Investor fact sheet

August 2010

A Joint Venture of

Bank of Baroda Legal & General Andhra Bank

IndiaFirst
LIFE INSURANCE

Monthly Market Report

August, 2010

Economy

Growth momentum persists at 8.8% in Q1 of 2010

A marginal slowdown in manufacturing offset by a notable increase in services as well as agriculture sectors (2.8% growth in Q1) helped the overall GDP to post an accelerated growth of 8.8% in the Q1 of 2010-11 against 6% growth recorded in the same period a year ago. The turnaround in the services sector as well as normal monsoon gives optimism of sustaining the current growth momentum in the forthcoming months. Thus, the GDP growth in the next quarter can be placed at the current level, considering the moderation in the manufacturing sector due to high base-effect may be compensated by the strong recovery in services and agriculture sectors.

The robust GDP data for the first quarter of the current fiscal year and strong IIP numbers came in as positive factors. IIP numbers, at 13.8% for the month of July came in much above market expectations. The manufacturing and capital goods sectors posted a strong performance, surging 15%. The strong GDP figure and the consistent double digit IIP numbers show signs that the economy is in a growth mode. India's headline inflation for the month of July, 2010 came in at 9.97%, below the estimate of 10.40%. India's WPI inflation, computed for the first time on a new base year (2004-2005) came in at 8.5%, decreasing from the 9.8% level on the old base seen in the previous month.

The most significant event in the month of August was the reform brought about by the government in replacement of the nearly 50 year old Income Tax Act by the Direct Tax Code (DTC). The DTC seeks to make substantial changes in the entire taxation structure and administration. As per the new norms, income between Rs. 2-5 lakhs will be taxed at 10%, Rs. 5-10 lakhs will be taxed at 20% and income beyond Rs. 10 lakhs will be taxed at 30%. Corporate tax rate is fixed at 30% and the Minimum Alternative Tax (MAT) is fixed at 20%. However these new norms yet to be passed by the Parliament, are to come into effect in FY-2012.

USD/INR exchange rate

The Indian Rupee exchange rate for August, 2010 averaged 46.60 INR to USD. The high for the month was Rs. 46.13 and the low was Rs. 47.07.

Debt market update

The benchmark 10 year G-sec yield has ended the month at 7.98%.

Gilt performance

Although the 10 year gilt yield increased to 8.06% briefly, it ended at 7.98% in the month end. The 10 year benchmark G-sec yield also saw a low of 7.80% in the month of August ,2010.

Commodities

Gold: Gold prices rose to its previous high of $1247 from $1183 in the beginning of the month. The average Gold price was around $1217.

Crude: Crude oil was between $72 to $83 per barrel with an average of $77.

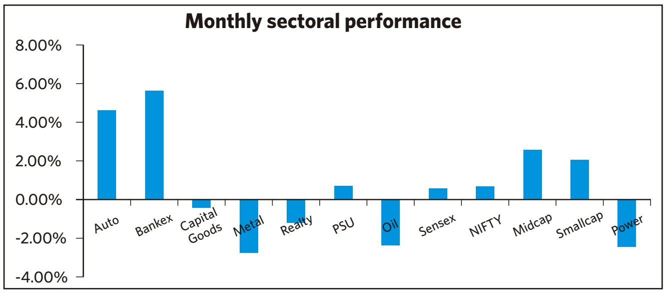
Crude: Crude oil was range bound between $72-79 per barrel, with an average of $76.67.

Equity market update

For the month, the Indian markets remained buoyant on the back of strong FII inflows. The International Monetary Fund (IMF) has raised India's economic growth forecast for 2010 to 9.4%, which added to positive sentiments. Also, monsoon recovered sharply to surpass its long term average.

The Indian markets have outperformed the US, Europe and other Asian markets over the last month.

Most of the 13 sector indices on the BSE, led the way with gains in the range of 4-6%. Mid-cap and small-cap outperformed. Sectoral performance for the month of July, 2010 is as below -



Market valuations

At the current levels of 18500 the Sensex with an expected EPS of 1025 for FY11E trades at a PE of 18.5x 1-year forward. The markets are trading in the upper range of the valuation band and hence up sides seem to be capped.

Fund flows

Foreign institutional investors (FIIs) were net buyers to the tune of Rs. 7,260 crore, whereas domestic institutional investors (DIIs) sold Rs. 4,510 crore worth of shares in the month.

Key events for the month

Indian GDP grows by 8.8% in Apr-Jun, 2010 quarter: Driven by a robust performance by the manufacturing sector, the Indian economy grew by 8.8% in the Apr-Jun, 2010. Agriculture grew by 2.8%, industries grew by 11.4% and services grew by 9.4%.

Monsoons recover: Cumulative rainfall was excess/normal in 28 and deficient/scanty in 8 out of 36 meteorological sub divisions with overall rainfall in country below 5% of Long Period Average.

IMF ups India's growth forecast: The International Monetary Fund (IMF) has raised India's economic growth forecast for 2010 to 9.4%.

