Investor fact sheet

March 2010

A Joint Venture of

बैंक ऑफ़ बड़ौदा Bank of Baroda

Legal & General

Andhra Bank

IndiaFirst
LIFE INSURANCE

Market Overview

February 2010

Economy

India's manufacturing sector continued to do well with robust growth in Dec 2009 and was the highest in the last 15 years. Industrial output rose by 16.8% YoY, higher than previous month's growth of 11.8%, and de-growth of 0.2% in Dec a year ago. All three sectors showed healthy growth, helped partly by low base effect and export growth in Dec 2009.

The Oct and Nov month's growth was magnified by low base effect as last year's IIP growth was a meager 0.1% in Oct 2008. However, export growth in Nov and Dec 2009 seems to have helped industries maintain an output growth of 3% MoM in Nov 2009 over Oct 2009. Also, low base effect helped few industries.

Output of the six core industries expanded to 9.4% in Jan 2010 as compared to 2.2% in Jan 2009 and 6% in Dec last year. Index of six core industries rose to 275.1 in Jan 2010, growing by 0.4% over that of 251.5 in Jan last year, and the output rose by 5.3% MoM in Jan 2010 over Dec 2009. From Apr to Jan in the FY 2010, six core industries registered a growth of 5.4% as against that of 3% in the corresponding period, the previous year.

WPI inflation

Monthly WPI index covering all commodities for the month of Jan 2010 rose to 8.5% YoY which was the highest since Dec 2008 as compared to 4.9% in Jan 2009 last year and 7.3% rise in the previous month of Dec 2009. Build up inflation in the FY2010 so far was 8.9% compared to 1.51% in the respective period of last year.

RBI – Monetary Policy

Reserve Bank of India raised CRR by 75 bps to 5.75% from 5% previously against the market expectation of 50 bps hike. While doing so, RBI has clearly stated that its policy stance has shifted from "Managing crisis" to "Managing recovery" with price stability. The CRR hike was effective in two steps, first tranche of 50 bps effective from 13th Feb and balance 25 bps from 27th Feb 2010 which will remove Rs. 360 billion from the banking system.

Forex reserves

India's foreign exchange reserves declined $527 million to $278.7 billion in the week ended 19th Feb. Foreign currency assets dropped $493 million to $254.2 billion, while the nation's gold reserves were unchanged at $18.1 billion. India's special drawing rights with the International Monetary Fund fell $27 million to $5.03 billion, while its reserves with the IMF dropped $7 million to $1.39 billion.

Debt market update

Benchmark 10-year G-sec yield rose to 7.98%, reaching highest for FY2009-2010 against the backdrop of CRR hike in Jan 2010 and inflation rising to 8.5%, although there was comfortable liquidity in the banking system. Budget for FY2011 unveiled on 26th Feb pegged net borrowing for FY2011 at Rs. 3.45 trillion lower than market expectations. During the month, the call rates moved in the range of 2.7-3.3%. State governments borrowed Rs. 730 million ($15.8 million) from the Reserve Bank in the period, taking their outstanding debt to Rs. 1.48 billion.

Gilt performance

The 10-year benchmark G-sec yield moved up by 31 bps to settle the month at 7.88% in Feb 2010 against the previous month's 7.57%. The short term 1-year benchmark G-sec yield advanced most by 76 bps MoM to 5.33% from 4.57% due to the CRR hike of 75 bps and increase in inflation to 8.5% in Jan 2010. As a result, the spread between 1 and 10-year benchmark G-sec has contracted by 45 bps to 255 bps from 300bps in Jan 2010.

Gold

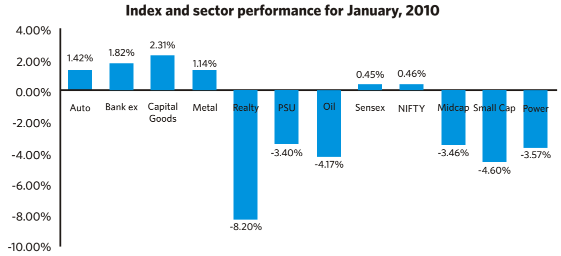
Gold prices showed recovery in Feb 2010, finishing the month at $1117 per oz with 3.4% gaining the last one month. Continued strength of USD during the month pulled the gold and silver prices.

Equity market update

For the month of Feb 2010 the markets remained range-bound for most part of the month. The market consolidated in a range of 4835-4855 during the month as investors preferred to be in wait and watch mode ahead of the budget. Global cues were also mixed with Fed (US) hiking discount rate which initially spooked the markets but later strong earnings reports provided the market with the much desired fillip. Markets rallied smartly on 28th Feb on the back of short covering and fresh buying in select sectors including Auto and NBFCs.

The benchmark indices, both Sensex and Nifty, were mildly positive (~0.50%) during the month of Feb 2010 where as the mid cap and small cap index fell 3.46% and 4.60% for the month. The sectors which outperformed were Auto (1.42%), Bankex (1.82%) and Capital Goods (2.31%). The underperformers were Rsealty (-8.20%), PSU (-3.40%) and Oil (-4.17%).

Index and sector performance for January, 2010



Union Budget 2010

The budget was a pleasant surprise for the markets. The markets cheered the Finance Minister's act of balancing growth and fiscal consolidation. The increase in individual tax exemption slabs is a good bonanza for individual tax payers and is expected to spur consumption demand. For corporate, the increase in MAT and increase in excise is marginally negative. Following are the key highlights of the budget:

- Fiscal deficit to be at 5.5% of GDP at Rs. 3,81,000crore. Targeting 4.8% in 2011 and 4.1% in 2012.
- Net market borrowing lower at Rs. 3,45,000 crore, lower than expectation.
- GST and direct tax code to be rolled by Apr 2011.
- Individual tax exemption slabs increased.
- Indirect tax stimulus rolled back by increasing the peak central excise tax rate to 10% from 8%.
- Service tax retained at 10%.
- MAT increased from 15% to 18%.
- Additional Banking License to be issued to private players and NBFC's.
- Rs. 16,500 crore to be provided to PSU banks to maintain Tier 1 capital.
- Increased spending for infrastructure, education, renewable energy and social sectors.

