

Investor Fact Sheet

Unit Linked Insurance Plans- Individuals
May, 2011

A Joint Venture of



Monthly Market Report

May, 2011

Economy

IIP growth jumps to 7.3 per cent in March, 2011

A strong performance in manufacturing sector, especially the significant rise in capital goods segment boosted the industrial growth to reach a five month high of 7.3 per cent in March, 2011. The current growth is almost double the growth registered a month ago at 3.7 per cent. Capital goods though increased notably, sustenance of the rise may not be likely in the future as the rising interest rates may affect the industrial expansion and fresh investment plans. Consumer durables slowed significantly indicating that the slowing consumer demand following the rise in prices and interest rates.

WPI inflation at 8.66 per cent

The WPI inflation for the month of April, 2011 was lower at 8.66 per cent vis-à-vis 8.98 per cent for March, 2011. The index for primary articles increased though at a decreasing rate. Inflation is expected at these elevated levels for the next 6 months.

Foreign Trade: Deficit widened to USD 8.9 bn in April, 2011

Trade deficit widened sharply by 60 per cent (m-o-m) to USD 8.9 bn in April, 2011 from USD 5.6 bn in March, 2011. A steeper fall in exports compared to that of imports led to a sharper increase in trade deficit in the first month of current financial year compare to the previous month. Oil imports continue to rise steadily and may extend the similar trends with high crude prices. Considering the high crude prices and recurring concerns over global recovery, the growth in exports may be adversely affected while imports may continue to rise leading to widening of trade deficit further in the coming months.

GDP growth moderates to 8.5 per cent in FY-2011

The significant reduction in industrial growth and moderation in services growth lead to a notable slowdown in overall GDP growth to 7.8 per cent in Q4 and to 8.5 per cent for the year 2010-11 notwithstanding a sharp recovery in agricultural growth to 6.6 per cent. Persistently high inflation and the resultant increase in interest rates may affect industrial investment and add to their costs thereby leading to slowdown in industrial growth. In view of this, the GDP growth may moderate further in the coming quarters.

USD/ INR Exchange Rate:

The Indian Rupee exchange rate for May, 2011 averaged 45.47 INR to USD. The high was 44.07 while the low for the month was 47.36.

Debt Market Update

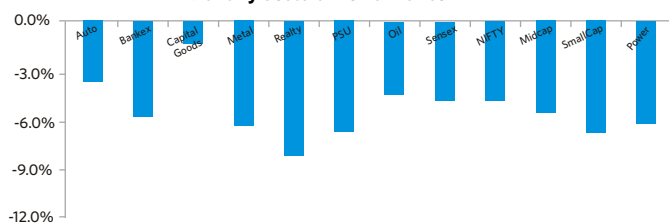
Gilt Performance: The benchmark 10-year G-sec yield has begun the month at 8.13 per cent. The yields have hardened from last month end by 14 bps. The 10 year G-sec increased to 8.45 per cent in the month end on increased supply and high inflation.

Equity Market Update

In the month of May, the Sensex and Nifty ended sharply lower by 3.31 per cent and 3.29 per cent respectively. The month was marred by low volumes and lackluster market movement. The fall was mainly led due to aggressive selling by FII's in light of the global and domestic concerns. All the sectoral indices tanked during the month with Metals, Realty and Banking sectors falling the most. On the global front, almost all the key indices ended in negative, however the fall witnessed in the domestic markets was steeper than rest (barring Shanghai). Global issues such as concerns over Euro-zone's financial health, weak macroeconomic data from US and continuance of unrest in Libya kept investors cautious. On the domestic front, several factors like lower than expected IIP data, poor display of corporate earnings in the 4th quarter, inflation staying above RBI's comfort zone and fears of rate hikes by RBI governed investor sentiments.

All the sectoral indices tanked during the month with Metals, Realty and Banking sectors falling the most. Sectoral performance for the month of May, 2011 is as given below:-

Monthly Sectoral Performance



Market Valuations: At the current levels of ~18503 the Sensex with an expected EPS of 1200 for FY-12E trades at a PE of ~15.4x 1-year forward. The markets are trading in the mid-range of the valuation band thereby providing opportunities for select buying. With global and domestic concerns still prevailing coupled with lower than expected corporate fourth quarter earnings data, minor downward correction is quite possible in the near-term. Liquidity coupled with tapering down of macroeconomic concerns here-on would be the key parameters for the markets to scale up in the medium to long-term.