Cabinet passes DTC (Direct Tax Code) bill: There have been no major changes in the bill. Long term capital gains tax remains nil and short term capital gains will be taxed at 50% of the tax slab rates applicable to the individual investor.. Another key highlight is the reduction of corporate tax rate to 30% (Vs. 33.2% now).

Sectoral update

Oil & Gas: Post APM gas price hike, the government announced partial fuel price deregulation. This led to a re-rating of OMC's and upstream companies like ONGC and OIL. We are bullish on the entire Oil & Gas space.

Pharma: Passage of the US healthcare bill, number of products coming off patent, strong domestic growth, and a shift in Big Pharma's focus to emerging markets like India augurs well for the Indian Pharma players. Overall, the Indian Pharma sector is poised for strong growth ahead.

Information Technology: IT majors have guided a 5-6% volume growth for FY-2011. However, currency movements and rising wages continue to put pressure on the margins. We are positive on the sector in the wake of improving volume and pricing outlook.

Auto: Improved demand scenario for the automobile sector will lead to good opportunities in the auto ancillaries' space. Many new models are being launched which will benefit the auto ancillary players to a large extent.

Banking: With expansion in credit growth, the banking sector is expected to do well in the initial expansionary cycle. Rate hikes will be a dampener for banks with higher mark-to-market bond portfolio.

The domestic market fundamentals seem to be intact with improving government finances, good growth and contained inflation expectations. However, concern on double-dip recession globally continues. Also valuation appears to be on the upper-end of the band. However, strong FII inflows continue to keep the markets buoyant. We expect relative outperformance in IT, Pharma, Banking and Oil & Gas space and hence, will maintain an overweight stance in these sectors. We continue to be cautious on metals due to China slowdown and global weakness and hence, maintained a lower exposure in our portfolios.

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.

The firm belief is that the long term growth story of India remains intact and hence, a large part of the savings needs to be allocated to equity markets, as a long term strategy. However, equity market valuations are stretched at present levels and a cautious approach is required. The market could see short to medium term corrections. Overall, at this juncture, investors can still allocate at least 40 to 50% of their money set aside for equity allocation into equity funds. The remaining money could be allocated to the mid term debt funds, and watch out for an appropriate time (which could be anywhere in the next three to four months), to shift a larger proportion to equity funds.

Debt Fund

Fact sheet as on 31st August, 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 investments.

Inception date	25th November, 2009
NAV per unit as on 31st August, 2010	₹ 10.31

Asset allocation pattern in percentage

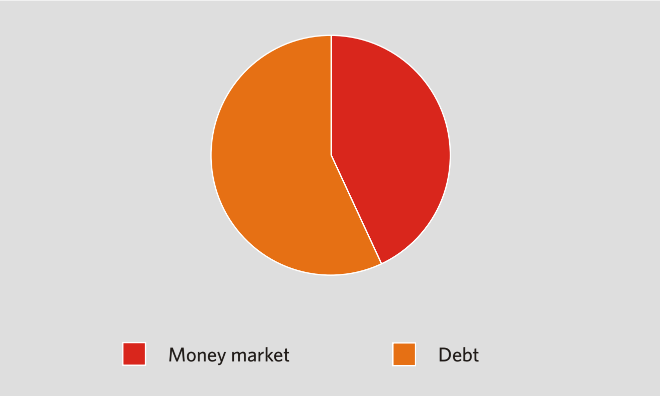
	Minimum	Maximum	Actual
Equity shares	0	0	0
Debt securities & bonds	70	100	57
Cash & money market instruments	0	30	43

The actual asset allocation will remain well within the 'minimum' and 'maximum' range, based on market opportunities and future outlook of the markets.

Fund positioning

This Fund is positioned as a pure debt oriented fund, with asset allocation pattern providing 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, government securities and money market investments with very high safety and easy liquidity. The asset allocation between corporate debt and government securities/money market investments and the portfolio duration of the fund, will follow a macro level economic scenario while the individual corporate debt investments will follow with a micro level credit worthiness and debt servicing capacity of companies.

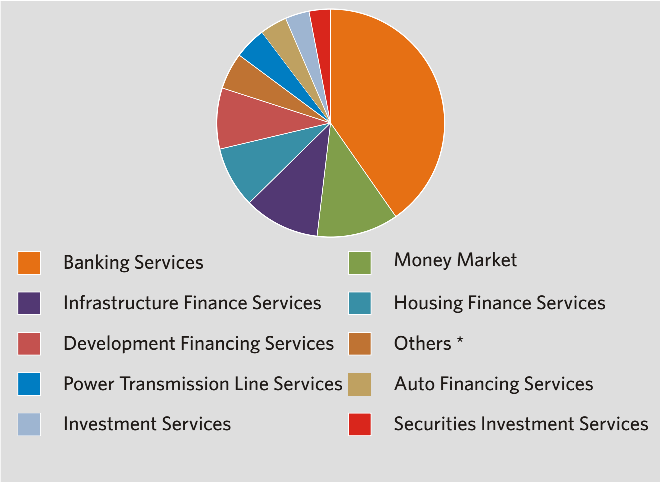
Asset allocation pattern as on 31st August, 2010