Market valuations

At the current levels of 16429 the Sensex with an expected EPS of 850 for FY2010E and Rs. 1,050 for FY2011E trades at a PE of 19x and 16x respectively. The markets are now trading at fair valuations. Hence going ahead, the action may be more stock specific while the broader indices may remain range-bound. We also believe the mid cap and small cap would continue to outperform the large cap stocks.

Sectoral view

Auto ancillaries: With excise duty hike being not very steep and auto players deciding to pass on this marginal increase, auto sector as a whole provides attractive valuations for long-term investors. Improved demand scenario and launch of various new models is expected to keep auto the sector in the limelight with increased probability of out-performance.

Banking: The Government has announced in the budget that it is looking to issue banking licenses to more players including NBFCs. However, credit growth has still not picked up as much as anticipated and fuel price hike adding to inflationary pressures, make us cautious on the banking sector in the near term until we see robust credit growth.

IT: IT companies delivered a good set of numbers for the quarter-ended Dec 2009. Volume growth seems to be back and pricing power will follow. The increase in MAT from 15% to 18% will impact some of the mid cap IT companies. However this will be more than offset by volume growth and return of pricing power. We remain bullish on the sector though valuations have run-up.

Capital goods: With L&T coming out with below par results the sentiment for the capital goods sector has been hit to some extent. But other companies like BHEL and Crompton Greaves have come out with strong results. With the budget focusing on infrastructure and capex-cycle reviving we believe that this sector will resort to a high growth trajectory in the next few months.

Telecom: Increasing competitive intensity and delay in 3G auction would lead to pressure in the short term. The results indicated that most of the players are under pressure. We expect regulatory change in M&A norms going ahead.

There may be some pressure in the short term due to global factors but the Indian growth story remains intact. The budget turned out to be a pleasant surprise and will further drive consumption demand. IT, Pharma, Banking and Oil & Gas sectors are expected to do well and the portfolio might maintain an overweight stance in these sectors.

On a broader picture, with political stability around for the next 3-4 years, higher financial inclusion/penetration of equities domestically, and higher share of global liquidity moving to India, we believe that Indian equity as an asset class will outperform all other asset classes in the next 3-4 year. There will be corrections on the way. However, these should be used to build a good long-term equity portfolio.

Overall, investors can comfortably allocate at least 60% of their money set aside for equity allocation into the Equity Funds and this asset class would be a winner over a 4-5 year horizon. The remaining money could be allocated to the mid term Debt Funds, and watch out for appropriate time (which could be anywhere in the next 6-7 months), to shift a larger proportion to Equity Funds.

Mumbai
8th March 2010

Debt Fund

Fact Sheet as on 28th February 2010

Investment objective

To generate a good level of income and prospects for capital growth through diversified investment in corporate debt instruments, government securities and money market instruments.

Inception date	25th Nov 2009
NAV per unit as on 26th Feb 2010	Rs. 10.06

Target asset allocation pattern

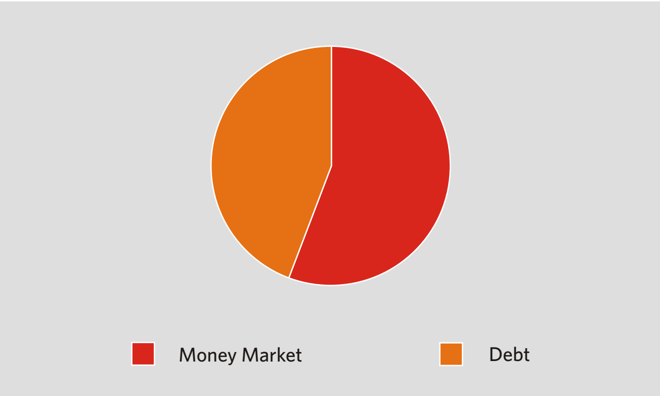
	Minimum	Maximum	Indicative target
Equity Shares	0%	0%	0%
Debt Securities & Bonds	70%	100%	85%
Cash & Money Market Instruments	0%	30%	15%

The actual asset allocation can vary from the above indicated 'Target', but will remain well within the 'minimum' and 'maximum' ranges, based on market opportunities and future outlook of the equity markets.

Fund positioning

This Fund is positioned as a pure debt oriented fund, with asset allocation pattern giving a good opportunity to provide consistent and sustainable returns. The debt portfolio will comprise of high rated debt instruments with a low to moderate liquidity and Government Securities/Money Market Investments with a very high safety and easy liquidity. The asset allocation between corporate debt and Government Securities/Money Market Instruments and the portfolio duration of the fund, will follow a macro level economic scenario and the individual corporate debt investments will follow with a micro level credit worthiness and debt servicing capacity of the companies.

