

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,

October 2010 saw the second quarter earnings season in full flow as market reacted to the robust numbers from flagship companies of several sectors. Markets have also marked time and waited for the Quantitative easing II to be announced by the US Federal reserve in early November 2010.....

India Inc's big picture story seems intact as firms in the benchmark Nifty appear set to match and even exceed the 20% consensus earnings estimate for the second quarter. This is creditable as the manufacturing sector has faced one of its worst margin squeezes in the quarter on the back of high input costs and lower realizations.

Despite the margin pressures, the manufacturing companies have clocked net sales increase of 19% indicating that the demand conditions are buoyant in the economy. This contrasts the recent weakening lead indicators for the economy and volatile industrial production growth. The six key infrastructure industries forming the core sector, grew 2.5% in September 2010 on a year on year basis, the slowest in the past 18 months. The Index of Industrial Production -IIP number for August 2010 clocked 5.6% as against a stellar 15.2% rise in July 2010 on the back of a volatile capital goods growth data.

The US Fed is likely to announce another round of quantitative easing (QE) in its meeting on Nov 2-3rd and reportedly even the Bank of Japan is contemplating further QE. The Fed may announce a USD 500 bn worth of QE which may be staggered over the next 5-6 months. If the QE quantum falls short of market expectations it could cause a correction in equities and commodities in the short term. However, in the longer run any quantitative easing in the US and Japan will fuel further liquidity into Emerging Markets and commodities.

Back home, the RBI is expected to hike Repo and Rev Repo rates by 25 bps each in its Q2 monetary policy meet on Nov 2nd to rein in inflationary expectations. The headline inflation has been stubborn over the past few months, even as it has come off from double digits in the months August and September, primarily due to the changes effected in the base series.

After the possible 25 bps hike in policy rates on 2nd November, the RBI could take a pause in its calibrated policy-tightening stance as long as inflation continues to track its projected trajectory (6% WPI by March) and asset markets do not show an abnormal increase. It is expected that there could be a sharp drop in food inflation as the monsoons have been above the long period average and the favorable base effects in food inflation data would kick in.

The current valuations seem stretched on FY 11 earnings and the valuation comfort will be felt in the markets as they start discounting the FY 12 earnings closer to the third quarter earnings this fiscal.

Wish you and your family a Happy Diwali and prosperous new year !!!!

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

The RBI would meet for the monetary policy review on November 2nd 2010 and is widely expected to hike the repo and the reverse repo rate by 25bps to contain inflationary expectations.

The key event concerning capital markets will have to be the US Fed's FOMC meeting on November 2nd and 3rd. The Federal Reserve is expected to launch the second round of Quantitative easing-QE2, which would impact the economy in terms of US growth, capital inflows and commodity price inflation.

Economists expect that the Fed's QE2 should push the US economy back to 2% levels by June 2011. This in turn should allow the Indian economy to clock greater than 8% growth in FY12 growth, albeit on a slower export demand from the western world. If QE2 drives up capital inflow, the RBI is expected to intervene, but there is no possibility at all of capital controls at this stage as monetary growth at 15% is trailing loan demand at 20%.

If QE2 drives up commodity price inflation, the Indian economy could be buffered to some extent in H1 2011 by a bumper harvest with most crop prices already higher than global prices, base effects of H1 2010's high inflation and trade restrictions. October 2010 inflation should come in similar levels as compared to August and September at around 8-9% on November 14th. The inflation could slip to 7% by December 2010 and 6% by March 2010.

For H1 FY11 fiscal deficit stood at ₹1,333 bn, 32.6% lower from last year for the same period. Government receipts were up 60.8% from last year to ₹4,037 bn. On the other hand, government expenditures were up by 19.9% to ₹5,380 bn. Revenue deficits stood at ₹749 bn, 54.6% lower than last year. The government seems well on course to deliver the 5.5% fiscal deficit as budgeted.

Core industries' production growth slowed down to 2.5% in September 2010 even as the monthly IIP numbers were extremely volatile given lumpy capital goods numbers.

We could witness strong rural demand as the farm income growth could jump 25% in the ongoing autumn – kharif – harvest as compared to an equally impressive 18% growth in the summer harvest.

The pressure on liquidity could abate post Diwali as the public cash demand could subside, which should bring some respite to money markets, especially as the Coal India over subscription money will also reverse around the same time.

The bank deposits could have bottomed out in September 2010 and the deposit growth could pick up to 17.5% by March 2011 from 14.3% in September 2010. Even so, banks could hike lending rates another 50bp with loan demand running at 20%.