Credit profile of debt and money market investments

Nature	Percentage
GSEC & T Bills	0.00
AAA & P1+	76.37
AA+	6.70
Short term deposit with banks	5.36
CBLO/Other money market investments	11.57
Total	**100.00**

Industry wise exposure



Returns Scheme: Debt Fund

	Annualised returns in percentage		
	3 months	6 months	Since inception
Debt Fund	1.43	5.02	4.12
Composite benchmark	3.10	5.32	4.11

Portfolio

Security	Holding percentage
Debt	56.96
Money market instruments	43.04
Net assets	**100.00**

Industry wise exposure

Industry	Percentage
Banking Services	40.29
Money Market	11.57
Infrastructure Finance Services	10.73
Housing Finance Services	8.74
Development Financing Services	8.66
Others *	5.13
Power Transmission Line Services	4.59
Auto Financing Services	3.80
Investment Services	3.44
Securities Investment Services	3.04
Grand total	**100.00**

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

Maturity profile of debt portfolio

Period	Exposure in percentage
0-3 months	8.05
3-12 months	10.10
1-3 years	38.13
3-5 years	43.72
5-10 years	0.00
> 10 years	0.00
Total	**100.00**

Fund manager's comments

Inflation is still high at 9.50% and GDP growth in India is still strong at 8.80%. In view of these factors, we expect the RBI to increase the rates on 16th September, 2010. Liquidity will also remain tight this month due to tax outflows. This will put pressure on interest rates. As mentioned last month, we have reduced the 'duration' on the Fund and will continue to maintain a 'lower duration' with a view to minimizing the interest rate risks

Equity Fund

Fact sheet as on 31st August, 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 November, 2009
NAV per unit as on 31st August, 2010	₹ 11.04

Asset allocation pattern in percentage

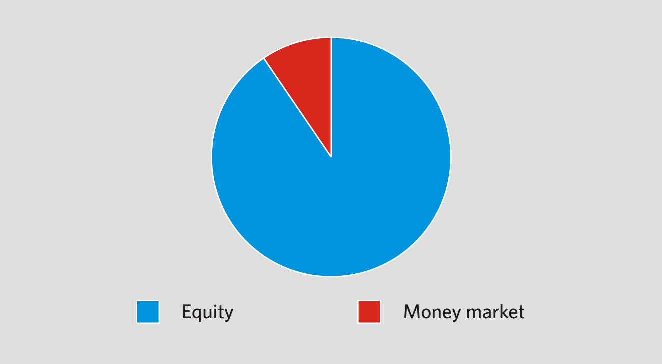
	Minimum	Maximum	Actual
Equity shares	80	100	90
Debt securities & bonds	0	10	0
Cash & money market instruments	0	20	10

The actual asset allocation will remain well within the 'minimum' and 'maximum' range, based on market opportunities and future outlook of the markets.

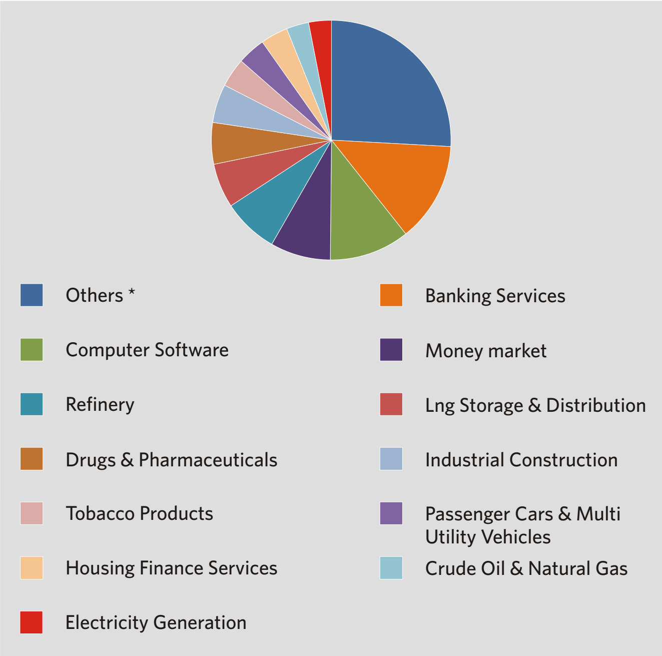
Fund positioning

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 will stick to the theme of discipline, diligence and dividend yield while selecting equity stocks. It will invest at least 70% of its exposure to equity in large cap stocks (from S&P CNX Nifty Index or BSE 100 Index) and the remaining may be invested in mid/small cap equity stocks.