Fund Flows: Foreign institutional investors (FIIs) were net sellers to the tune of ₹ 6,614 crores, whereas domestic institutional investors (DIIs) were net buyers to the tune of ₹ 434 crore worth of shares in the month. We expect the FIIs to be on the selling side in near-term.

Sectoral Update

Oil & Gas: Post APM gas price hike, the government announced partial fuel price deregulation. With higher crude-oil prices, we expect the government to further increase fuel prices. We are bullish on the entire oil & gas space.

Information Technology: IT-Majors have guided a 5-6 per cent volume growth for FY-2012. However, currency movements and rising wages continue to put pressure on the margins. We are positive on the sector in the wake improving volume and pricing outlook. However, non-extension of the Sec 10A/B and bringing of SEZ facilities under MAT regime may act as a sentiment dampner for short-term.

Auto: J-shaped consumption curve is helping the sector to sustain high growth rates. Improved demand scenario for the automobile sector would also lead to good opportunities in the auto ancillaries' space. Many new models are being launched which would benefit the auto ancillary players to a large extent. Moreover, no excise roll-back in the latest union Budget would be a positive for Auto Industry.

Banking: The banking sector got affected mainly due to RBI tightening liquidity to curb inflationary pressures. With expansion in credit growth, the banking sector is expected to do well in the initial expansionary cycle. Rate hikes as of now would act as a dampener for banks with higher mark-to-market bond portfolio.

We expect the sectors such as IT, Pharma, Banking and Oil & Gas would outperform and will maintain an overweight stance in these sectors. We continue to be cautious on Metals due to slow down in China and global weakness.

Outlook

The recent correction witnessed by the markets was on account of cautious stance adopted by investors in light of the global and domestic concerns. Aggressive selling by FIIs in the domestic markets was witnessed during the month. Though the markets may seem to be trading in the 'not so stretched' range of the valuation band, several concerns, both domestic and global, pose risks of possible down-side going ahead. Liquidity coupled with tapering down of macroeconomic concerns here-on would be the key parameters to watch. Global events like Fitch cutting Greece's debt ratings by three notches while Standard & Poor's cutting its outlook for Italy to "negative" from "stable" have added to the existing global concerns. On the domestic front, inflationary pressures have resulted in RBI hiking interest rates 8 times in last fiscal and may further do so going ahead. Aggressive tightening may in turn take toll on credit growth, consumer spending, wage rise, supply-side pressures and hence, slowdown in corporate earnings. But, on a medium to long term, all of the above 'not so positive - short term factors', will become a reason to bring in fundamental positive shift in the economy, in terms of affordability, higher consumption and growth penetration. In light of the above mentioned, in the short term (3 to 6 months period), we maintain a cautious stance on the markets, but see a major growth potential in the long term.

Features of our Funds

Name of the fund	Equity Fund/Equity Pension Fund
Nature of the Fund	Equity Growth Fund - Primarily invested in equity .
Investment Objective	To provide high growth opportunities with an objective of long term capital appreciation through investments primarily in equity and equity related instruments.
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	Equity Debt Money market
Minimum	80 0 0
Maximum	100 10 20
Chief Investment Officer	A. K. Sridhar
Fund Manager	Prasanna Pathak
Date of Launch	25-Nov-09
Net Asset Value	Declared every business day
Fund's Fact Sheet	Published monthly
Benchmark Index - Composition	S & P CNX Nifty - 90% weight CRISIL Liquid Fund Index - 10% weight

Name of the Fund	Debt Fund/Debt Pension Fund
Nature of the Fund	Primarily invested in debt instruments.
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.
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	Equity Debt Money market
Minimum	0 70 0
Maximum	0 100 30
Chief Investment Officer	A. K. Sridhar
Fund Manager	Poonam Tandon
Date of Launch	25-Nov-09
Net Asset Value	Declared every business day
Fund's Fact Sheet	Published monthly
Benchmark Index - Composition	CRISIL Composit Bond Fund Index - 85% Weight CRISIL Liquid Fund Index - 15% Weight

