

INDEX

From the CIOs Desk	2
Market Outlook.	3
Pension Equity Fund	4
Pension Liquid Fund	5
Pension Income Fund.	6
Pension Short Term Income Fund.	7
Pension Bond Fund	8
Pension Balance Fund.	9
Pension Growth Fund	10



Dear Friends,

Let me take this opportunity to wish you a happy and prosperous 2011.

The new year party started early as, India's economy grew faster-than-expected in the second quarter of FY 2011 as the GDP came in at 8.9% versus 8.7% year on year. Factoring in the new WPI series, the April-June quarter GDP growth too has been revised to 8.9% versus 8.8% earlier.

The second quarter FY11 GDP rose 8.9%, higher than consensus expectations of 8.2%. Growth was led by services up 9.8%, industry up 8.9% and agriculture up 4.4%. We could expect the strong growth momentum to be sustained in the second half of FY 2011. Although industrial production growth will decelerate as the base effect wears off, the agricultural sector should see a rebound in growth due to the strong monsoon this year; the full effect of the strong Kharif harvest will show in the third quarter numbers

The Reserve Bank of India (RBI) mid quarter policy review focused on its 'liquidity management' objective as it took important steps to address the ongoing liquidity crunch. The RBI announced the Open Market Operation-OMO auctions to the tune of ₹480 billion and backed it by announcing a calendar for these operations, thereby removing the uncertainty on liquidity. RBI announced a permanent Statutory Liquidity Ratio-SLR cut by 1% to 24%, which will help banks to lend more but does not tantamount to a liquidity infusion. Repo and Reverse Repo rates remained unchanged at 6.25% and 5.25%, respectively, while Cash Reserve Ratio stays at 6%.

The Index of Industrial Production (IIP) number for October 2010 clocked 10.8%, significantly higher than market estimates. Cumulatively during April-October 2010, growth came in at 10.3% as against 6.9% in the same period last year. Going forward, given the high base (growth during November 09-March 10, where the industrial production averaged 15.3%), we could expect growth to moderate in the coming months and clock between 9% and 10%, on a full year basis.

Headline Wholesale Price Index (WPI) inflation edged down in November 2010 to 7.48% from 8.58% in October 2010, in line with consensus expectations. September 2010 inflation rate was revised up to 8.93% from 8.62% earlier. The moderation of the inflation to an 11 month low has been entirely on account of a base effect, as the index jumped by 0.4% month on month. The key risk to inflation is from higher commodity prices, which have a meaningful impact on domestic inflation trends. In fact, the new WPI series has higher weights assigned to sectors such as minerals, mineral oils and basic metals and alloys, which are linked to global commodity prices.

Consumption momentum is still strong and the rural economy has shown buoyancy on the back of expanding economic surpluses in agriculture thanks to firm agri-commodity prices, rising productivity, rising capital formation, sharp jump in government spend and improved credit access.

India witnessed a sharp widening in its current account deficit to approx. ₹71,000 crores (USD 15.8 billion) almost 4.1% of GDP in Q2FY11 from the revised deficit of approx. ₹54,000 crores (USD 12 billion) almost 3.2% of GDP in the previous quarter. The trade deficit increased to 9.2% of GDP against 8.3% in the previous quarter, largely reflecting decline in exports as percentage of GDP. Stronger economic momentum in the domestic economy compared with western economies contributed to widening in the current account deficit. Capital account surplus improved meaningfully, to around ₹85,000 crores (USD 19 billion) in Q2FY11 from ₹72,000 crores (USD 16 billion) in Q1FY11, offsetting the widening in the current account deficit. However, the key highlight of capital inflows during the quarter is the dominance of FII inflows and continued moderation in FDI inflows, which could be a matter of concern, given the volatile nature of the FII flows.

The benchmark indices, Sensex and Nifty delivered over 17% return in the calendar year 2010 rounding off a reasonable year for equity markets. As we approach the last quarter of FY 11, the markets will start to discount FY 12 earnings and trade close to fair value.

Saravana Kumar
Chief Investment Officer

INVESTMENT PHILOSOPHY

Investment Objective : To Generate a superior and consistent risk adjusted investment returns to meet investors long term objective and return expectation.

The foundation of the investment philosophy rests on the following tenets:

- ◆ We have a long term view based on fundamental research to meet our investor's long term objectives
- ◆ We follow a well defined research process & methodology with rigour
- ◆ We have a largely bottom up stock picking to identify quality stocks at reasonable valuations
- ◆ We follow the same philosophy used for Balance sheet and third party investment

These make us well suited for insurance and pension fund investment.