The 10 year seems to have discounted possibility of the November 2nd rate hike and would be closely tracking the direction of the US treasury yields as the Quantitative easing seems imminent in the US. The 10 year would be in the range between 8.00-8.10% if we have a benign QE.

EQUITY MARKET OUTLOOK

Equity markets in October 2010 were in a tight range as the benchmark indices BSE Sensex and CNX Nifty clocked marginal losses of 0.18% and 0.20% respectively. The broader markets represented by the CNX Midcap index logged in a gain of 2.14% in the corresponding period.

Showing their faith in the Indian economy, overseas funds infused a whopping USD 6.11 billion in just 25 days in October, the total inflows of FII's, so far, in 2010 has crossed USD24.48 billion-mark - a record investment in a single calendar year.

The FII appetite to participate in the Indian market can be ascertained by their participation in the recently concluded Rs 15,000-crore mega Coal India public offer, which attracted a whopping inflow of about Rs 1.2 lakh crore from FIIs, more than the record Rs 1.1 lakh crore they have invested in Indian stocks in the entire year thus far.

With both retail investors and domestic institutions in the 'sell' mode, foreign institutional investors (FIIs) have tightened their stranglehold on the Indian markets. They now hold a third of the value of freely floating shares- shares not controlled by the company's promoters - of the top 500 (CNX 500) companies listed on the National Stock Exchange. FII holding as a proportion of free float market cap at 34 per cent is in fact quite close to levels seen during the previous market peak. The retail investors' holding in the CNX 500 stood reduced to 17.7 per cent of the free-float in September 2010 from 18.6 per cent a year earlier. Domestic institutions have not been active buyers in this rally. However, they have maintained their share in free float market cap at 20.7 per cent, the same as in last one year.

Two thirds of the Nifty firms to have declared results so far have clocked 17% net profit growth year on year. The Nifty could match or possibly beat the 20% consensus earnings estimate for the quarter ended September as there are some turnaround results of some heavyweights yet to be declared.

The RBI's Macro Economic Review for the second quarter reiterated a sharp and broad-based recovery of the Indian economy, which started in the second half of 2009-10 continued through Q1 of 2010-11, leading to further consolidation of growth around the trend. A normal monsoon, following a severely deficient monsoon last year, is expected to lift the agriculture sector growth to above the trend rate of growth in 2010-11. Industrial production showed robust growth though with wide volatility around the trend. Trends in production of capital goods, capital expenditure plans of corporate, non-oil imports and growth in credit as well as financing from non-banking sources during 2010-11 so far suggest strong conditions for investment activities.

These macro variables offer a good set of cues for a GDP growth of over 8% in FY 11 and FY 12, which would be the primary driver of corporate earnings.

These earnings would have to come through to justify the current valuations on FY 12 earnings as the current valuations seem stretched at over 18 times on FY 11 earnings.

Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

Fund Performance

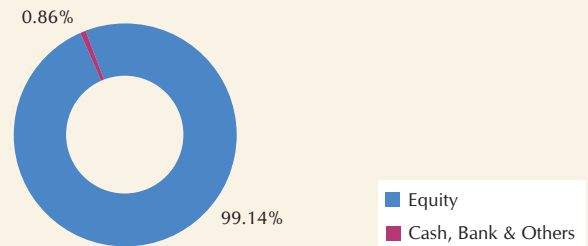
PERIOD	DATE	NAV	BSE Sensex	NAV Change	INDEX Change
Last 1 Month	30-Sep-10	37.98	20069.12	-0.29%	-0.18%
Last 3 Months	30-Jul-10	34.24	17868.29	10.62%	12.11%
Last 6 Months	30-Apr-10	32.73	17558.71	15.73%	14.09%
Last 1 Year	30-Oct-09	29.06	15896.28	30.33%	26.02%
Last 3 Year	31-Oct-07	40.09	19837.99	-1.88%	0.33%
Since Inception	29-Mar-04	10.00	5571.37	22.40%	21.44%

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.