Name of the Fund	Balanced Fund/Balanced Pension Fund
Nature of the Fund	Balanced Fund with exposure to equity and debt investments.
Investment Objective	To provide higher growth with reasonable security, by investing primarily in equity instruments and moderate allocation in debt securities/bonds.
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	Equity Debt Money market
Minimum	50 30 0
Maximum	70 50 20
Chief Investment Officer	A. K. Sridhar
Fund Manager	Prasanna Pathak and Poonam Tandon
Date of Launch	25-Nov-09
Net Asset Value	Declared every business day
Fund's Fact Sheet	Published monthly
Benchmark Index - Composition	S & P CNX Nifty - 60% Weight CRISIL Composit Bond Fund Index - 30% weight CRISIL Liquid Fund Index - 10% Weight

Name of the Fund	Liquid Pension Fund
Nature of the Fund	Investment in liquid and money market instruments.
Investment Objective	To provide capital protection with growth at short-term interest rates while providing a high level of liquidity.
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	Equity Debt Money market
Minimum	0 80 0
Maximum	0 100 20
Chief Investment Officer	A. K. Sridhar
Fund Manager	Poonam Tandon
Date of Launch	25-Nov-09
Net Asset Value	Declared every business day
Fund's Fact Sheet	Published monthly
Benchmark Index - Composition	CRISIL Liquid Fund Index - 100% Weight

Features of our Funds

Name of the Fund	Value Fund
Nature of the Fund	Growth Fund.
Investment Objective	To provide high growth opportunities with an objective of long term capital appreciation through investments primarily in equity and equity related instruments.
Fund Positioning	This fund will be positioned as a multi-cap pure value fund with clearly defined investment criteria for investing in value stocks. The fund will invest in stocks that are relatively undervalued to their intrinsic value and will create wealth for investors in the medium to long term.
Asset Allocation	Equity Debt Money market
Minimum	70 0 0
Maximum	100 0 30
Chief Investment Officer	A. K. Sridhar
Fund Manager	Prasanna Pathak
Date of Launch	16-Sep-10
Net Asset Value	Declared every business day
Fund's Fact Sheet	Published monthly
Benchmark Index - Composition	BSE100 Index - 90% Weight CRISIL Liquid Fund Index - 10% Weight

Name of the Fund	Index Tracker Fund
Nature of the Fund	Equity Index Fund.
Investment Objective	The principal investment objective of the scheme is to invest in stocks of companies comprising S&P CNX Nifty Index and endeavour to achieve return equivalent to Nifty by "passive" investment
Fund Positioning	This will be a passively managed Fund, by investing the major portion of the fund, only in 50 equity stocks comprised in the S&P Nifty Index, in a proportion that is as close as possible to the weightages of these stocks in the index. The exposure/weightages of investment stocks will , however be subject to regulatory investment guidelines and exposure norms.
Asset Allocation	Equity Debt Money market
Minimum	90 0 0
Maximum	100 0 10
Chief Investment Officer	A. K. Sridhar
Fund Manager	Sandeep Shirsat
Date of Launch	22-Sep-10
Net Asset Value	Declared every business day
Fund's Fact Sheet	Published monthly
Benchmark Index - Composition	S & P CNX Nifty - 95% Weight CRISIL Liquid Fund Index - 5% Weight

S&P CNX NIFTY/BSE100 Index

Equity Fund, Equity Fund pension, Balanced Fund , Balanced Fund pension and Index Tracker Fund are benchmarked to S&P CNX Nifty Index which is not sponsored endorsed, sold or promoted by India Index Services & Products Limited (IISL). IISL is not responsible for any errors or omissions or the results obtained from the use of such index and in no event shall IISL have any liability to any party for any damages of whatsoever nature (including lost profits) resulted to such party due to purchase or sale or otherwise of such product benchmarked to such index.

"Standard & Poor's® and "S&P® are trademarks of The McGraw-Hill Companies, Inc. and have been licensed for use by India Index Services & Products Limited (IISL). The S&P CNX Nifty is not compiled, calculated or distributed by Standard & Poor's and Standard & Poor's and IISL make no representation regarding the advisability of investing in products that utilize any such Index as a component. All rights in the SENSEX/BSE100 vest in Bombay Stock Exchange Ltd. ("BSE").

BSE and SENSEX are trademarks of BSE and are used by IndiaFirst Life Insurance Company Limited. BSE shall not be liable in any manner whatsoever (including in negligence) for any loss arising to any person whatsoever out of use of or reliance on the SENSEX by any person.