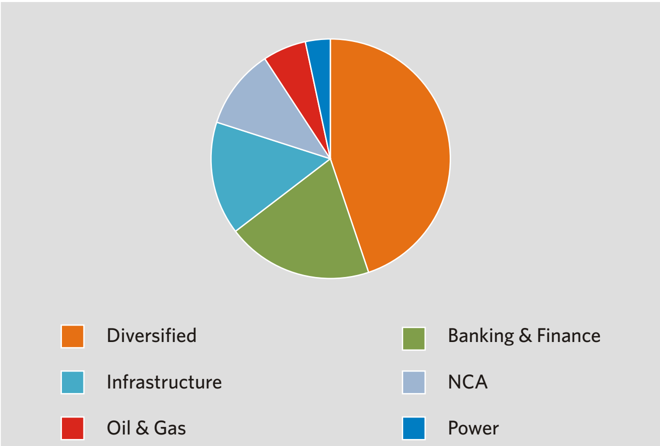
Asset allocation pattern as of 28th Feb 2010



Credit profile of Debt and Money Market Investments

Nature	Percentage
GSEC and T. Bills	0.00%
AAA	33.14%
AA+	0.00%
Short Term Deposit with Bank	11.15%
CBLO and Money Market Instruments	55.71%
Total	**100.00**

Industry wise exposure



Portfolio

Scheme: Debt Fund

Security	Holding percentage
Debt	44.29
Money Market Instruments	55.71
Net assets	**100.00**

Industry wise exposure

Industry	Total
Diversified	44.79%
Banking & Finance	19.79%
Infrastructure	15.30%
NCA	10.91%
Oil & Gas	5.89%
Power	3.32%
Grand total	**100.00%**

Maturity profile of debt portfolio

Period	Exposure in percentage
0-3 months	59.89%
3-12 months	6.97%
1-3 years	19.03%
3-5 years	14.11%
5-10 years	0.00%
> 10 years	0.00%
Total	100.00%

Fund manager's comments

The Union Budget for FY2011 had mixed news for the debt market. Although the net borrowing amount of Rs. 3,45,000 crore was on the lower side of market expectations but the increase in oil prices brought in inflationary expectations and therefore the yields on the G-sec increased higher. The 10-year benchmark yield ended at 7.87% on 26th Feb 2010. The corporate bonds spreads were at around 90-100bps on the AAA corporate paper and is expected to increase in the wake of more issuances and hardening of G-sec yields.

The yields on the G-sec are expected to increase April onwards, with the commencement of the new borrowing programme for FY2011. In view of this, we will continue to maintain lower weighted average maturity for the next quarter.

Equity Fund

Fact sheet as on 28th February 2010

Investment objective

To provide high growth opportunities with an objective of long term capital appreciation through investments primarily in equity and equity related instruments

Inception date	25th Nov 2009
NAV per unit as on 28th Feb 2010	Rs. 9.78

Targeted asset allocation pattern

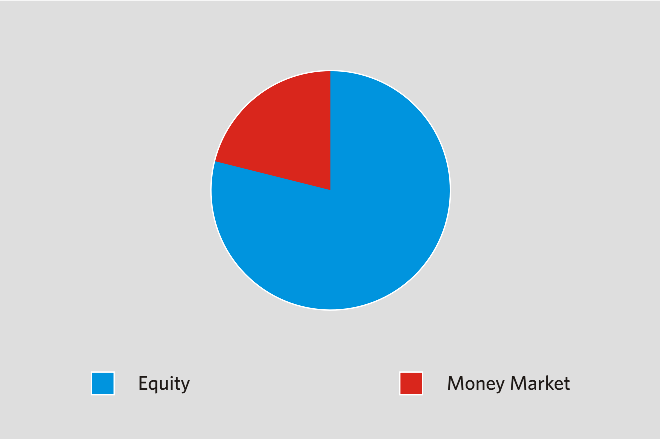
	Minimum	Maximum	Indicative target
Equity Shares	80%	100%	90%
Debt Securities & Bonds	0%	10%	0%
Cash & Money Market Instruments	0%	20%	10%

The actual asset allocation can vary from the above indicated 'Target', but will remain well within the 'minimum' and 'maximum' ranges, based on market opportunities and future outlook of the equity markets.

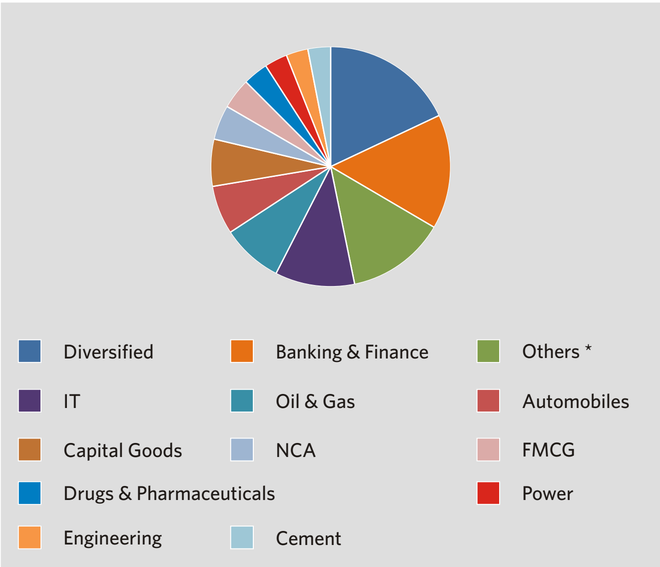
Fund positioning

This Fund is positioned as a highly diversified equity fund aiming to provide a stable and sustainable relative out performance vis-à-vis the benchmark. The fund would stick to the theme of discipline, diligence and dividend yield while selecting the equity stocks. It would invest at least 70% of its exposure to equity in the large cap stocks (from S&P CNX Nifty Index or BSE 100 Index) and the remaining could be in mid/small cap equity stocks.