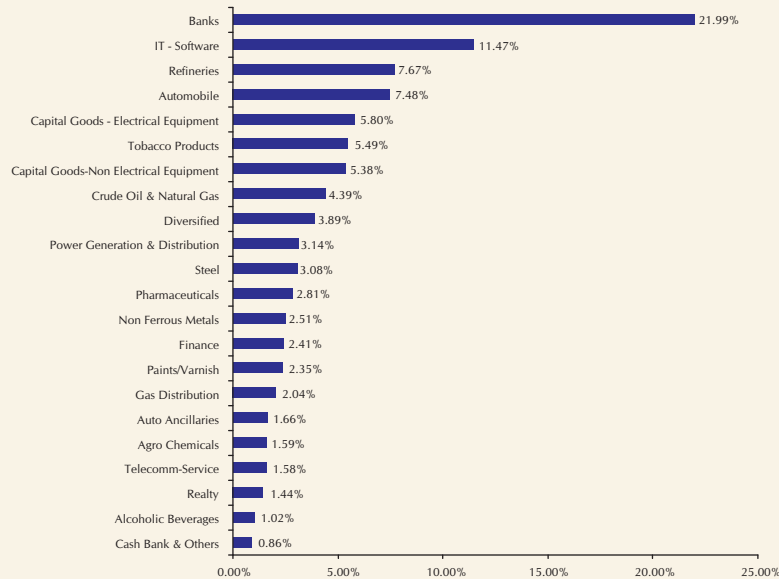
Fund Details

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 29 Oct, 10	: ₹37.87
Benchmark	: BSE Sensex - 100%

Asset Allocation



Sector Allocation



Portfolio

Instrument	Industry	% of NAV
Equity		99.14
Reliance Industries Ltd	Refineries	7.67
Infosys Technologies Ltd	IT - Software	7.22
HDFC Bank	Banks	5.76
ICICI Bank Ltd	Banks	5.65
ITC Ltd	Tobacco Products	5.49
State Bank of India	Banks	5.20
Larsen and Toubro Ltd	Capital Goods-Non Electrical Equipment	4.73
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	3.55
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	3.33
Tata Motors Ltd	Automobile	3.15
Axis Bank Ltd	Banks	2.72
Mahindra and Mahindra Ltd	Automobile	2.71
Bank of Baroda	Banks	2.66
Crompton Greaves Ltd	Capital Goods - Electrical Equipment	2.47
HDFC Ltd	Finance	2.41
Asian Paints (India) Ltd	Paints/Varnish	2.35
Tata Steel Ltd	Steel	2.06
Sintex Industries Ltd	Diversified	1.98
Voltas Limited	Diversified	1.91

Instrument	Industry	% of NAV
Sterlite Industries (India) Ltd	Non Ferrous Metals	1.90
Exide Industries Ltd	Auto Ancillaries	1.66
Bajaj Auto Ltd - New Shs	Automobile	1.61
United Phosphorus Ltd	Agro Chemicals	1.59
Bharti Airtel Ltd	Telecomm-Service	1.58
Tata Consultancy Services Ltd	IT - Software	1.53
Wipro Ltd	IT - Software	1.47
Sun Pharmaceutical Industries Ltd	Pharmaceuticals	1.43
Cipla Ltd	Pharmaceuticals	1.37
NTPC Ltd	Power Generation & Distribution	1.33
Mphasis Ltd	IT - Software	1.25
Jaiprakash Associates Ltd	Realty	1.17
Tata Power Co Ltd	Power Generation & Distribution	1.09
Petronet Lng Ltd	Gas Distribution	1.08
United Spirits Ltd	Alcoholic Beverages	1.02
Jindal Steel & Power Ltd	Steel	1.02
Other Equity (less than 1.00% of corpus)		4.05
Cash Bank & Others		0.86
Total		100.00

Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

Fund Details

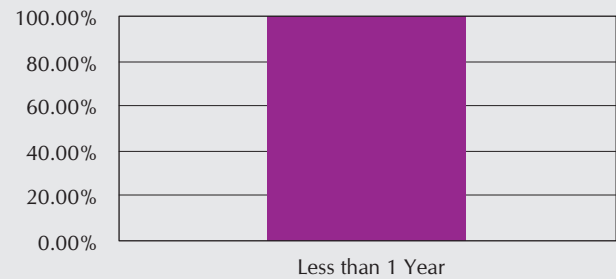
Investment Objective	: To provide safety of funds, liquidity and return on investments, in that order.
Fund Manager	: Mr. Saravana Kumar
NAV as on 29 Oct, 10	: ₹14.69
Benchmark	: CRISIL Liquid Fund Index -100%