CRISIL Composite Bond Fund Index and CRISIL Liquid Fund Index

CRISIL has taken due care and caution in compilation of data for CRISIL Composite Bond Fund Index and CRISIL Liquid Index. Information has been obtained by CRISIL from sources it considers reliable. However, CRISIL does not guarantee the accuracy, adequacy or completeness of the information and is not responsible for any errors or omissions or for the results obtained from the use of such information. CRISIL is not responsible for any errors in data reproduction. CRISIL especially states that it has no financial liability whatsoever to the subscribers/users/transmitters/distributors of this bulletin.

Balanced Fund / Balanced 1 Fund

Fact Sheet as on 31st May, 2011

Investment Objective

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

Name	Date of Inception	NAV as on 31st May, 2011
Balanced Fund	25-Nov-09	₹ 10.88
Balanced1 Fund	14-Sep-10	₹ 9.80

Targeted Asset Allocation Pattern in Percentage

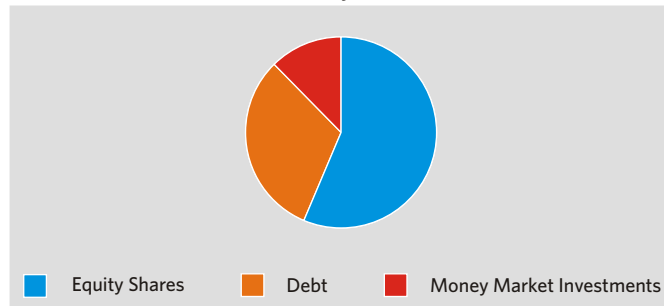
	Minimum	Maximum	Actual
Equity Shares	50	70	56
Debt Securities and Bonds	30	50	31
Cash and Money Market Investments	0	20	12

The actual asset allocation will remain 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.

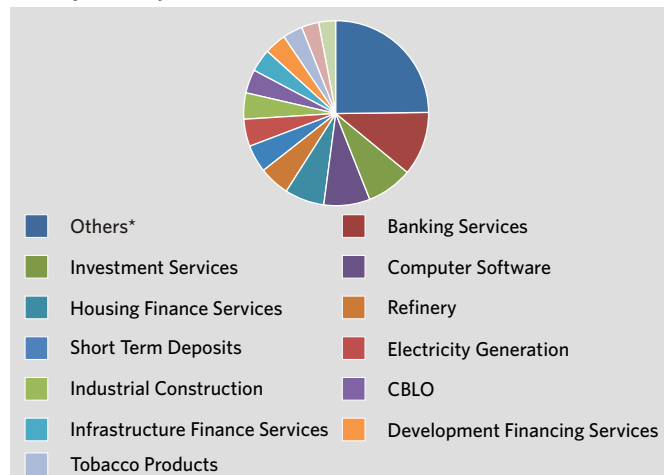
Asset Allocation Pattern as on 31st May, 2011



Credit Profile of Debt and Money Market Investments

Nature	Percentage
GSEC & T Bills	4.12
AAA & P1+ & PR1+ & A1+	73.53
AA+ & LAA+	7.86
AA	0.00
Fixed Deposits with Banks	5.08
CBLO/ Other Money Market Investments	9.41
Total	100.00

Industry -wise Exposure



Returns

	Annualised Returns Percentage			
	3 months	6 months	1 year	Since Inception
Balanced Fund	3.43	-1.76	7.12	6.16
Composite Benchmark**	3.34	-2.07	7.03	5.32