Asset allocation pattern as of 26th Feb 2010



Industry wise exposure



Portfolio Scheme: Equity Fund

Security	Security name	Holding percentage
Equity Shares		
	Infosys Technologies Ltd.	6.48
	Reliance Industries Ltd.	6.25
	Larsen & Toubro Ltd.	3.97
	ITC Ltd.	3.40
	ICICI Bank Ltd.	3.30
	HDFC	3.27
	Tata Consultancy Services Ltd.	2.80
	State Bank of India	2.49
	HDFC Bank Ltd.	2.44
	Indraprastha Gas Ltd.	2.40
	Bharat Heavy Electricals Ltd.	2.39
	Gail (india) Ltd.	2.01
	Axis Bank Ltd.	1.91
	Divis Laboratories Ltd.	1.87
	ACC Ltd.	1.62
	Jain Irrigation Systems Ltd.	1.60
	Maruti Suzuki India Ltd.	1.57
	Aditya Birla Nuvo Limited	1.55
	Siemens Ltd.	1.53
	Crompton Greaves Ltd.	1.48
	Other Equity	24.52
	Total Equity	78.85
Money Market Investments		21.15
Net assets		**100.00**

Industry wise exposure

Industry	Total
Diversified	18.04%
Banking & Finance	15.42%
Others *	13.33%
IT	10.69%
Oil & Gas	8.26%
Automobiles	6.58%
Capital Goods	6.36%
NCA	4.66%
FMCG	4.12%
Drugs & Pharmaceuticals	3.47%
Power	3.06%
Engineering	3.01%
Cement	3.00%
Grand Total	**100.00%**

* 'Others' includes all industries having weightage of Less than 3%

Fund manager's comments

The month of Feb 2010 was a bit volatile with major economies joining the tightening process, EU reeling under Greece issues and the US readying for the liquidity unwinding process. The earnings and macro-economic data globally was robust and helped in improving sentiments in the later half of the month. Domestically, the budget was a pleasant surprise and is expected to fuel consumption led growth. The balance between fiscal consolidation and growth was remarkable

During the month, we have used corrections to bring down cash levels from around 20-25% to around 15%. Investment focus was on companies with a strong growth potential, sustainable business model and strong levels of corporate governance. Going ahead, we would maintain around 10-20% cash to the buy into above stories at lower levels. The exposure to equity will be tilted towards low beta stocks that are having attractive value proposition.

Balanced Fund

Fact sheet as on 28th February 2010

Investment objective

To provide higher growth with reasonable security, by investing primarily in equity instruments and moderate allocation in debt securities/bonds.

Inception date	25th Nov 2009
NAV per unit as on 28th Feb 2010	Rs. 9.88

Targeted asset allocation pattern

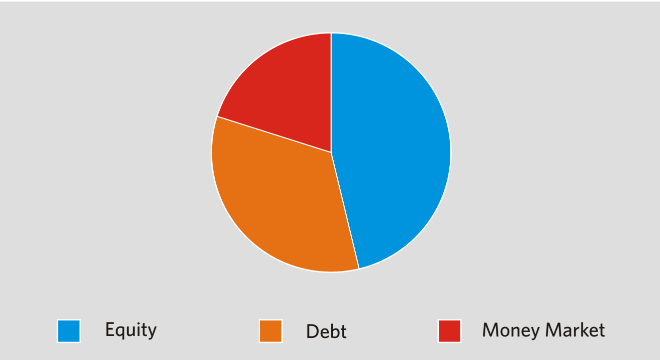
	Minimum	Maximum	Indicative target
Equity Shares	40%	70%	50%
Debt Securities & Bonds	30%	50%	40%
Cash & Money Market Instruments	0%	20%	10%

The actual asset allocation can vary from the above indicated 'Target', but will remain well within the 'minimum' and 'maximum' ranges, based on market opportunities and future outlook of the equity markets.

Fund positioning

This Fund is positioned as a balanced mix of debt and equity, with asset allocation pattern giving a good opportunity to provide consistent and sustainable returns. The equity portion will have a highly diversified portfolio with a high liquidity and the debt portion will comprise of high rated debt instruments with a low to moderate liquidity. The asset allocation will follow a macro level market scenario and the individual stock selection will be with micro level performance expectations of the stocks and securities.

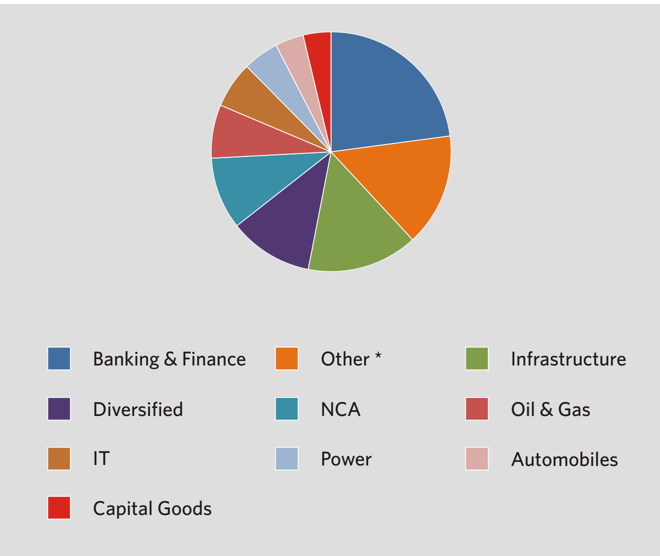
Asset allocation pattern as of 26th Feb 2010



Credit profile of Debt and Money Market Investments

Nature	Exposure in percentage
GSEC and T. Bills	0.00%
AAA	44.42%
AA+	0.00%
REPO	17.89%
CBLO/other Money Market Investments	37.69%
Total	**100.00%**