Asset allocation pattern as of 31st August, 2010



Industry wise exposure



Returns

	Annualised returns in percentage		
	3 months	6 months	Since inception
Equity Fund	7.80	12.92	10.44
Composite benchmark	5.74	8.22	5.38

Portfolio

Scheme: Equity Fund

Security	Security name	Holding percentage
Equity shares		
	Infosys Technologies Ltd.	6.99
	Reliance Industries Ltd.	6.95
	Larsen & Toubro Ltd.	5.22
	ICICI Bank Ltd.	4.84
	ITC Ltd.	3.85
	HDFC	3.68
	Tata Consultancy Services Ltd.	2.96
	Bharat Heavy Electricals Ltd.	2.72
	Indraprastha Gas Ltd.	2.66
	ONGC Ltd.	2.64
	Gail (India) Ltd.	2.55
	HDFC Bank	2.43
	State Bank of India	2.26
	Mahindra & Mahindra Ltd.	1.98
	Maruti Suzuki India Ltd.	1.83
	Axis Bank Ltd.	1.67
	Bharti Airtel Ltd.	1.64
	Cipla Ltd.	1.63
	Divis Laboratories Ltd.	1.43
	Hero Honda Motors Ltd.	1.42
	Other equity	29.10
	Total equity	90.44
Money market investments		9.56
Debt	Debt securities	0.00
Net assets		**100.00**

Industry wise exposure

Industry	Percentage
Others *	25.91
Banking Services	13.43
Computer Software	10.79
Money Market	8.12
Refinery	7.53
Lng Storage & Distribution	5.97
Drugs & Pharmaceuticals	5.60
Industrial Construction	5.22
Tobacco Products	3.85
Passenger Cars & Multi Utility Vehicles	3.81
Housing Finance Services	3.68
Crude Oil & Natural Gas	3.06
Electricity Generation	3.03
Grand total	**100.00**

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

Fund manager's comments

For the month, the Indian markets remained buoyant on the back of strong FII inflows. The International Monetary Fund (IMF) has raised India's economic growth forecast for 2010 to 9.4%, which added to positive sentiments. Also, 'Monsoon' recovered sharply to above its long term average. Going ahead, earning momentum and global events will drive the markets.

During the month, we had maintained cash levels at around 10% and continued to be over weight on Oil & Gas, Pharma, Banking, Auto and other consumption themes. Going ahead, we will maintain around 5-15% cash to buy into the above stories at lower levels. The exposure to equity will be tilted towards low beta stocks that have an attractive value proposition.

Balanced Fund

Fact sheet as on 31st August, 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 November, 2009
NAV per unit as on 31st August, 2010	₹ 10.75

Asset allocation pattern in percentage

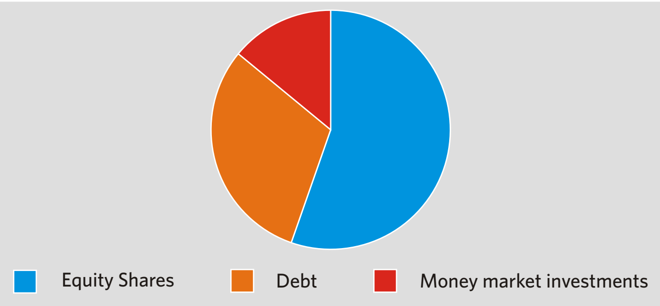
	Minimum	Maximum	Actual
Equity shares	40	70	55
Debt securities & bonds	30	50	31
Cash & money market instruments	0	20	14

The actual asset allocation will remain well within the 'minimum' and 'maximum' range based on market opportunities and future outlook of the markets.

Fund positioning

This Fund is positioned as a balanced mix of debt and equity, with the asset allocation pattern providing a good opportunity to provide consistent and sustainable returns. The equity portion will have a highly diversified portfolio with high liquidity while 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.

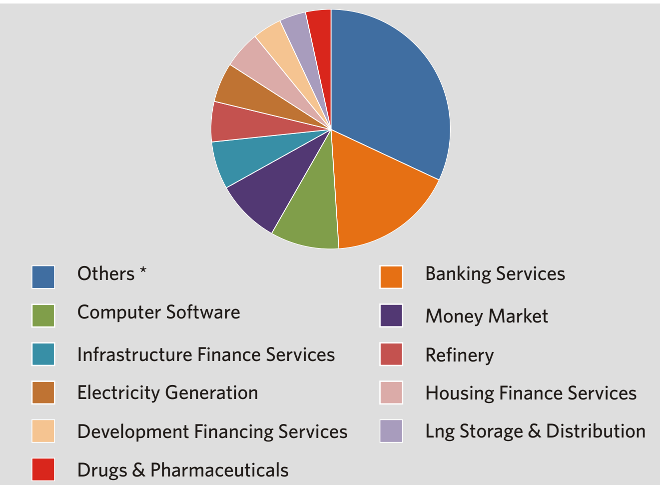
Asset allocation pattern as on 31st August, 2010



Credit profile of debt and money market investments

Nature	Exposure in percentage
GSEC & T Bills	0.00
AAA & P1+	71.30
AA+	3.80
Short term deposit with banks	5.42
CBLO/Other money market investments	19.48
Total	**100.00**

Industry wise exposure



Returns

	Annualised returns percentage		
	3 months	6 months	Since inception
Balanced Fund	4.59	8.78	7.47
Composite benchmark	4.08	6.39	4.47