** Refer "Features of our Funds" for Details

Portfolio

Scheme: Balanced Fund / Balanced 1 Fund

Nature of Security	Security Name	Holding Percentage
Equity Shares	Reliance Industries Limited	4.85
	Infosys Technologies Limited	4.46
	ICICI Bank Limited	3.93
	ITC Limited	3.41
	Larsen & Toubro Limited	3.24
	Housing Development Finance Corporation	2.88
	HDFC Bank Limited	2.02
	Bharti Airtel Limited	1.95
	State Bank of India	1.84
	Tata Consultancy Services Limited	1.69
	Axis Bank Limited	1.46
	Hindustan Unilever Limited	1.43
	Bharat Heavy Electricals Limited	1.30
	Maruti Suzuki India Limited	1.24
	Tata Motors Limited	1.21
	ONGC Limited	1.10
	Mahindra & Mahindra Limited	1.06
	Hindalco Industries Limited	0.93
	Sterlite Industries Limited	0.86
	Gail (India) Limited	0.86
	Other Equity	14.63
		56.34
	Debt	7.45 % TATA Sons (MD: 15.04.2012)
10.50% IL&FS (MD: 29 .03.2012)		0.02
7.80% Sundaram Finance Limited 2011 (MD: 28.07.2011)		0.02
10.95% Rural Electrification Corporation Limited (MD: 14.08.2011)		0.02
8.10% HDFC Limited (MD : 23.06.2011)		0.02
Other Debt		31.19
		31.29
Money Market Investments		12.37
Net Assets		100.00

Industry-wise Exposure

Industry	Percentage
Others *	24.79
Banking Services	11.20
Investment Services	8.08
Computer Software	8.04
Housing Finance Services	6.90
Refinery	5.43
Short Term Deposits	4.78
Electricity Generation	4.76
Industrial Construction	4.63
CBLO	4.11
Infrastructure Finance Services	3.96
Development Financing Services	3.86
Tobacco Products	3.41
Auto Financing Services	3.05
Other Financial Services	3.00
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	24.74
3-12 months	42.01
1- 3 year	24.34
3 -5 year	8.91
5- 10 year	-
> 10 year	-
Total	100.00

Fund Manager's Comments

In the month of May, the Sensex and Nifty ended lower by 3.2 per cent and 3.3 per cent respectively. The movement was in line with the regional markets as leading Asian indices ended lower. Apart from profit booking several other factors like higher inflation data, no signs of crude easing out, higher than expected rate hike by RBI and below expected earnings and IIP numbers kept the markets under pressure. With global and domestic concerns still prevailing, the outlook remains cautious going ahead.

During the month, we maintained cash levels at around 12-14 per cent in-line with our cautious view. We continued to be over-weight on Oil & Gas, Pharma, Banking, Auto and other consumption themes. Going ahead, we would tactically reduce cash levels to deploy in good stories that have become attractive post the recent fall. The exposure to equity will be tilted towards low beta stocks that have attractive value proposition.

The yields in the debt market have increased significantly over the past one month in view of the unexpected 50 bps hike by RBI. The inflation is likely to be high for the next quarter too. The liquidity is in deficit mode and the deficit will increase especially in mid June due to tax outflows. The RBI mid quarterly policy statement is also due. We expect the RBI to hike rates by 25 bps. The yields are likely to be at range bound at current market levels. The duration of our portfolio is around 1 so that the rate hikes have minimal adverse impact on the portfolio. We will increase the duration, in the second half of the financial year once inflation has moderated and RBI has achieved its objective.

Balanced Fund - Pension

Fact Sheet as on 31st May, 2011

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 as on 30st May, 2011	₹ 10.90

Targeted Asset Allocation Pattern in Percentage

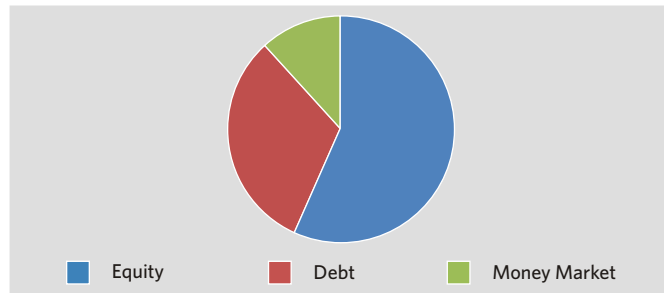
	Minimum	Maximum	Actual
Equity Shares	50	70	57
Debt securities and bonds	30	50	32
Cash and Money	0	20	12
Market Investments			

The actual asset allocation will remain 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.