Industry wise exposure



Portfolio

Scheme: Balanced Fund

Security	Security name	Holding percentage
Equity Shares		
	Infosys Technologies Ltd.	3.81
	Reliance Industries Ltd.	3.67
	Larsen & Toubro Ltd.	2.33
	ITC Ltd.	2.00
	ICICI Bank Ltd.	1.94
	HDFC	1.92
	Tata Consultancy Services Ltd.	1.65
	State Bank of India	1.47
	HDFC Bank Ltd.	1.43
	Indraprastha Gas Ltd.	1.41
	Bharat Heavy Electricals Ltd.	1.40
	Gail (India) Ltd.	1.18
	Axis Bank Ltd.	1.12
	Divis Laboratories Ltd.	1.10
	ACC Ltd.	0.95
	Jain Irrigation Systems Ltd.	0.94
	Maruti Suzuki India Ltd.	0.91
	Aditya Birla Nuvo Ltd.	0.91
	Siemens Ltd.	0.90
	Crompton Greaves Ltd.	0.86
	Other Equity	14.33
	Total Equity	46.23
Debt		33.51
Money Market Investments		20.26
Net assets		**100.00**

Industry wise exposure

Industry	Total
Banking & Finance	22.94%
Others *	15.20%
Infrastructure	14.83%
Diversified	11.38%
NCA	9.79%
Oil & Gas	7.17%
IT	6.33%
Power	4.79%
Automobiles	3.82%
Capital Goods	3.73%
Grand total	**100.00%**

* 'Others' includes all industries having weightage of less than 3%

Maturity profile of debt portfolio

Period	Exposure in percentage
0-3 months	43.31%
3-12 months	12.26%
1-3 years	19.25%
3-5 years	25.18%
5-10 years	0.00%
> 10 years	0.00%
Total	**100.00%**

Fund manager's comments

The month of Feb 2010 was a bit volatile with major economies joining the tightening process, EU reeling under Greece issues and the US readying for the liquidity unwinding process. The earnings and macro-economic data globally was robust and helped in improving sentiments in the later half of the month. Domestically, the budget was a pleasant surprise and is expected to fuel consumption led growth. The balance between fiscal consolidation and growth was remarkable.

During the month, we have used corrections to bring down cash levels from around 20-25% to around 15%. Investment focus was on companies with a strong growth potential, sustainable business model and strong levels of corporate governance. Going ahead, we would maintain around 10-20% cash to buy into the above stories at lower levels. The exposure to equity will be tilted towards low beta stocks that are having attractive value proposition.

The Union Budget for FY2011 had mixed news for the debt market. Although the net borrowing amount of Rs. 3,45,000 crore was on the lower side of market expectations but the increase in oil prices brought in inflationary expectations and therefore the yields on the G-sec increased higher. The 10-year benchmark yield ended at 7.87% on 26th Feb 2010. The corporate bonds spreads were at around 90-100bps on the AAA corporate paper and is expected to increase in the wake of more issuances and hardening of G-secyields.

The yields on the G-sec are expected to increase April onwards, with the commencement with the new borrowing programme for FY2011. In view of this, we will continue to maintain lower weighted average maturity for the next quarter.

Debt Fund - Pension

Fact sheet as on 28th February 2010

Investment objective

To generate a good level of income and prospects for capital growth through diversified investment in corporate debt instruments, government securities and money market instruments.

Inception date	25th Nov 2009
NAV per unit as on 26th Feb 2010	Rs. 10.06

Targeted asset allocation pattern

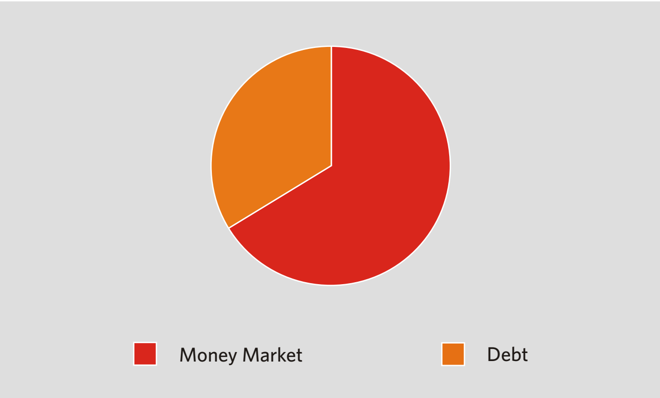
	Minimum	Maximum	Indicative target
Equity Shares	0%	0%	0%
Debt Securities & Bonds	70%	100%	85%
Cash & Money Market Instruments	0%	30%	15%

The actual asset allocation can vary from the above indicated 'Target', but will remain well within the 'minimum' and 'maximum' ranges, based on market opportunities and future outlook of the equity markets.

Fund positioning

This Fund is positioned as a pure debt oriented fund, with asset allocation pattern giving a good opportunity to provide consistent and sustainable returns. The debt portfolio will comprise of high rated debt instruments with a low to moderate liquidity and Government Securities/Money Market Investments with a very high safety and easy liquidity. The asset allocation between corporate debt and Government Securities/Money Market Instruments and the portfolio duration of the fund, will follow a macro level economic scenario and the individual corporate debt investments will follow with a micro level credit worthiness and debt servicing capacity of the companies.