DEBT MARKET OUTLOOK

10 - year benchmark treasury yield eased by 13 basis points to 7.92%, over the month of December 2010. This could be largely attributed to RBI's announcements on liquidity injection through Open Market Operations-OMOs, in an effort to ease the extreme liquidity crunch in the economy. RBI in the mid-quarter meeting paused for the first time, since the rate hike cycle began in March 2010. The effective hike amounted to 300 basis points as the operative rate changed from the Reverse Repo mode to the Repo mode. The RBI announced the Open Market Option-OMO auctions to the tune of ₹480 billion and backed it by announcing a calendar for these operations, thereby removing the uncertainty on liquidity (₹120 billion each week starting from the week ending December 24th). RBI announced a permanent Statutory Liquidity Ratio-SLR cut by 1% to 24%, which will help banks to lend more but does not tantamount to a liquidity infusion. OMO announced, amounted to an equivalent of nearly 1% CRR reduction to serve a similar purpose of easing liquidity.

The liquidity situation could now show significant improvements in February 2011 and is likely to ease the pressure on overnight money market rates. The 1% reduction in the SLR should have generally been negative for the Govt-securities market. However, as the markets were more focused on liquidity measures from RBI, the OMO measures have led to the Govt-securities market rally in December 2010.

On inflation, although RBI has acknowledged the deceleration in headline inflation, it notes the up tick in core inflation (manufacturing non-food WPI inflation) which has ticked up to 5.4% from 5.1%, in the preceding two months. The previous policy statement contained an explicit guidance that RBI is likely to pause in next meeting, which was not reiterated in this policy statement. This coupled with RBI's commentary on inflation suggests that the RBI could raise policy rates in January 2011. Bond yields, especially at the short-end (where rates had gone up significantly) could soften as money market liquidity improves.

The policy highlights the fact that inflationary pressures persist due to domestic demand and higher global commodity prices. Food articles on a weekly basis have seen inflation coming down to single digits but not at a pace that would be desirable. Vegetables and protein-based foods continue to experience double-digit inflation. High crude prices and commodity prices might feed into domestic inflation and could keep inflation above RBI's expectation. Consequently, real interest rates still remain in the negative zone and need to move into the positive zone given the strong demand and lower deposit growth. We could look at RBI to hike the Repo and Reverse Repo rates by another 25 basis points each in the third quarter monetary policy review on Jan 25th 2011.

We expect the 10 Year Government Security to trade in a range of 7.95% to 8.20% and expect the spreads on the AAA corporate bonds to trade in a range of 80-100 basis points .

EQUITY MARKET OUTLOOK

December 2010 witnessed a strong performance from the benchmark indices -BSE Sensex and CNX Nifty as they clocked around 5% return for the month, even as the mid-cap index traded flat. MSCI India (USD) gained 8% over the month and marginally outperformed the MSCI Emerging markets index. The stellar performance was due to an improvement in global risk appetite as well as positive cues from the Indian economic macro indicators over the month - Industrial Production for October and November Inflation.

Foreign institutional investors (FIIs) were buyers of Indian equities over the month to the tune of USD 450 million . Over 2010, FII's net buying aggregated to USD29.4 billion. Domestic institutional investors (DIIs) were net sellers over the month and sold USD107 million of Indian equities. Insurance companies sold USD 431 million, while Mutual funds bought USD 324 million over the month. Over 2010, insurance companies bought USD 1.4 billion, while mutual funds sold USD 5.7 billion.

The inherent strength of the economy was displayed by the robust second quarter GDP growth, with the economy powering ahead at 8.9%. A good monsoon and low base effect led to agriculture recovering sharply, growing 4.4% year on year in the quarter under consideration against 0.9% in the second quarter FY10. This is a reflection of a healthy Kharif season production of cereals, pulses and oil seeds.

Overall, non-agricultural GDP grew at around 9.5% year on year, compared to 9.8% year on year, in second quarter of FY10. On the demand side; strengthening private consumption led the economic momentum. Industry grew a healthy 8.9% year on year, primarily led by strong momentum in the manufacturing sector. Meanwhile, first quarter FY11 data for manufacturing and construction was revised higher.

The services sector expanded 9.8% year on year on the back of increased growth momentum in the 'trade, hotels, transport and communications' segment compared to the second quarter FY10, although 'financing, insurance, real estate and business services' and community services posted slower growth., largely reflecting a high base effect.

We could expect the strong growth momentum to be sustained in the second half of FY 2011. A mix of cyclical and structural factors is fuelling the rural growth engine and the rural economy could continue to be a driver for consumption demand. Agro-commodity prices continue to remain buoyant and economic surpluses in agriculture continue to improve while rural credit penetration is on the rise. The central and state government expenditure on key rural schemes has seen a sharp rise in the past few years; consequently, rural infrastructure has seen a steady improvement. Rising capital formation in agriculture is also driving an improvement in productivity.

Tier-II and Tier-III towns and semi-urban centers seem to be booming for a variety of reasons—feed-through from rising rural prosperity, the wealth effect from higher land and gold prices, faster growth in real income and wages leading to rising affordability.

With the economy growing at a faster pace, we can expect the corporate earnings to justify valuations at the current market levels. The consensus estimates of earnings growth of 28% for FY11 (E) and 22% for FY12 (E) make the benchmark index trade closer to the fair value, as we start discounting the FY12 earnings.