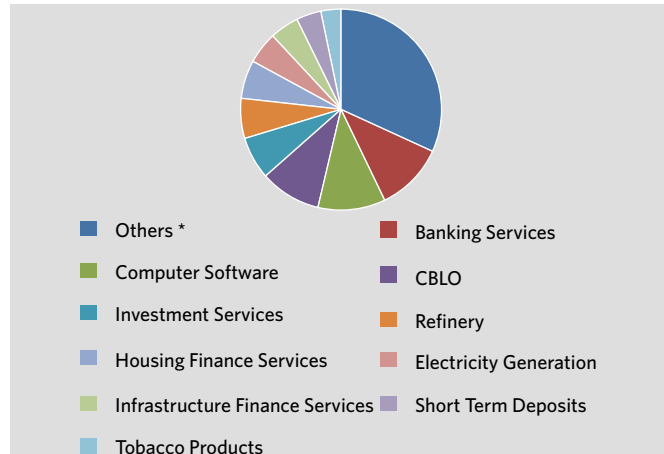
Asset Allocation Pattern as on 31st May, 2011



Credit Profile of Debt and Money Market Investments

Nature	Percentage
GSEC & T Bills	5.61
AAA & P1+ & PR1+ & A1+	61.51
AA+ & LAA+	5.23
AA	0.00
Fixed Deposits with banks	4.87
CBLO/ Other money market investments	22.77
Total	100.00

Industry-wise Exposure



Returns

	Returns in Percentage			
	3 months	6 months	1 year	Since Inception
Balanced Pension Fund	3.42	-1.78	7.07	6.29
Composite Benchmark**	3.34	-2.07	7.02	5.32

** Refer "Features of our Funds" for Details

Portfolio

Scheme: Balanced Fund - Pension

Nature of Security	Security Name	Percentage %
Equity shares		
	Reliance Industries Limited	5.19
	Infosys Technologies Limited	5.08
	ICICI Bank Limited	3.49
	ITC Limited	3.27
	Housing Development Finance Corporation	3.15
	Larsen & Toubro Limited	2.91
	Tata Consultancy Services Limited	2.14
	Bharat Heavy Electricals Limited	2.06
	HDFC Bank Limited	2.03
	State Bank of India	1.83
	Axis Bank Limited.	1.55
	Tata Motors Limited	1.37
	ONGC Limited	1.25
	Hindustan Unilever Limited	1.24
	Maruti Suzuki India Limited	1.15
	Bharti Airtel Limited	1.06
	Mahindra & Mahindra Limited	1.04
	Gail (India) Limited	1.03
	Bharat Petroleum Corpn Limited	1.03
	Cipla Limited	0.95
	Other Equity	13.86
		56.68
Debt		
	7% REC (MD: 02.06.2012)	2.34
	10.25% Tech Mahindra Limited 2014	2.08
	7.45 % TATA SONS (MD: 15.04.2012)	2.01
	9.50% Bank of Baroda, BKC Branch FD (MD: 26.12.2011)	1.92
	7.95% Reliance Capital Limited2012 (MD : 04.05.2012)	1.89
	Other Debt	21.38
		31.61
Money Market Investments		11.71
Net Assets		100.00

Industry-wise Exposure

Industry	Percentage(%)
Others *	31.79
Banking Services	11.03
Computer Software	10.86
CBLO	9.87
Investment Services	6.78
Refinery	6.46
Housing Finance Services	6.16
Electricity Generation	5.12
Infrastructure Finance Services	4.71
Short Term Deposits	3.96
Tobacco Products	3.27
Grand Total	100.00

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

Maturity Profile of Debt Portfolio

Period	Percentage(%)
0-3 months	4.83
3-12 months	29.54
1- 3 year	47.85
3 -5 year	17.79
5- 10 year	-
> 10 year	-
Total	100.00

Fund Manager's Comments

In the month of May, the Sensex and Nifty ended lower by 3.2 per cent and 3.3 per cent respectively. The movement was in line with the regional markets as leading Asian indices ended lower. Apart from profit booking several other factors like higher inflation data, no signs of crude easing out, higher than expected rate hike by RBI and below expected earnings and IIP numbers kept the markets under pressure. With global and domestic concerns still prevailing the outlook remains cautious going ahead.

During the month, we maintained cash levels at around 12-14 per cent in-line with our cautious view. We continued to be over-weight on Oil & Gas, Pharma, Banking, Auto and other consumption themes. Going ahead, we would tactically reduce cash levels to deploy in good stories that have become attractive post the recent fall. The exposure to equity will be tilted towards low beta stocks that are having attractive value proposition.

