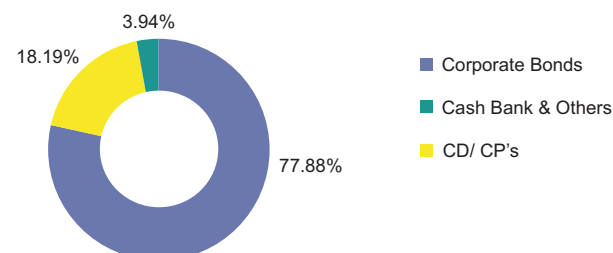
Rating Profile



Maturity Profile



Asset Allocation



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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.

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Registered and Corporate Office
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Hiranandani Business Park, Powai, Mumbai - 400076