Equity Investment Style

Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

Fund Details

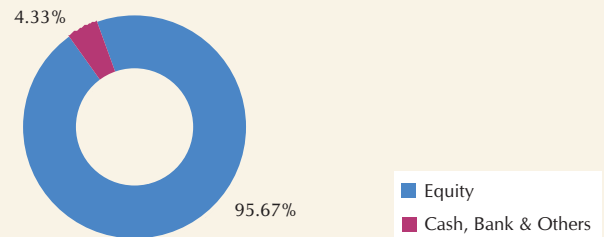
Investment Objective	: To deliver medium to long-term capital appreciation through a portfolio essentially comprising of large cap stocks that can perform well through market and economic cycles.
Fund Manager	: Mr. Saravana Kumar
NAV as on 31 Dec, 2010	: ₹38.45
Benchmark	: BSE Sensex - 100%

Fund Performance

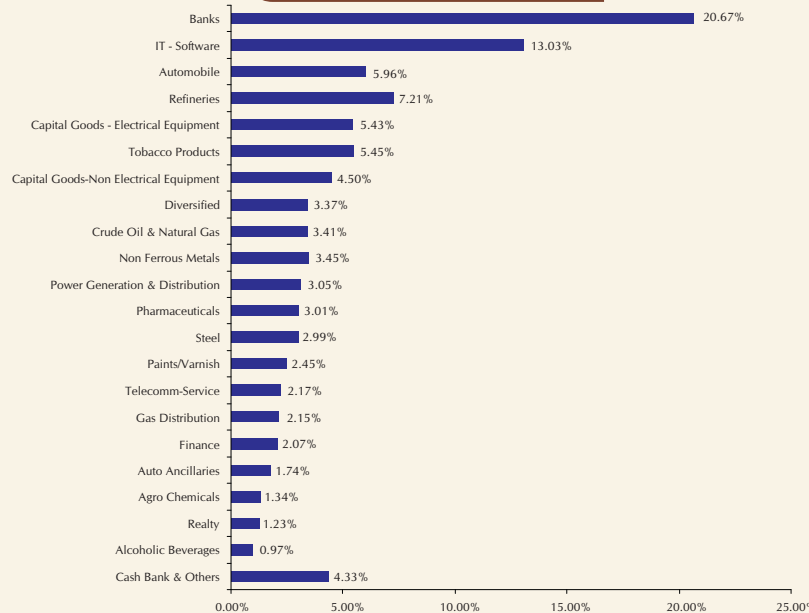
PERIOD	DATE	NAV	BSE Sensex	NAV Change	INDEX Change
Last 1 Month	30-Nov-10	37.16	19521.25	3.45%	5.06%
Last 3 Months	30-Sep-10	37.98	20069.12	1.21%	2.19%
Last 6 Months	30-Jun-10	33.21	17700.90	15.77%	15.86%
Last 1 Year	31-Dec-09	31.70	17464.81	21.29%	17.43%
Last 3 Years	31-Dec-07	43.14	20286.99	-3.77%	0.36%
Since Inception	29-Mar-04	10.00	5571.37	22.04%	21.26%

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.

Asset Allocation



Sector Allocation



Portfolio

Instrument	Industry	% of NAV
Equity		95.67
Infosys Technologies Ltd	IT - Software	8.15
Reliance Industries Ltd	Refineries	7.21
ICICI Bank Ltd	Banks	5.85
HDFC Bank	Banks	5.77
ITC Ltd	Tobacco Products	5.45
Larsen and Toubro Ltd	Capital Goods-Non Electrical Equipment	4.50
State Bank of India	Banks	4.39
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	3.41
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	3.08
Mahindra and Mahindra Ltd	Automobile	2.80
Tata Motors Ltd	Automobile	2.72
Asian Paints (India) Ltd	Paints/Varnish	2.45
Axis Bank Ltd	Banks	2.43
Crompton Greaves Ltd	Capital Goods - Electrical Equipment	2.35
Tata Steel Ltd	Steel	2.32
Bank of Baroda	Banks	2.23
Bharti Airtel Ltd	Telecomm-Service	2.17
HDFC Ltd	Finance	2.07

Instrument	Industry	% of NAV
Sterlite Industries (India) Ltd	Non Ferrous Metals	2.05
Tata Consultancy Services Ltd	IT - Software	1.88
Exide Industries Ltd	Auto Ancillaries	1.74
Sintex Industries Ltd	Diversified	1.72
Wipro Ltd	IT - Software	1.67
Volta Limited	Diversified	1.65
Sun Pharmaceutical Industries Ltd	Pharmaceuticals	1.61
Cipla Ltd	Pharmaceuticals	1.40
Hindalco Industries Ltd	Non Ferrous Metals	1.40
United Phosphorus Ltd	Agro Chemicals	1.34
Mphasis Ltd	IT - Software	1.34
NTPC Ltd	Power Generation & Distribution	1.33
Petronet Lng Ltd	Gas Distribution	1.18
Tata Power Co Ltd	Power Generation & Distribution	1.03
Jaiprakash Associates Ltd	Realty	1.00
Other Equity (less than 1.00% of corpus)		3.97
Cash Bank & Others		4.33
Total		100.00

Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

Fund Details

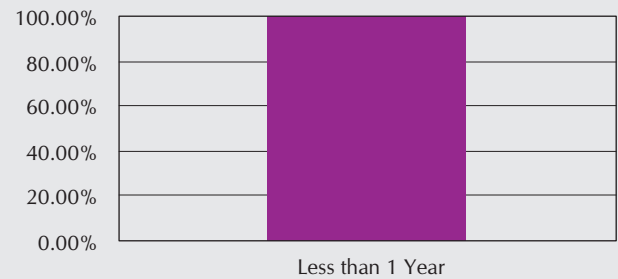
Investment Objective	: To provide safety of funds, liquidity and return on investments, in that order.
Fund Manager	: Mr. Saravana Kumar
NAV as on 31 Dec, 2010	: ₹14.83
Benchmark	: CRISIL Liquid Fund Index -100%

Fund Performance

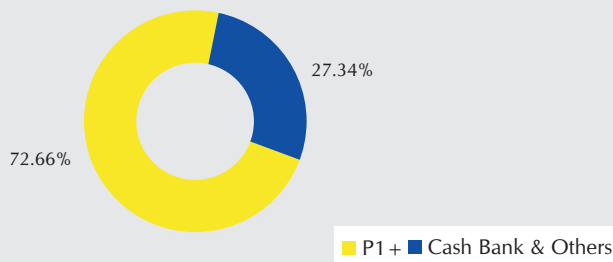
PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Nov-10	14.76	1614.97	0.48%	0.63%
Last 3 Months	30-Sep-10	14.63	1597.83	1.35%	1.71%
Last 6 Months	30-Jun-10	14.45	1575.66	2.64%	3.14%
Last 1 Year	31-Dec-09	14.11	1545.98	5.07%	5.12%
Last 3 Years	31-Dec-07	12.15	1359.57	6.85%	6.13%
Since inception	25-May-04	10.00	1113.63	6.14%	5.89%

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.

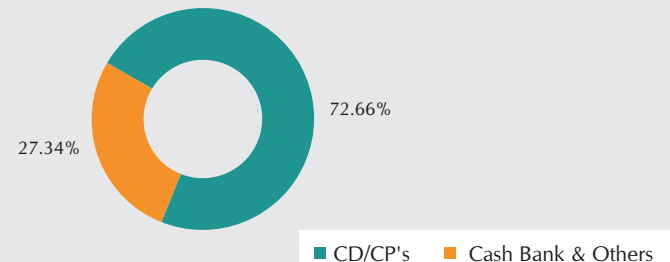
Maturity Profile



Rating Profile



Asset Allocation



Portfolio

Instrument	Rating	% of NAV
CD/CP's		72.66
HDFC 2011 - CP	P1+	11.14
Punjab National Bank 2011 - CD	P1+	8.54
State Bank of Mysore 2011 - CD	P1+	8.50
Andhra Bank 2011 - CD	P1+	8.20
IDBI Bank 2011 - CD	P1+	8.06
Aditya Birla Fianance Ltd 2011- CP	P1+	8.02
Canara Bank 2011 - CD	P1+	7.95
Bank of Baroda 2011 - CD	P1+	4.30
State Bank of Patiala 2011 - CD	P1+	3.98
Bank of Baroda 2011 - CD	P1+	3.97
Cash Bank & Others		27.34
Net Assets		100.00

Debt Investment Style

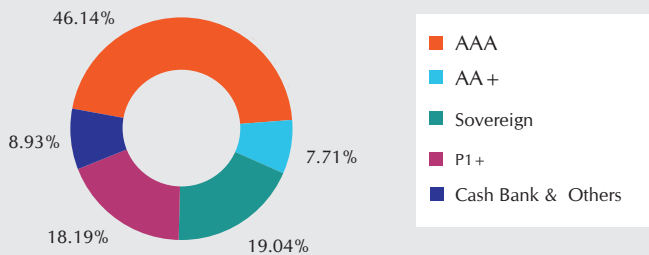
Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

Fund Performance

PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Nov-10	14.55	1638.39	0.28%	0.36%
Last 3 Months	30-Sep-10	14.46	1628.02	0.94%	1.00%
Last 6 Months	30-Jun-10	14.33	1613.87	1.85%	1.88%
Last 1 Year	31-Dec-09	13.85	1566.53	5.35%	4.96%
Last 3 Years	31-Dec-07	11.69	1387.81	7.69%	5.81%
Since Inception	02-Mar-04	10.00	1193.20	5.69%	4.80%

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



Fund Details

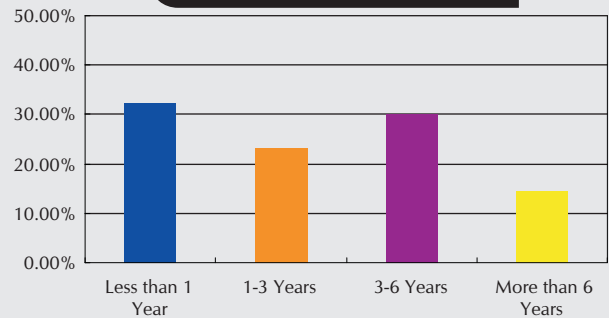
Investment Objective : To provide long-term capital appreciation by investing in high credit quality fixed income instruments. Stability of return and protection of principal over a long-term investment horizon will be the prime driver for investment management.