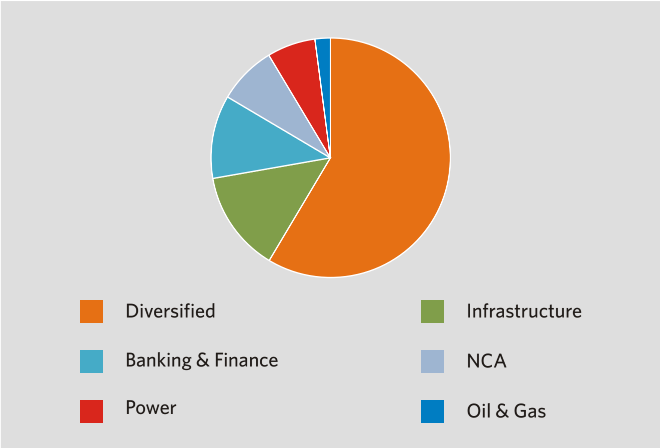
Asset allocation pattern as of 26th Feb 2010



Credit profile of Debt and Money Market Investments

Nature	Percentage
GSEC and T. Bills	0.00%
AAA	37.51%
AA+	0.00%
REPO	0.00%
CBLO and Money Market Instruments	62.49%
Total	**100.00**

Industry wise exposure



Portfolio

Scheme: Debt Fund - Pension

Security	Holding percentage
Debt	44.29
Money Market Instruments	55.71
Net assets	**100.00**

Industry wise exposure

Industry	Total
Diversified	44.80%
Infrastructure	19.79%
Banking & Finance	15.30%
NCA	10.91%
Power	5.89%
Oil & Gas	3.32%
Grand Total	**100.00%**

Maturity profile of debt portfolio

Period	Exposure in percentage
0-3 months	59.89%
3-12 months	6.97%
1-3 years	19.03%
3-5 years	14.11%
5-10 years	0.00%
> 10 years	0.00%
Total	**100.00%**

Fund manager's comments

The Union Budget for FY2011 had mixed news for the debt market. Although the net borrowing amount of Rs. 3,45,000 crore was on the lower side of market expectations but the increase in oil prices brought in inflationary expectations and therefore the yields on the G-sec increased higher. The 10-year benchmark yield ended at 7.87% on 26th Feb 2010. The corporate bonds spreads were at around 90-100bps on the AAA corporate paper and is expected to increase in the wake of more issuances and hardening of G-sec yields.

The yields on the G-sec are expected to increase April onwards, with the commencement of the new borrowing programme for FY2011. In view of this, we will continue to maintain lower weighted average maturity for the next quarter.

Equity Fund - Pension

Fact sheet as on 28th February 2010

Investment objective

To provide high growth opportunities with an objective of long term capital appreciation through investments primarily in equity and equity related instruments.

Inception date	25th Nov 2009
NAV per unit as on 26th Feb 2010	Rs. 9.81

Targeted asset allocation pattern

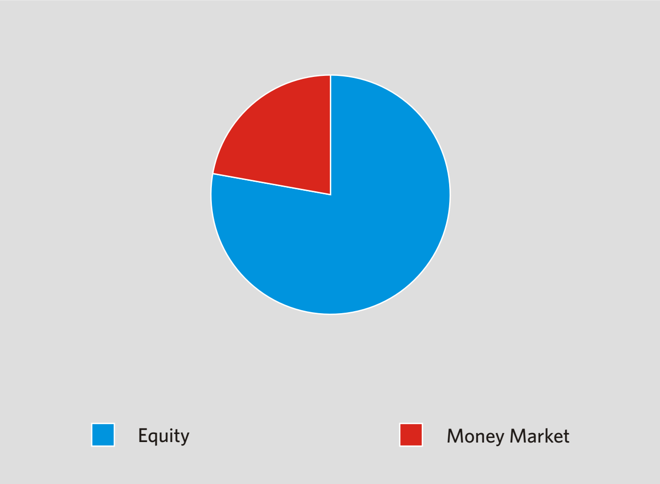
	Minimum	Maximum	Target
Equity Shares	80%	100%	90%
Debt Securities & Bonds	0%	10%	0%
Cash & Money Market Instruments	0%	20%	10%

The actual asset allocation can vary from the above indicated 'Target', but will remain well within the 'minimum' and 'maximum' ranges, based on market opportunities and future outlook of the equity markets.

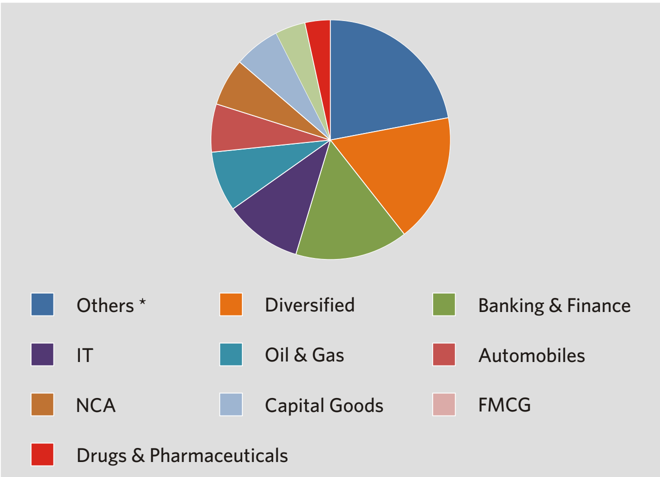
Fund positioning

This Fund is positioned as a highly diversified equity fund aiming to provide a stable and sustainable relative out performance vis-à-vis the benchmark. The fund would stick to the theme of discipline, diligence and dividend yield while selecting the equity stocks. It would invest at least 70% of its exposure to equity in the large cap stocks (from S&P CNX Nifty Index or BSE 100 Index) and the remaining could be in mid/small cap equity stocks.