Portfolio Scheme: Balanced Fund

Security	Security name	Holding percentage
Equity shares		
	Reliance Industries Ltd.	4.31
	Infosys Technologies Ltd.	3.91
	Larsen & Toubro Ltd.	2.86
	ICICI Bank Ltd.	2.78
	ITC Ltd.	2.43
	HDFC	2.18
	Tata Consultancy Services Ltd.	1.87
	Bharat Heavy Electricals Ltd.	1.75
	ONGC Ltd.	1.66
	Gail (India) Ltd.	1.57
	Indraprastha Gas Ltd.	1.54
	State Bank of India	1.46
	HDFC Bank	1.36
	Mahindra & Mahindra Ltd.	1.24
	Maruti Suzuki India Ltd.	1.16
	Axis Bank Ltd.	1.05
	Hero Honda Motors Ltd.	1.00
	Cipla Ltd.	1.00
	Hindustan Unilever Ltd.	0.96
	Sun Pharmaceuticals Ind. Ltd.	0.83
	Other equity	18.38
	Total equity	55.33
Debt	Debt securities	30.68
Money market investments		13.99
Net assets		**100.00**

Industry wise exposure

Industry	Percentage
Others *	31.96
Banking Services	16.95
Computer Software	9.30
Money Market	8.70
Infrastructure Finance Services	6.37
Refinery	5.43
Electricity Generation	5.39
Housing Finance Services	5.02
Development Financing Services	3.90
Lng Storage & Distribution	3.64
Drugs & Pharmaceuticals	3.34
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	0.00
3-12 months	13.75
1-3 years	51.82
3-5 years	34.43
5-10 years	0.00
> 10 years	0.00
Total	**100.00**

Fund manager's comments

For the month, the Indian markets remained buoyant on the back of strong FII inflows. The International Monetary Fund (IMF) has raised India's economic growth forecast for 2010 to 9.4%, which added to positive sentiments. Also, 'Monsoon' recovered sharply to above its long term average. Going ahead, earnings momentum and global events will drive the markets.

During the month, we had maintained cash levels at around 10% and continued to be over weight on Oil & Gas, Pharma, Banking, Auto and other consumption themes. Going ahead, we will maintain around 5-15% cash to buy into the above stories at lower levels. The exposure to equity will be tilted towards low beta stocks that have an attractive value proposition.

Inflation is still high at 9.50% and GDP growth in India is still strong at 8.80%. In view of these factors, we expect the RBI to increase the rates on 16th September, 2010. Liquidity will also remain tight this month due to tax outflows. This will put pressure on interest rates. As mentioned last month, we have reduced the 'duration' on the Fund and will continue to maintain a 'lower duration' with a view to minimising interest rate risks.

Debt Fund - Pension

Fact sheet as on 31st August, 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 investments.

Inception date	25th November, 2009
NAV per unit as on 31st August, 2010	₹ 10.31

Asset allocation pattern in percentage

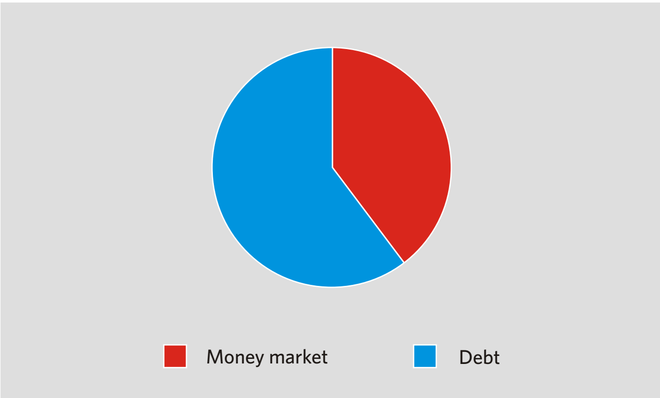
	Minimum	Maximum	Actual
Equity shares	00	00	00
Debt securities & bonds	70	100	83
Cash & money market instruments	0	30	17

The actual asset allocation will remain well within the 'minimum' and 'maximum' range, based on market opportunities and future outlook of the markets.

Fund positioning

This Fund is positioned as a pure debt oriented fund, with asset allocation pattern providing 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, government securities, money market investments with a very high safety and easy liquidity. The asset allocation between corporate debt and government securities/money market investments and the portfolio duration of the fund, will follow a macro level economic scenario while the individual corporate debt investments will follow with a micro level credit worthiness and debt servicing capacity of companies.

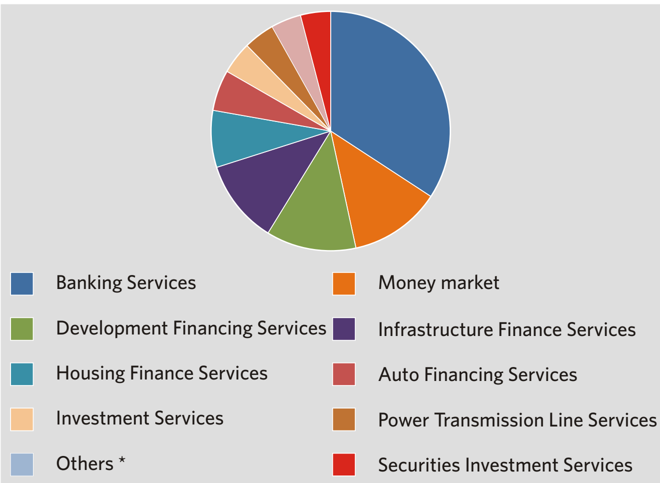
Asset allocation pattern as on 31st August, 2010