Fund Manager : Mr. Saravana Kumar

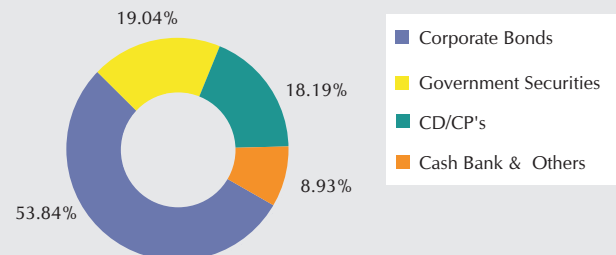
NAV as on 31 Dec, 2010 : ₹14.59

Benchmark : CRISIL Composite Bond Fund Index -100%

Maturity Profile



Asset Allocation



Portfolio

Instrument	Rating	% of NAV
Government Securities		19.04
7.17% GOI 2015	Sovereign	6.39
8.30% GOI 2040	Sovereign	5.85
8.20% GOI 2022	Sovereign	2.52
8.08% GOI 2022	Sovereign	2.03
9.39% GOI 2011	Sovereign	1.22
8.32% GOI 2032	Sovereign	0.62
7.38% GOI 2015	Sovereign	0.41
Corporate Bonds		53.84
8.80% Tata Sons 2015	AAA	3.73
8.60% PFC 2014	AAA	3.70
HDFC LTD 2013	AAA	3.48
9.50% United Phosphorus Ltd 2015	AA+	3.16
7.95% IDFC 2014	AAA	3.03
9.40% LIC Housing Finance Ltd 2013	AAA	2.84
2.00% Indian Hotels Company Ltd 2014	AA+	2.70
9.80% PFC 2012	AAA	2.21
7.35% HPCL 2012	AAA	2.13
10.75% RECL 2013	AAA	1.95
9.30% Tata Sons 2015	AAA	1.90
8.84% Power Grid 2016	AAA	1.87
7.40% Tata Chemicals 2011	AA+	1.84
7.45% LIC Housing 2012	AAA	1.83
7.20% RECL 2012	AAA	1.82
10.95% RECL 2011	AAA	1.57

Instrument	Rating	% of NAV
10.75% Reliance Industries Ltd 2018	AAA	1.37
9.80% ICICI Bank 2013	AAA	1.27
9.50% Exim Bank 2013	AAA	1.27
9.45% REC 2013	AAA	1.26
9.20% Power Grid 2013	AAA	1.25
9.20% Larsen & Toubro 2012	AAA	1.25
8.50% PFC 2014	AAA	1.23
8.40% HDFC 2014	AAA	1.23
8.75% Reliance Industries Ltd 2020	AAA	1.11
9.18% Tata Sons 2020	AAA	0.95
10.00% IDFC 2012	AAA	0.63
8.80% SAIL 2015	AAA	0.62
8.5% Exim Bank 2011	AAA	0.62
CD/CP's		18.19
State Bank of Patiala 2010 - CD	P1+	4.88
PNB 2011 - CD	P1+	3.08
Bank of Baroda 2011 - CD	P1+	2.48
Bank of Baroda 2011 - CD	P1+	2.02
Canara Bank 2011 - CD	P1+	2.01
Canara Bank 2011 - CD	P1+	1.72
Canara Bank 2011 - CD	P1+	1.23
IDBI Bank 2011 - CD	P1+	0.46
State Bank of Mysore 2011 - CD	P1+	0.31
Cash Bank & Others		8.93
Net Assets		100.00

Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

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 Dec, 2010 : ₹12.91

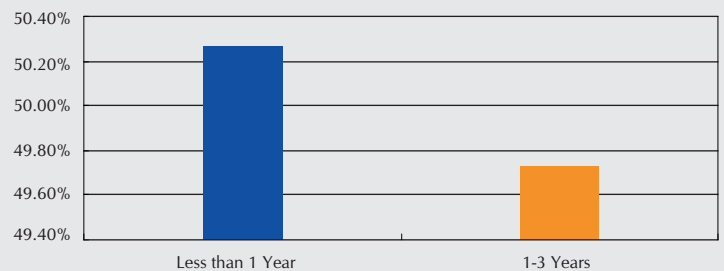
Benchmark : CRISIL India Short Term Bond Fund Index -100%