Fund Performance

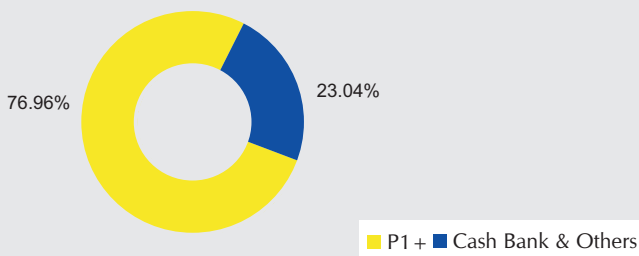
PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Sep-10	14.63	1597.83	0.41%	0.49%
Last 3 Months	30-Jul-10	14.51	1582.48	1.26%	1.46%
Last 6 Months	30-Apr-10	14.33	1564.79	2.52%	2.61%
Last 1 Year	30-Oct-09	13.98	1539.04	5.05%	4.33%
Last 3 Year	31-Oct-07	11.98	1344.93	7.03%	6.08%
Since inception	25-May-04	10.00	1113.63	6.16%	5.85%

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.

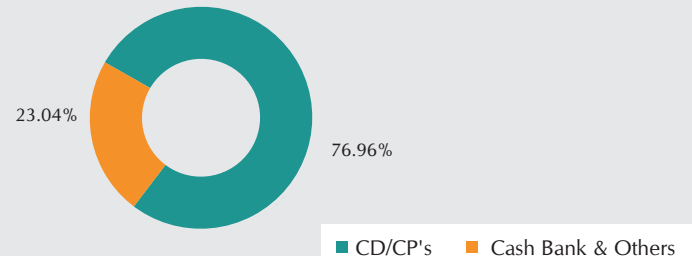
Maturity Profile



Rating Profile



Asset Allocation



Portfolio

Instrument	Rating	% of NAV
CD/CP's		76.96
RECL 2010 - CP	P1+	12.66
HDFC 2011 - CP	P1+	10.83
HDFC Bank Ltd 2010 - CD	P1+	8.46
Punjab National Bank 2011 - CD	P1+	8.31
State Bank of Mysore 2011 - CD	P1+	8.27
Andhra Bank 2011 - CD	P1+	7.95
IDBI Bank 2011 - CD	P1+	7.84
Bank of Baroda 2010 - CD	P1+	4.23
State Bank of Patiala 2010 - CD	P1+	4.23
Bank of Baroda 2011 - CD	P1+	4.18
Cash Bank & Others		23.04
Net Assets		100.00

Debt Investment Style

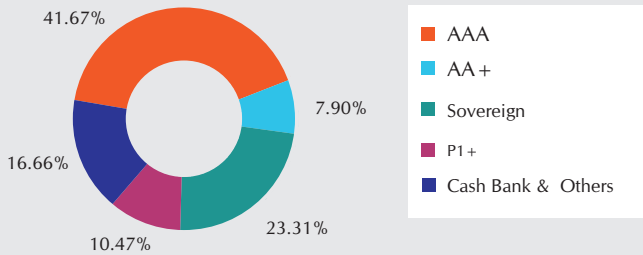
Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

Fund Performance

PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Sep-10	14.46	1628.02	0.10%	0.13%
Last 3 Months	30-Jul-10	14.31	1614.01	1.12%	1.00%
Last 6 Months	30-Apr-10	14.19	1600.53	1.97%	1.85%
Last 1 Year	30-Oct-09	13.66	1548.15	5.92%	5.30%
Last 3 Year	31-Oct-07	11.52	1368.14	7.89%	6.02%
Since Inception	02-Mar-04	10.00	1193.20	5.71%	4.79%

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

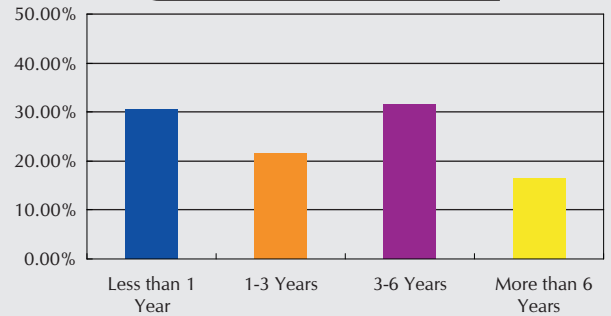
Investment Objective : To provide long-term capital appreciation by investing in high credit quality fixed income instruments. Stability of return and protection of principal over a long-term investment horizon will be the prime driver for investment management.