Credit profile of debt and money market investments

Nature	Percentage
GSEC & T Bills	0.00
AAA & P1+	76.27
AA+	6.49
Short term deposit with banks	4.85
CBLO/ Other money market investments	12.39
Total	**100.00**

Industry wise exposure



Returns Scheme: Debt Fund - Pension

	Annualised returns in percentage		
	3 months	6 months	Since inception
Debt Pension Fund	1.52	5.00	4.11
Composite benchmark	3.10	5.32	4.11

Portfolio

Security	Holding percentage
Debt	60.39
Money market instruments	39.61
Net assets	**100.00**

Industry wise exposure

Industry	Percentage
Banking Services	34.24
Money Market	12.39
Development Financing Services	12.09
Infrastructure Finance Services	11.32
Housing Finance Services	7.73
Auto Financing Services	5.47
Investment Services	4.37
Power Transmission Line Services	4.21
Others *	4.16
Securities Investment Services	4.02
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	6.97
3-12 months	11.83
1-3 years	39.97
3-5 years	41.23
5-10 years	0.00
> 10 years	0.00
Total	**100.00**

Fund manager's comments

Inflation is still high at 9.50% and GDP growth in India is still strong at 8.80%. In view of these factors, we expect the RBI to increase the rates on 16th September, 2010. Liquidity will also remain tight this month due to tax outflows. This will put pressure on interest rates. As mentioned last month, we have reduced the 'duration' on the Fund and will continue to maintain a 'lower duration' with a view to minimising interest rate risks.

Equity Fund - Pension

Fact sheet as on 31st August, 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 November, 2009
NAV per unit as on 31st August, 2010	₹ 11.09

Asset allocation pattern in percentage

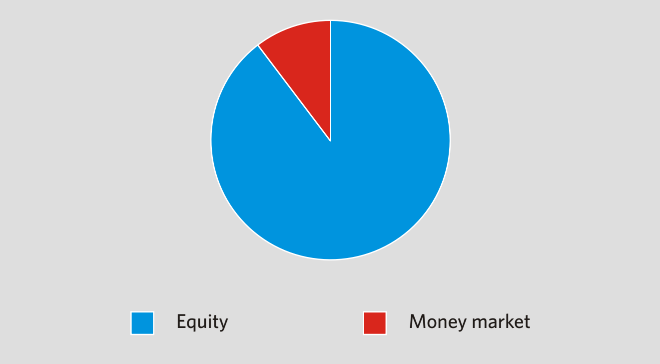
	Minimum	Maximum	Actual
Equity shares	80	100	90
Debt securities & bonds	0	10	0
Cash & money market instruments	0	20	10

The actual asset allocation will remain well within the 'minimum' and 'maximum' range, based on market opportunities and future outlook of the markets.

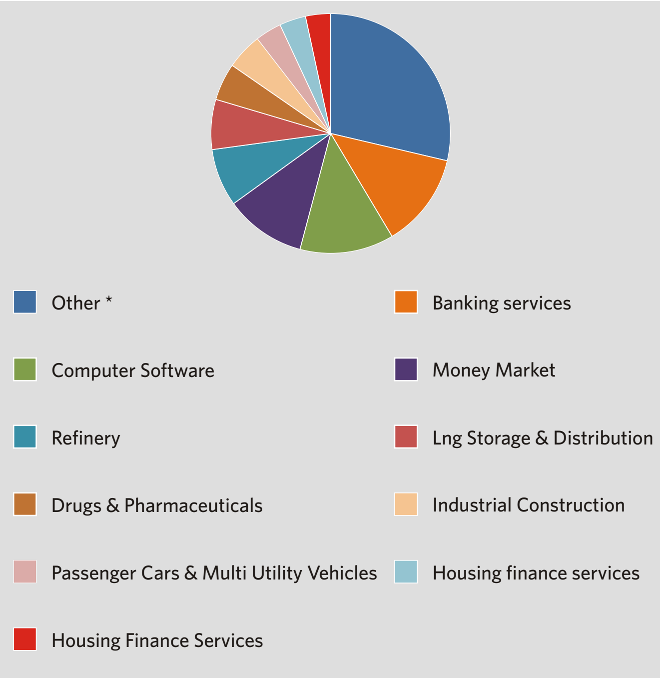
Fund positioning

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 will stick to the theme of discipline, diligence and dividend yield while selecting equity stocks. It will 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 may be invested in mid/small cap equity stocks.