Asset allocation pattern as of 26th Feb 2010



Industry wise exposure



Portfolio Scheme: Equity Fund - Pension

Security	Security name	Holding percentage
Equity Shares		
	Infosys Technologies Ltd.	6.39
	Reliance Industries Ltd.	6.13
	Larsen & Toubro Ltd.	3.91
	ITC Ltd.	3.35
	ICICI Bank Ltd.	3.25
	HDFC	3.22
	Tata Consultancy Services Ltd.	2.76
	State Bank of India	2.46
	HDFC Bank Ltd.	2.40
	Indraprastha Gas Ltd.	2.37
	Bharat Heavy Electricals Ltd.	2.35
	Gail (India) Ltd.	1.98
	Axis Bank Ltd.	1.89
	Divis Laboratories Ltd.	1.85
	ACC Ltd.	1.59
	Jain Irrigation Systems Ltd.	1.57
	Maruti Suzuki India Ltd.	1.55
	Aditya Birla Nuvo Ltd.	1.53
	Siemens Ltd.	1.52
	Crompton Greaves Ltd.	1.46
	Other Equity	24.15
	Total Equity	77.69
Money Market Investments		22.31
Net assets		**100.00**

Industry wise exposure

Industry	Total
Others *	22.03%
Diversified	17.42%
Banking & Finance	15.20%
IT	10.54%
Oil & Gas	8.12%
Automobiles	6.55%
NCA	6.41%
Capital Goods	6.26%
FMCG	4.06%
Drugs & Pharmaceuticals	3.41%
Grand total	**100.00%**

* 'Others' includes all industries having weightage of less than 3%

Fund manager's comments

The month of Feb 2010 was a bit volatile with major economies joining the tightening process, EU reeling under Greece issues and the US readying for the liquidity unwinding process. The earnings and macro economic data globally was robust and helped in improving sentiments in the later half of the month. Domestically, the budget was a pleasant surprise and is expected to fuel consumption led growth. The balance between fiscal consolidation and growth was remarkable.

During the month, we have used corrections to bring down cash levels from around 20-25% to around 15%. Investment focus was on companies with a strong growth potential, sustainable business model and strong levels of corporate governance. Going ahead, we would maintain around 10-20% cash levels to buy into the above stories at lower levels. The exposure to equity will be tilted towards low beta stocks that are having attractive value proposition.

Balanced Fund - Pension

Fact sheet as on 28th February 2010

Investment objective

To provide higher growth with reasonable security, by investing primarily in equity instruments and moderate allocation in debt securities/bonds.

Inception date	25th Nov 2009
NAV per unit as on 26th Feb 2010	Rs. 9.92

Targeted asset allocation pattern

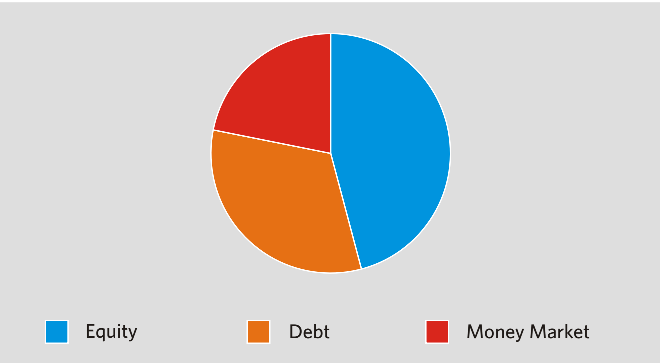
	Minimum	Maximum	Indicative target
Equity Shares	40%	70%	50%
Debt Securities & Bonds	30%	50%	40%
Cash & Money Market Instruments	0%	20%	10%

The actual asset allocation can vary from the above indicated 'Target', but will remain well within the 'minimum' and 'maximum' ranges, based on market opportunities and future outlook of the equity markets.

Fund positioning

This Fund is positioned as a balanced mix of debt and equity, with asset allocation pattern giving a good opportunity to provide consistent and sustainable returns. The equity portion will have a highly diversified portfolio with a high liquidity and the debt portion will comprise of high rated debt instruments with a low to moderate liquidity. The asset allocation will follow a macro level market scenario and the individual stock selection will be with micro level performance expectations of the stocks and securities.

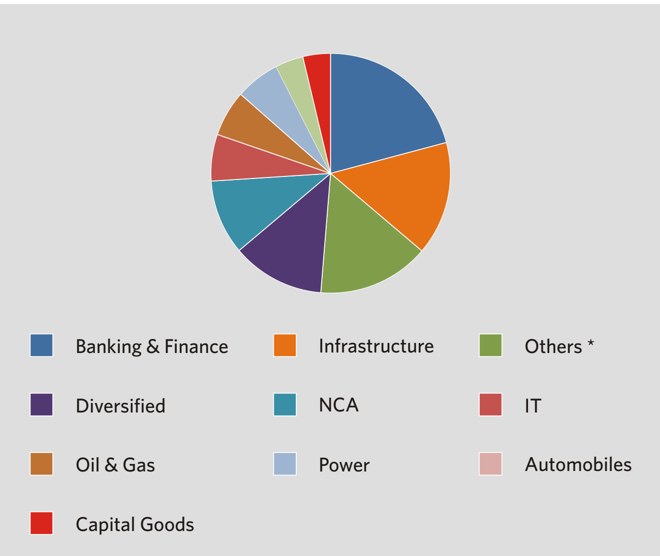
Asset allocation pattern as of 28th Feb 2010



Credit profile of Debt and Money Market Investments

Nature	Percentage
GSEC and T. Bills	0.00
AAA	43.89
AA+	0.00
Short Term Deposit with Bank	15.85
CBLO/other Money Market Investments	40.26
Total	**100.00**