Fund Manager : Mr. Saravana Kumar

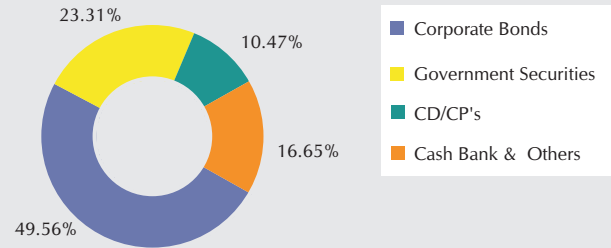
NAV as on 29 Oct, 10 : ₹14.47

Benchmark : CRISIL Composite Bond Fund Index -100%

Maturity Profile



Asset Allocation



Portfolio

Instrument	Rating	% of NAV
Government Securities		23.31
8.30% GOI 2040	Sovereign	5.95
7.17% GOI 2015	Sovereign	5.28
8.20% GOI 2022	Sovereign	5.09
7.02% GOI 2016	Sovereign	2.50
7.80% GOI 2020	Sovereign	2.18
9.39% GOI 2011	Sovereign	1.25
8.32% GOI 2032	Sovereign	0.63
7.38% GOI 2015	Sovereign	0.42
Corporate Bonds		49.56
8.80% Tata Sons 2015	AAA	3.84
8.60% PFC 2014	AAA	3.82
HDFC LTD 2013	AAA	3.55
9.50% United Phosphorus Ltd 2015	AA+	3.26
7.95% IDFC 2014	AAA	3.14
2.00% Indian Hotels Company Ltd 2014	AA+	2.75
9.80% PFC 2012	AAA	2.28
7.35% HPCL 2012	AAA	2.19
10.75% RECL 2013	AAA	2.01
8.84% Power Grid 2016	AAA	1.92
7.40% Tata Chemicals 2011	AA+	1.89
7.45% LIC Housing 2012	AAA	1.88
7.20% RECL 2012	AAA	1.87
10.95% RECL 2011	AAA	1.62

Instrument	Rating	% of NAV
10.75% Reliance Industries Ltd 2018	AAA	1.42
9.80% ICICI Bank 2013	AAA	1.31
9.50% Exim Bank 2013	AAA	1.31
9.45% REC 2013	AAA	1.30
9.20% Power Grid 2013	AAA	1.29
9.20% Larsen & Toubro 2012	AAA	1.29
8.50% PFC 2014	AAA	1.27
8.40% HDFC 2014	AAA	1.26
8.75% Reliance Industries Ltd 2020	AAA	1.14
10.00% IDFC 2012	AAA	0.65
8.80% SAIL 2015	AAA	0.64
8.50% Exim Bank 2011	AAA	0.64
CD/CP's		10.47
PNB 2011 - CD	P1+	3.11
Bank of Baroda 2011 - CD	P1+	2.50
Canara Bank 2011 - CD	P1+	1.24
State Bank of Patiala 2010 - CD	P1+	0.95
Bank of Baroda 2010 - CD	P1+	0.95
RECL 2010 - CP	P1+	0.63
IDBI Bank 2011 - CD	P1+	0.46
HDFC Bank 2010 - CD	P1+	0.32
State Bank of Mysore 2011 - CD	P1+	0.31
Cash Bank & Others		16.65
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 29 Oct, 10 : ₹12.84

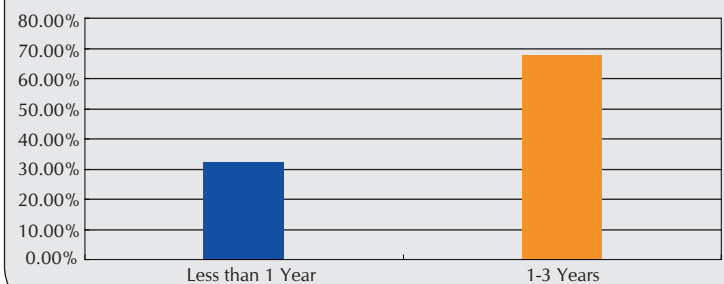
Benchmark : CRISIL India Short Term Bond Fund Index -100%

Fund Performance

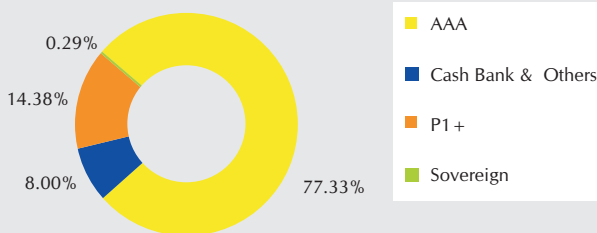
PERIOD	DATE	NAV	CRISIL India Short Term Bond Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Sep-10	12.84	1670.28	0.04%	0.29%
Last 3 Months	30-Jul-10	12.72	1655.29	1.00%	1.20%
Last 6 Months	30-Apr-10	12.67	1643.38	1.35%	1.94%
Last 1 Year	30-Oct-09	12.19	1597.95	5.38%	4.83%
Last 3 Year	31-Oct-07	10.35	1365.88	7.47%	7.04%
Since Inception	03-Jul-06	10.00	1242.33	5.96%	7.15%

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.