Asset allocation pattern as of 31st August, 2010



Industry wise exposure



Returns

	Annualised returns in percentage		
	3 months	6 months	Since inception
Equity Pension Fund	7.92	13.02	10.87
Composite benchmark	5.74	8.22	5.38

Portfolio Scheme: Equity Fund - Pension

Security	Security name	Holding percentage
Equity shares		
	Infosys Technologies Ltd.	6.98
	Reliance Industries Ltd.	6.70
	Larsen & Toubro Ltd.	5.04
	ICICI Bank Ltd.	4.39
	ITC Ltd.	3.73
	HDFC	3.19
	Tata Consultancy Services Ltd.	3.13
	Bharat Heavy Electricals Ltd.	2.66
	State Bank of India	2.57
	Indraprastha Gas Ltd.	2.55
	Gail (india) Ltd.	2.45
	ONGC Ltd.	2.31
	Mahindra & Mahindra Ltd.	2.23
	HDFC Bank	2.16
	Maruti Suzuki India Ltd.	1.74
	Axis Bank Ltd.	1.63
	Cipla Ltd.	1.63
	Hindustan Unilever Ltd.	1.46
	Tata Motors Ltd.	1.43
	Bharti Airtel Ltd.	1.37
	Other equity	30.16
	Total equity	89.53
Money market investments		10.47
Net assets		**100.00**

Industry wise exposure

Industry	Percentage
Others *	32.35
Banking Services	12.87
Computer Software	10.91
Money Market	9.12
Refinery	7.48
Lng Storage & Distribution	5.95
Drugs & Pharmaceuticals	5.37
Industrial Construction	5.04
Passenger Cars & Multi Utility Vehicles	3.97
Tobacco Products	3.73
Housing Finance Services	3.19
Grand Total	**100.00**

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

Fund manager's comments

For the month, the Indian markets remained buoyant on the back of strong FII inflows. The International Monetary Fund (IMF) has raised India's economic growth forecast for 2010 to 9.4%, which added to positive sentiments. Also, 'Monsoon' recovered sharply to above its long term average. Going ahead, earnings momentum and global events will drive the markets.

During the month, we had maintained cash levels at around 10% and continued to be over weight on Oil & Gas, Pharma, Banking, Auto and other consumption themes. Going ahead, we will maintain around 5-15% cash to buy into the above stories at lower levels. The exposure to equity will be tilted towards low beta stocks that have an attractive value proposition.

Balanced Fund - Pension

Fact sheet as on 31st August, 2010

Investment objective

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

Inception date	25th November, 2009
NAV per unit as on 31st August, 2010	₹ 10.82

Asset allocation pattern in percentage

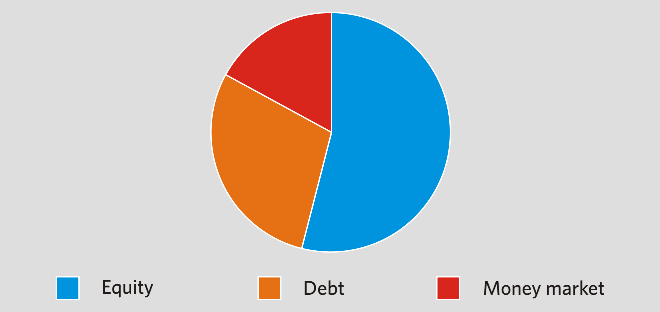
	Minimum	Maximum	Actual
Equity shares	40	70	54
Debt securities & bonds	30	50	29
Cash & money market instruments	0	20	17

The actual asset allocation will remain well within the 'minimum' and 'maximum' range, based on market opportunities and future outlook of the markets.

Fund positioning

This Fund is positioned as a balanced mix of debt and equity, with the asset allocation pattern providing a good opportunity to provide consistent and sustainable returns. The equity portion will have a highly diversified portfolio with high liquidity while the debt portion will comprise of high rated debt instruments with 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.

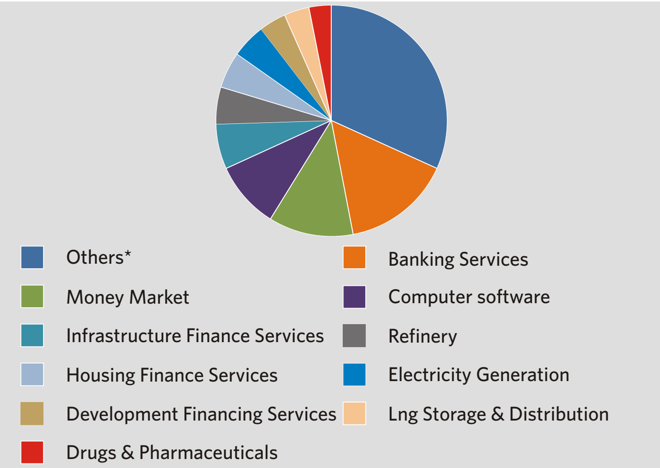
Asset allocation pattern as of 31st August, 2010



Credit profile of debt and money market investments

Nature	Percentage
GSEC & T Bills	0.00
AAA & P1+	67.96
AA+	4.43
Short term deposit with banks	1.95
CBLO/Other money market investments	25.66
Total	**100.00**

Industry wise exposure



Returns

	Annualised returns percentage		
	3 months	6 months	Since inception
Balanced Pension Fund	4.68	9.08	8.20
Composite benchmark	4.08	6.39	4.47