Industry wise exposure



Portfolio

Scheme: Balanced Fund - Pension

Security	Security name	Holding percentage
Equity Shares		
	Infosys Technologies Ltd.	3.79
	Reliance Industries Ltd.	3.64
	Larsen & Toubro Ltd.	2.30
	ITC Ltd.	1.99
	ICICI Bank Ltd.	1.93
	HDFC	1.91
	Tata Consultancy Services Ltd.	1.64
	State Bank of India	1.46
	HDFC Bank Ltd.	1.42
	Indraprastha Gas Ltd.	1.41
	Bharat Heavy Electricals Ltd.	1.40
	Gail (India) Ltd.	1.18
	Divis Laboratories Ltd.	1.10
	Axis Bank Ltd.	1.09
	ACC Ltd.	0.95
	Jain Irrigation Systems Ltd.	0.93
	Maruti Suzuki India Ltd.	0.91
	Aditya Birla Nuvo Ltd.	0.91
	Siemens Ltd.	0.89
	Crompton Greaves Ltd.	0.85
	Other Equity	14.17
	Total Equity	45.85
Debt		32.35
Money Market Investments		21.80
Net assets		**100.00**

Industry wise exposure

Industry	Total
Banking & Finance	20.91%
Infrastructure	15.29%
Others *	15.05%
Diversified	12.59%
NCA	10.12%
IT	6.30%
Oil & Gas	6.24%
Power	6.02%
Automobiles	3.78%
Capital Goods	3.70%
Grand total	**100.00%**

* 'Others' includes all industries having weightage of less than 3%

Maturity Profile of Debt Portfolio

Period	Exposure in percentage
0-3 months	44.23%
3-12 months	11.88%
1-3 years	21.51%
3-5 years	22.38%
5-10 years	0.00%
> 10 years	0.00%
Total	**100.00%**

Fund manager's comments

The month of Feb 2010 was a bit volatile with major economies joining the tightening process, EU reeling under Greece issues and the US readying for the liquidity unwinding process. The earnings and macro-economic data globally was robust and helped in improving sentiments in the later half of the month. Domestically, the budget was a pleasant surprise and is expected to fuel consumption led growth. The balance between fiscal consolidation and growth was remarkable

During the month, we have used corrections to bring down cash levels from around 20-25% to around 15%. Investment focus was on companies with a strong growth potential, sustainable business model and strong levels of corporate governance. Going ahead, we would maintain around 10-20% cash to buy into the above stories at lower levels. The exposure to equity will be tilted towards low beta stocks that are having attractive value proposition.

The Union Budget for FY2011 had mixed news for the debt market. Although the net borrowing amount of Rs. 3,45,000 crore was on the lower side of market expectations but the increase in oil prices brought in inflationary expectations and therefore the yields on the G-sec increased higher. The 10-year benchmark yield ended at 7.87% on 26th Feb 2010. The corporate bonds spreads were at around 90-100bps on the AAA corporate paper and is expected to increase in the wake of more issuances and hardening of G-secyields.

The yields on the G-sec are expected to increase April onwards, with the commencement with the new borrowing programme for FY2011. In view of this, we will continue to maintain lower weighted average maturity for the next quarter.

Liquid Fund - Pension

Fact sheet as on 28th February 2010

Investment objective

To provide capital protection with growth at short-term interest rates and above whilst providing a high level of liquidity.

Inception date	25th Nov 2009
NAV per unit as on 26th Feb, 2010	Rs. 10.05

Targeted asset allocation pattern

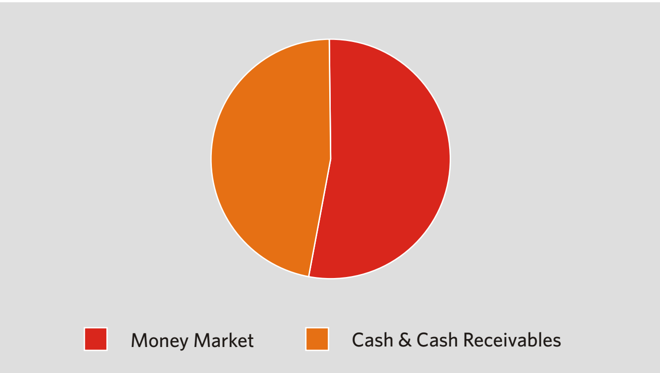
	Minimum	Maximum	Indicative target
Equity Shares	0%	0%	0%
Debt Securities & Bonds	0%	20%	10%
Cash & Money Market Instruments	80%	100%	90%

The actual asset allocation can vary from the above indicated 'Target', but will remain well within the 'minimum' and 'maximum' ranges, based on market opportunities and future outlook of the equity markets.

Fund positioning

This Fund is positioned pure debt oriented short term liquid fund with asset allocation pattern giving some reasonable opportunity to provide consistent and sustainable returns, with a very high liquidity. The investment portfolio will primarily comprise of high rated short term money market instruments with a very high safety and easy liquidity. The maturity profile and the portfolio duration will follow a macro level economic scenario and the expected liquidity needs of the fund.

Asset allocation pattern as of 28th Feb 2010



Credit profile of Debt and Money Market Investments

Nature	Percentage
GSEC and T. Bills	00.00%
AAA	00.00%
AA+	00.00%
REPO	00.00%
CBLO and Money Market Instruments	100.00%
Total	**100.00%**

Portfolio Scheme: Liquid Fund - Pension

Security	Holding percentage
Money Market Instruments	52.91
Cash & Cash Receivables	47.09
Net assets	**100.00**

Fund manager's comments

The funds under the Liquid Fund category continued to be invested in highly liquid short term papers having a very high safety and liquidity, as per the investment mandates, set out for those schemes.

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