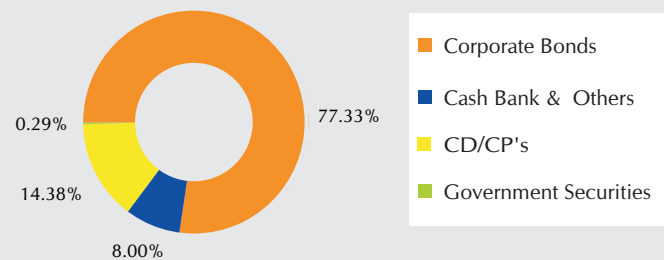
Maturity Profile



Rating Profile



Asset Allocation



Portfolio

Instrument	Rating	% of NAV
Government Securities		0.29
9.39% GOI 2011	Sovereign	0.29
Corporate Bonds		77.33
7.90% RECL 2012	AAA	13.42
7.76% LIC Housing 2012	AAA	11.47
6.90% PFC 2012	AAA	10.41
6.84% HDFC 2011	AAA	9.59
7.40% Infrastructure 2012	AAA	8.56
9.50% NABARD 2012	AAA	7.39
HDFC LTD 2013	AAA	4.89
9.68% IRFC 2012	AAA	3.46
7.35% HPCL 2012	AAA	3.33
8.40% LIC Housing Finance 2013	AAA	2.89
7.74% Tata Communication Ltd 2012	AAA	1.92
CD/CP's		14.38
Bank of Baroda 2010 - CD	P1+	7.19
State Bank of Patiala 2010 - CD	P1+	7.19
Cash Bank & Others		8.00
Net Assets		100.00

Debt Investment Style

Credit Quality			Interest Rate Sensitivity
High	Med	Low	
			High
			Mid
			Low

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 29 Oct, 10 : ₹12.36

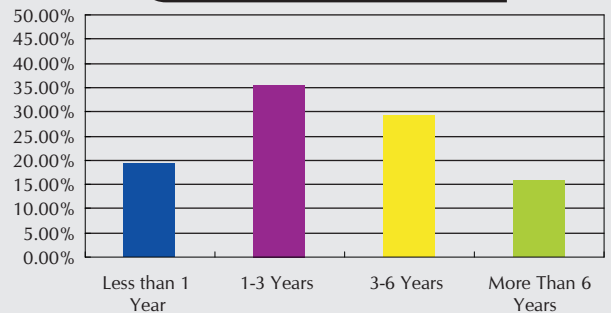
Benchmark : CRISIL Composite Bond Fund Index -100%

Fund Performance

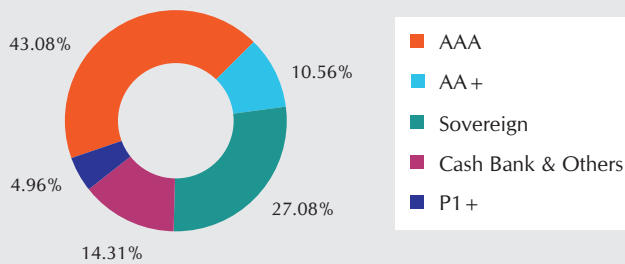
PERIOD	DATE	NAV	Crisil Composite Bond Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Sep-10	12.35	1628.02	0.07%	0.13%
Last 3 Months	30-Jul-10	12.23	1614.01	1.05%	1.00%
Last 6 Months	30-Apr-10	12.14	1600.53	1.77%	1.85%
Last 1 Year	30-Oct-09	11.64	1548.15	6.19%	5.30%
Last 3 Year	31-Oct-07	10.07	1368.14	7.06%	6.02%
Since Inception	17-Aug-07	10.00	1339.53	6.83%	6.32%

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.