Fund Performance

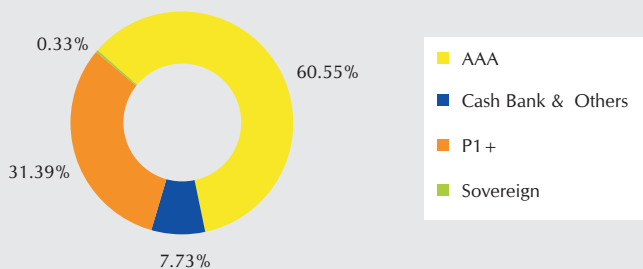
PERIOD	DATE	NAV	CRISIL India Short Term Bond Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Nov-10	12.89	1682.27	0.18%	0.36%
Last 3 Months	30-Sep-10	12.84	1670.28	0.59%	1.08%
Last 6 Months	30-Jun-10	12.75	1654.29	1.33%	2.06%
Last 1 Year	31-Dec-09	12.35	1612.52	4.58%	4.70%
Last 3 Years	31-Dec-07	10.44	1381.37	7.35%	6.92%
Since Inception	03-Jul-06	10.00	1242.33	5.85%	7.06%

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.

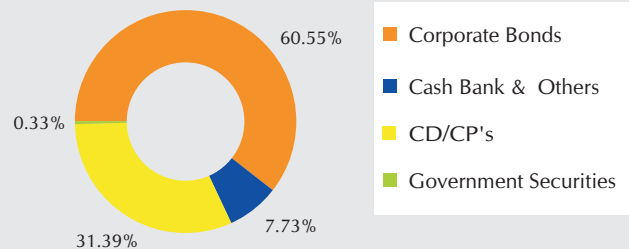
Maturity Profile



Rating Profile



Asset Allocation



Portfolio

Instrument	Rating	% of NAV
Government Securities		0.33
9.39% GOI 2011	Sovereign	0.33
Corporate Bonds		60.55
7.90% RECL 2012	AAA	14.95
7.76% LIC Housing 2012	AAA	12.78
6.84% HDFC 2011	AAA	10.82
7.40% Infrastructure 2012	AAA	9.56
9.68% IRFC 2012	AAA	3.85
7.35% HPCL 2012	AAA	3.71
9.50% NABARD 2012	AAA	2.74
7.74% Tata Communication Ltd 2012	AAA	2.14
CD/CP's		31.39
IDBI Bank 2011 - CD	P1+	8.93
State Bank of Patiala 2011 - CD	P1+	7.50
Canara Bank 2011 - CD	P1+	7.48
Bank of Baroda 2011 - CD	P1+	7.47
Cash Bank & Others		7.73
Net Assets		100.00

Debt Investment Style

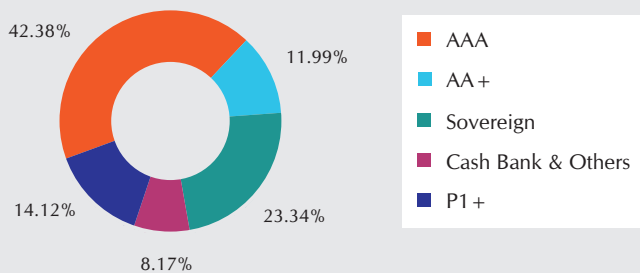
Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

Fund Performance

PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Nov-10	12.42	1638.39	0.25%	0.36%
Last 3 Months	30-Sep-10	12.35	1628.02	0.84%	1.00%
Last 6 Months	30-Jun-10	12.27	1613.87	1.51%	1.88%
Last 1 Year	31-Dec-09	11.81	1566.53	5.43%	4.96%
Last 3 Years	31-Dec-07	10.20	1387.81	6.88%	5.81%
Since Inception	17-Aug-07	10.00	1339.53	6.71%	6.26%

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



Fund Details

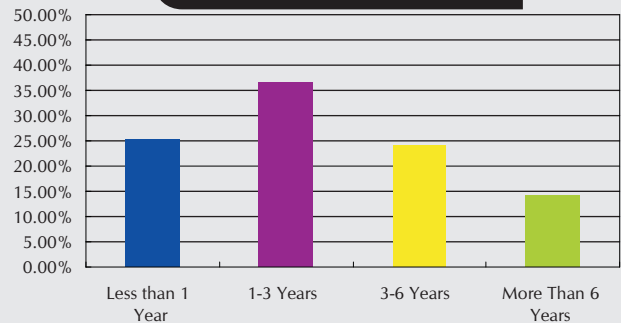
Investment Objective : To generate income through investing in a range of debt and money market instruments of various maturities with a view to maximising the optimal balance between yield, safety and liquidity.