The yields in the debt market have increased significantly over the past one month in view of the unexpected 50 bps hike by RBI. The inflation is likely to be high for the next quarter too. The liquidity is in deficit mode and the deficit will increase especially in mid June due to tax outflows. The RBI mid quarterly policy statement is also due. We expect the RBI to hike rates by 25 bps. The yields are likely to be at range bound at current market levels. The duration of our portfolio is around 1 so that the rate hikes have minimal adverse impact on the portfolio. We will increase the duration, in the second half of the financial year once inflation has moderated and RBI has achieved its objective.

Debt Fund / Debt1 Fund

Fact Sheet as on 31st May, 2011

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.

Name	Date of Inception	NAV as on 31st May, 2011
Debt Fund	25-Nov-09	₹ 10.74
Debt1 Fund	17-Sep-10	₹ 10.38

Targeted Asset Allocation Pattern in Percentage

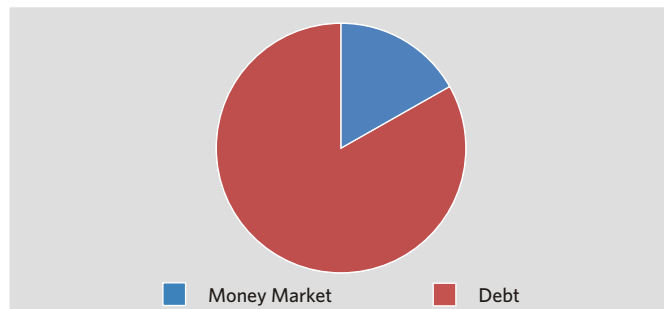
	Minimum	Maximum	Actual
Equity Shares	0	0	0
Debt Securities and Bonds	70	100	83
Cash and Money Market Investments	0	30	17

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

Fund Positioning

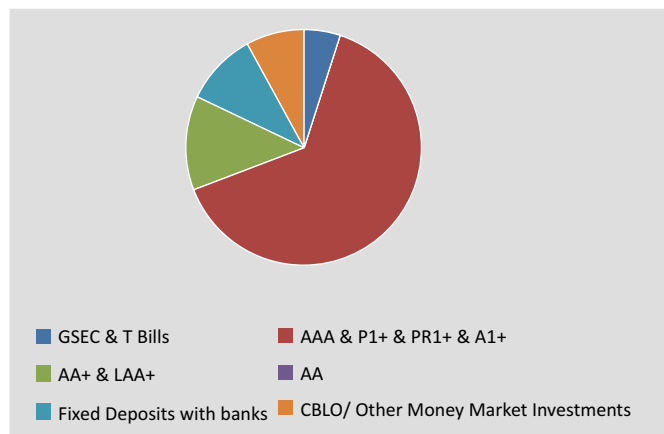
This Fund is positioned as a pure debt oriented fund, with asset allocation pattern providing a good opportunity to provide consistent and sustainable returns. The debt portfolio will comprise of high rated debt instruments with a low to moderate liquidity, government securities and money market investments 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 May, 2011

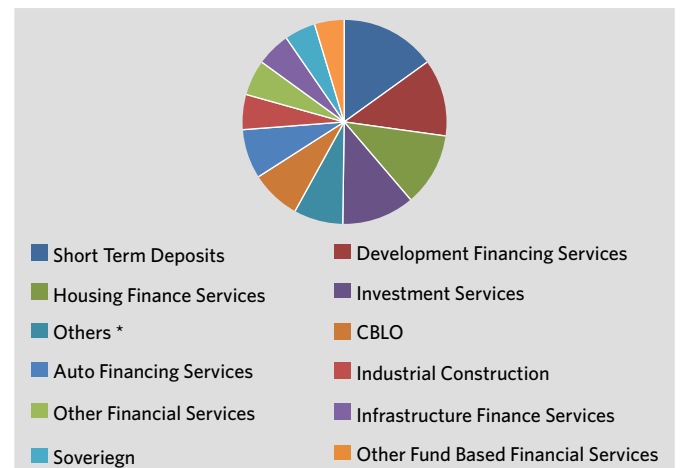


Credit Profile of Debt and Money Market Investments

Nature	Percentage
GSEC & T Bills	4.98
AAA & P1+ & PR1+ & A1+	64.20
AA+ & LAA+	12.85
AA	0.00
Fixed Deposits with banks	10.07
CBLO/ Other money market investments	7.90
Total	100.00