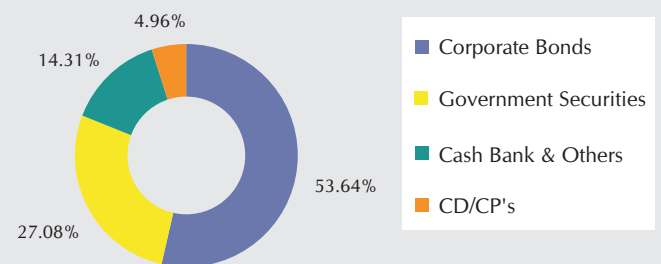
Maturity Profile



Rating Profile



Asset Allocation



Portfolio

Instrument	Rating	% of NAV
Government Securities		27.08
7.17% GOI 2015	Sovereign	7.36
8.30% GOI 2040	Sovereign	6.18
7.02% GOI 2016	Sovereign	4.21
8.20% GOI 2022	Sovereign	2.51
8.32% GOI 2032	Sovereign	2.49
7.80% GOI 2020	Sovereign	2.46
7.00% GOI 2012	Sovereign	1.87
Corporate Bonds		53.64
10.00% PFC 2012	AAA	6.18
2.00% Indian Hotels Company Ltd 2014	AA+	5.44
9.50% HDFC Ltd. 2013	AAA	5.40
7.45% LIC Housing 2012	AAA	4.96
9.50% United Phosphorus LTD 2015	AA+	4.50
9.50% Exim Bank 2013	AAA	3.88
9.20% Power Grid 2013	AAA	3.83
8.80% Tata Sons Ltd 2015	AAA	3.79

Instrument	Rating	% of NAV
7.35% HPCL 2012	AAA	3.09
11.75% Rural Electric Corp Ltd 2011	AAA	2.59
9.80% ICICI Bank 2013	AAA	2.59
8.75% Reliance Industries Ltd 2020	AAA	2.25
6.98% IRFC 2012	AAA	1.73
9.20% Larsen & Toubro 2012	AAA	1.27
7.76% LIC Housing 2012	AAA	1.00
7.40% Tata Chemical 2011	AA+	0.62
9.45% LIC Housing 2012	AAA	0.51
CD/CP's		4.96
State Bank of Patiala 2010 - CD	P1+	1.25
Bank of Baroda 2010 - CD	P1+	1.25
Bank of Baroda 2011 - CD	P1+	1.24
PNB 2011 - CD	P1+	1.23
Cash Bank & Others		14.31
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 29 Oct, 10 : ₹12.41

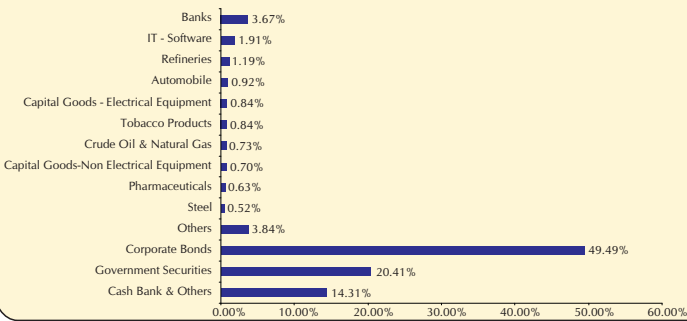
Benchmark : Nifty - 10%
CRISIL Composite Bond Fund Index - 90%

Fund Performance

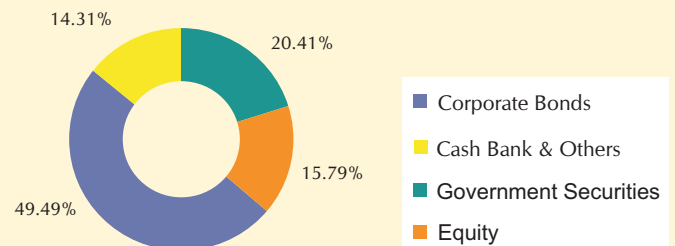
PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	30-Sep-10	12.39	0.14%	0.10%
Last 3 Months	30-Jul-10	12.12	2.41%	2.11%
Last 6 Months	30-Apr-10	11.97	3.70%	3.07%
Last 1 Year	30-Oct-09	11.51	7.77%	7.54%
Last 3 Year	31-Oct-07	10.20	6.74%	5.48%
Since Inception	17-Aug-07	10.00	6.97%	6.96%