Fund Manager : Mr. Saravana Kumar

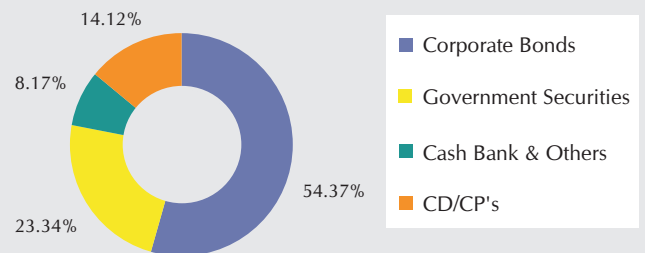
NAV as on 31 Dec, 2010 : ₹12.45

Benchmark : CRISIL Composite Bond Fund Index -100%

Maturity Profile



Asset Allocation



Portfolio

Instrument	Rating	% of NAV
Government Securities		23.34
7.17% GOI 2015	Sovereign	9.47
8.30% GOI 2040	Sovereign	5.99
8.08% GOI 2022	Sovereign	2.44
8.32% GOI 2032	Sovereign	2.41
7.00% GOI 2012	Sovereign	1.80
8.20% GOI 2022	Sovereign	1.23
Corporate Bonds		54.37
10.00% PFC 2012	AAA	5.90
2.00% Indian Hotels Company Ltd 2014	AA+	5.26
9.50% HDFC Ltd. 2013	AAA	5.15
7.45% LIC Housing 2012	AAA	4.75
9.50% United Phosphorus LTD 2015	AA+	4.30
9.50% Exim Bank 2013	AAA	3.69
9.20% Power Grid 2013	AAA	3.66
8.80% Tata Sons Ltd 2015	AAA	3.63
7.35% HPCL 2012	AAA	2.96
9.80% ICICI Bank 2013	AAA	2.47
11.75% Rural Electric Corp Ltd 2011	AAA	2.47

Instrument	Rating	% of NAV
8.75% Reliance Industries Ltd 2020	AAA	2.16
9.30% Sundaram Finance Ltd 2013	AA+	1.83
6.98% IRFC 2012	AAA	1.66
9.30% Tata Sons Ltd 2015	AAA	1.23
9.20% Larsen & Toubro 2012	AAA	1.21
7.76% LIC Housing 2012	AAA	0.95
7.40% Tata Chemical 2011	AA+	0.60
9.45% LIC Housing 2012	AAA	0.49
CD/CP's		14.12
State Bank of Patiala 2011 - CD	P1+	3.35
Canara Bank 2011 - CD	P1+	3.34
Canara Bank 2011 - CD	P1+	2.22
Bank of Baroda 2011 - CD	P1+	1.69
Bank of Baroda 2011 - CD	P1+	1.21
PNB 2011 - CD	P1+	1.20
Bank of Baroda 2011 - CD	P1+	1.11
Cash Bank & Others		8.17
Net Assets		100.00

Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

Equity Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

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 Dec, 2010 : ₹12.52

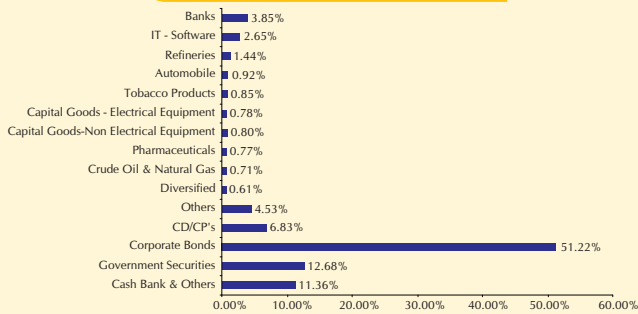
Benchmark : Nifty - 10%
CRISIL Composite Bond Fund Index - 90%

Fund Performance

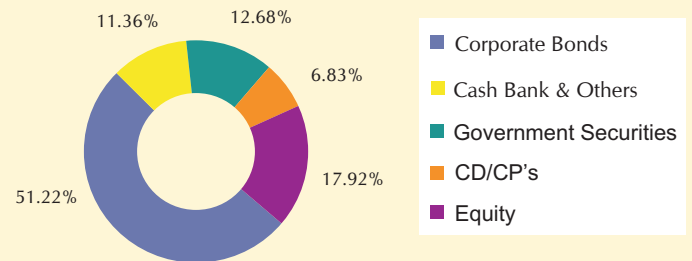
PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	30-Nov-10	12.42	0.82%	0.78%
Last 3 Months	30-Sep-10	12.39	1.04%	1.07%
Last 6 Months	30-Jun-10	12.10	3.51%	3.24%
Last 1 Year	31-Dec-09	11.68	7.22%	6.26%
Last 3 Years	31-Dec-07	10.35	6.56%	5.23%
Since Inception	17-Aug-07	10.00	6.89%	6.90%

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



Portfolio

Instrument	Industry	% of NAV
Equity		17.92
Infosys Technologies Ltd	IT - Software	1.51
Reliance Industries Ltd	Refineries	1.28
ICICI Bank Ltd	Banks	1.08
ITC Ltd	Tobacco Products	0.85
Larsen and Toubro Ltd	Capital Goods-Non Electrical Equipment	0.80
State Bank of India	Banks	0.76
HDFC Bank	Banks	0.73
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	0.52
Asian Paints (India) Ltd	Paints/Varnish	0.48
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	0.47
Other Equity		9.44
Corporate Bonds		51.22
8.28% LIC Housing 2015	AAA	9.21
7.75% RECL 2012	AAA	5.54
8.80% Power Grid 2015	AAA	5.03
8.70% PFC 2015	AAA	4.68
8.35% HDFC 2015	AAA	3.96
9.20% HDFC 2012	AAA	3.37
7.40% Tata Chemical 2011	AA+	3.05