Portfolio Scheme: Balanced Fund - Pension

Security	Security name	Holding percentage
Equity shares		
	Reliance Industries Ltd.	4.30
	Infosys Technologies Ltd.	4.07
	Larsen & Toubro Ltd.	2.78
	ICICI Bank Ltd.	2.54
	ITC Ltd.	2.32
	Tata Consultancy Services Ltd.	1.98
	HDFC	1.96
	Bharat Heavy Electricals Ltd.	1.72
	Indraprastha Gas Ltd.	1.51
	Gail (india) Ltd.	1.42
	ONGC Ltd.	1.42
	State Bank of India	1.30
	Mahindra & Mahindra Ltd.	1.29
	HDFC Bank	1.22
	Maruti Suzuki India Ltd.	1.06
	Hindustan Unilever Ltd.	1.02
	Axis Bank Ltd.	1.00
	Cipla Ltd.	0.90
	Hero Honda Motors Ltd.	0.90
	Tata Tea Ltd.	0.87
	Other equity	18.41
	Total equity	53.99
Debt	Debt securities	29.03
Money market investments		16.98
Net assets		**100.00**

Industry wise exposure

Industry	Percentage
Others *	31.76
Banking Services	15.19
Money Market	11.81
Computer Software	9.44
Infrastructure Finance Services	6.32
Refinery	5.16
Housing Finance Services	5.08
Electricity Generation	4.86
Development Financing Services	3.76
Lng Storage & Distribution	3.46
Drugs & Pharmaceuticals	3.15
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	0.00
3-12 months	13.94
1-3 years	50.24
3-5 years	35.82
5-10 years	0.00
> 10 years	0.00
Total	**100.00**

Fund manager's comments

For the month, the Indian markets remained buoyant on the back of strong FII inflows. The International Monetary Fund (IMF) has raised India's economic growth forecast for 2010 to 9.4%, which added to positive sentiments. Also, 'Monsoon' recovered sharply to above its long term average. Going ahead, earning momentum and global events will drive the markets.

During the month, we had maintained cash levels at around 10% and continued to be over weight on Oil & Gas, Pharma, Banking, Auto and other consumption themes. Going ahead, we will maintain around 5-15% 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.

Inflation is still high at 9.50% and GDP growth in India is still strong at 8.80%. In view of these factors, we expect the RBI to increase the rates on 16th September, 2010. Liquidity will also remain tight this month due to tax outflows. This will put pressure on interest rates. As mentioned last month, we have reduced the 'duration' on the Fund and will continue to maintain a 'lower duration' with a view to minimising interest rate risks.

Liquid Fund - Pension

Fact sheet as on 31st August, 2010

Investment objective

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

Inception date	25th November, 2009
NAV per unit as on 31st August, 2010	₹ 10.22

Asset allocation pattern in percentage

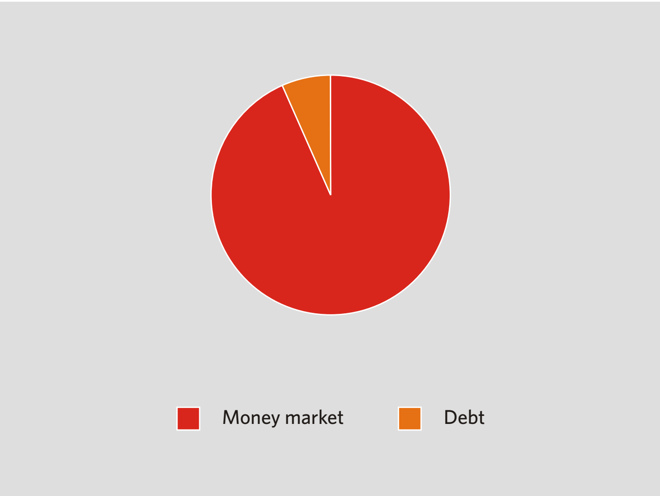
	Minimum	Maximum	Actual
Equity shares	0	0	0
Debt securities & bonds	0	20	7
Cash & money market instruments	80	100	93

The actual asset allocation will remain well within the 'minimum' and 'maximum' range, based on market opportunities and future outlook of the markets.

Fund positioning

This Fund is positioned as a pure debt oriented short term liquid fund with the asset allocation pattern giving a reasonable opportunity to provide consistent and sustainable returns, with very high liquidity. The investment portfolio will primarily comprise of high rated short term money market investments with 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 31st August, 2010



Credit profile of debt and money market investments

	Percentage
GSEC & T Bills	0.00
AAA & P1+	19.64
AA+	0.00
Short term deposit with banks	0.00
CBLO/Other money market investments	80.36
Total	**100.00**

Returns

	Annualised returns percentage		
	3 months	6 months	Since inception
Liquid Pension Fund	4.47	3.26	2.81
Composite benchmark	5.17	4.56	4.08

Portfolio

Scheme: Liquid Fund - Pension

Security	Holding percentage
Money market instruments	93.28
Debt (Fixed deposits)	6.72
Net assets	**100.00**

Fund manager's comments

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

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