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		15.79
Reliance Industries Ltd	Refineries	1.19
Infosys Technologies Ltd	IT - Software	1.01
State Bank of India	Banks	0.86
ITC Ltd	Tobacco Products	0.84
ICICI Bank Ltd	Banks	0.79
HDFC Bank	Banks	0.71
Larsen and Toubro Ltd	Capital Goods-Non Electrical Equipment	0.69
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	0.53
Bharat Heavy Electricals Ltd	Capital Goods - Electrical Equipment	0.50
Asian Paints (India) Ltd	Paints/Varnish	0.46
Other Equity		8.20
Corporate Bonds		49.49
8.28% LIC Housing 2015	AAA	9.40
7.75% RECL 2012	AAA	5.66
8.80% Power Grid 2015	AAA	5.14
8.70% PFC 2015	AAA	4.77
8.35% HDFC 2015	AAA	4.04

Instrument	Industry	% of NAV
9.20% HDFC 2012	AAA	3.44
7.90% RECL 2012	AAA	3.11
7.40% Tata Chemical 2011	AA+	3.10
9.20% Power Grid 2015	AAA	2.78
8.40% HDFC 2014	AAA	2.03
7.35% HPCL 2012	AAA	2.01
10.75% Reliance Ind 2018	AAA	1.52
9.50% NABARD 2012	AAA	1.39
9.80% PFC 2012	AAA	0.70
8.83% IRFC 2012	AAA	0.28
10.00% PFC 2012	AAA	0.14
Government Securities		20.41
7.02% GOI 2016	Sovereign	13.04
8.30% GOI 2040	Sovereign	6.69
8.32% GOI 2032	Sovereign	0.67
Cash Bank & Others		14.31
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 29 Oct, 10 : ₹12.71

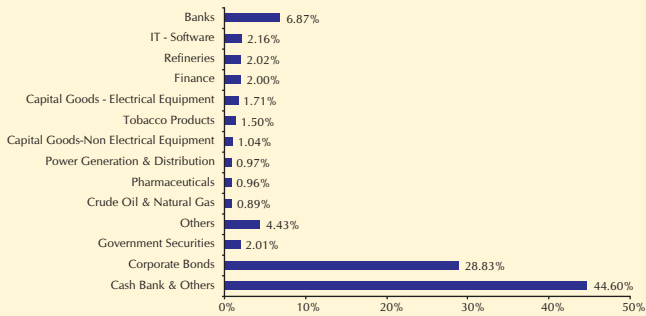
Benchmark : Nifty - 30%
CRISIL Composite Bond Fund Index - 70%

Fund Performance

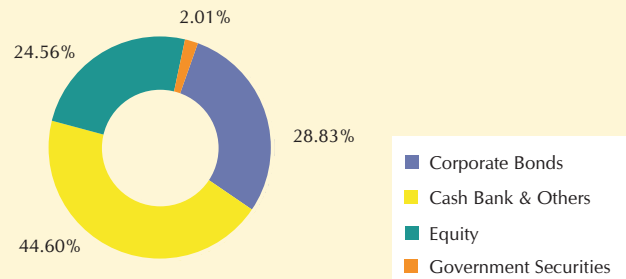
PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	30-Sep-10	12.73	-0.10%	0.03%
Last 3 Months	30-Jul-10	12.31	3.27%	4.34%
Last 6 Months	30-Apr-10	12.09	5.18%	5.50%
Last 1 Year	30-Oct-09	11.55	10.06%	12.03%
Last 3 Year	31-Oct-07	10.00	8.33%	4.41%
Since Inception	17-Aug-07	10.00	7.78%	8.22%

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		24.56
Reliance Industries Ltd	Refineries	2.02
HDFC Bank	Banks	1.67
Infosys Technologies Ltd	IT - Software	1.63
ITC Ltd	Tobacco Products	1.50
ICICI Bank Ltd	Banks	1.40
HDFC Ltd	Finance	1.26
State Bank of India	Banks	1.15
Oriental Bank of Commerce	Banks	1.09
Axis Bank Ltd	Banks	1.08
Larsen and Toubro Ltd	Capital Goods-Non Electrical Equipment	1.04
Other Equity (less than 1.00% of corpus)		10.72
Government Securities		2.01
9.39% GOI 2011	Sovereign	2.01
Corporate Bonds		28.83
8.28% LIC Housing 2015	AAA	14.42
8.30% HDFC Ltd 2015	AAA	7.21
7.40% Infrastructure 2012	AAA	7.20
Cash Bank & Others		44.60
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.
6. This material belongs to Tata AIG Life Insurance Company Ltd. Any unauthorised use, reprint or circulation is prohibited.
7. Please know the associated risks and the applicable charges from your Insurance agent or the intermediary or policy document of the Insurer.
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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