Instrument	Industry	% of NAV
7.90% RECL 2012	AAA	3.04
9.30% Tata Sons 2015	AAA	2.73
9.20% Power Grid 2015	AAA	2.72
8.40% HDFC 2014	AAA	1.99
7.35% HPCL 2012	AAA	1.97
10.75% Reliance Ind 2018	AAA	1.48
9.50% NABARD 2012	AAA	1.36
9.80% PFC 2012	AAA	0.68
8.83% IRFC 2012	AAA	0.27
10.00% PFC 2012	AAA	0.14
CD/CP's		6.83
Bank of Baroda 2011 - CD	P1 +	4.36
Bank of Baroda 2011 - CD	P1 +	2.47
Government Securities		12.68
8.30% GOI 2040	Sovereign	6.65
8.08% GOI 2022	Sovereign	4.05
7.17% GOI 2015	Sovereign	1.31
8.32% GOI 2032	Sovereign	0.67
Cash Bank & Others		11.36
Net Assets		100.00

Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

Equity Investment Style

Investment Style			Size
Value	Blend	Growth	
			Large
			Mid
			Small

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 Dec, 2010 : ₹12.78

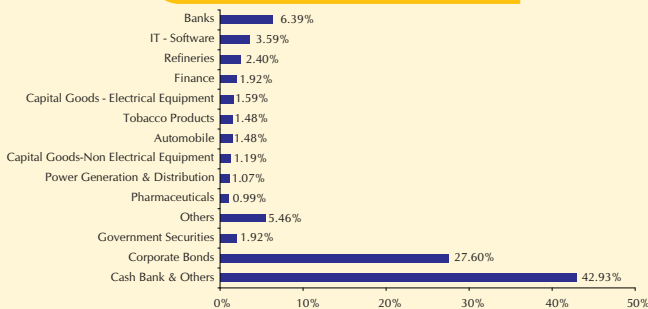
Benchmark : Nifty - 30%
CRISIL Composite Bond Fund Index - 70%

Fund Performance

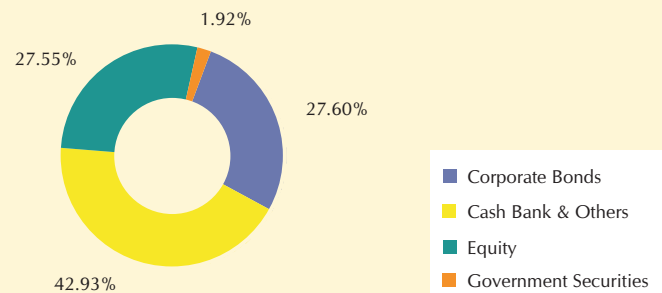
PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	30-Nov-10	12.66	0.87%	1.64%
Last 3 Months	30-Sep-10	12.73	0.39%	1.22%
Last 6 Months	30-Jun-10	12.20	4.67%	5.96%
Last 1 Year	31-Dec-09	11.85	7.85%	8.86%
Last 3 Years	31-Dec-07	10.00	8.51%	4.06%
Since Inception	17-Aug-07	10.00	7.53%	8.17%

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



Portfolio

Instrument	Industry	% of NAV
Equity		27.55
Infosys Technologies Ltd	IT - Software	2.19
Reliance Industries Ltd	Refineries	2.07
HDFC Bank	Banks	1.66
ICICI Bank Ltd	Banks	1.50
ITC Ltd	Tobacco Products	1.48
HDFC Ltd	Finance	1.29
State Bank of India	Banks	1.19
Larsen and Toubro Ltd	Capital Goods-Non Electrical Equipment	1.19
Axis Bank Ltd	Banks	0.95
Exide Industries Ltd	Auto Ancillaries	0.88
Other Equity		13.15
Government Securities		1.92
9.39% GOI 2011	Sovereign	1.92
Corporate Bonds		27.60
8.28% LIC Housing 2015	AAA	13.79
7.40% Infrastructure 2012	AAA	6.90
8.30% HDFC Ltd 2015	AAA	6.90
Cash Bank & Others		42.93
Net Assets		100.00

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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8. 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.
9. 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.
10. ULIP products are different from traditional Life Insurance products and are subject to risk factors.
11. Tata AIG Life Insurance Company Limited is only the name of insurance company and i. Pension Short-term Fixed Income, ii. Pension Income, iii. Pension Equity, iv. Pension Liquid, v. Pension Balanced, vi. Pension Bond, vii. Pension Growth, are only the names of the funds and does not in any way indicate the quality of the contracts, its future prospects or returns.
12. Interest Rate Sensitivity
 - Less than 3 year duration - Low
 - 3 to 10 years duration - Medium
 - more than 10 years duration - High
13. Shading indicates the general representative nature of the portfolio to a particular style or cap".
14. 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

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