Industry-wise Exposure



Returns

	Annualised Returns in Percentage			
	3 months	6 months	1 year	Since Inception
Debt Fund	7.43	5.73	4.49	5.19
Composite Benchmark**	5.28	4.79	4.51	4.77

** Refer "Features of our Funds" for Details

Portfolio

Scheme: Debt Fund

Nature of Security	Security Name	Percentage(%)
Debt	9.20 % Larsen and Toubro Limited (MD: 21.1.2012)	5.60
	9.20% HDFC Limited (MD: 09.02.2012)	4.75
	6.42% National Housing Bank Limited (MD: 27.11.2012)	4.68
	12% TATA Capital Limited (MD: 05.03.2014) - P/C.-05.03.2012	4.30
	9.65 NABARD (MD :15.03.2014) P/C:16.03.12	4.24
	Other Debt	59.62
		83.19
Money Market Investments		15.74
Net Assets		100.00

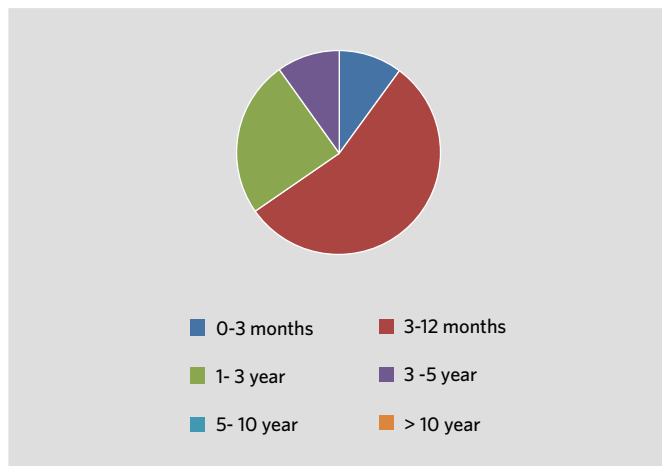
Industry-wise Exposure

Industry	Percentage(%)
Short Term Deposits	15.02
Development Financing Services	12.17
Housing Finance Services	11.58
Investment Services	11.45
Others*	7.91
CBLO	7.90
Auto Financing Services	7.76
Industrial Construction	5.60
Other Financial Services	5.58
Infrastructure Finance Services	5.36
Sovereign	4.68
Other Fund Based Financial Services	4.98
Grand Total	100.00

* 'Others' includes all industries having weightages lesser than 3%

Maturity Profile of Debt Portfolio

Period	Percentage(%)
0-3 months	10.11
3-12 months	55.27
1- 3 year	24.70
3 -5 year	9.92
5- 10 year	-
> 10 year	-
Total	100.00



Fund Manager's Comments

The yields in the debt market have increased significantly over the past one month in view of the unexpected 50 bps hike by RBI. The inflation is likely to be high for the next quarter too. The liquidity is in deficit mode and the deficit will increase especially in mid June due to tax outflows. The RBI mid quarterly policy statement is also due. We expect the RBI to hike by 25 bps. The yields are likely to be at range bound at current market levels. The duration of our portfolio is around 1 so that the rate hikes have minimal adverse impact on the portfolio. We will increase the duration, in the second half of the financial year once inflation moderates and RBI achieves its objective.

Debt Fund - Pension

Fact Sheet as on 31st May, 2011

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 as on 31st May, 2011	₹ 10.72

Targeted Asset Allocation Pattern in Percentage

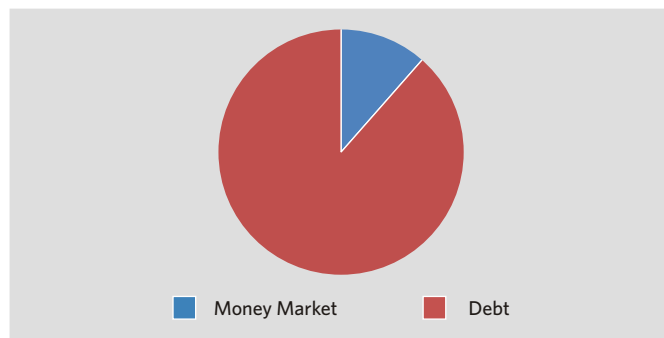
	Minimum	Maximum	Actual
Equity Shares	0	0	0
Debt Securities and Bonds	70	100	89
Cash and Money Market Investments	0	30	11

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

Fund Positioning

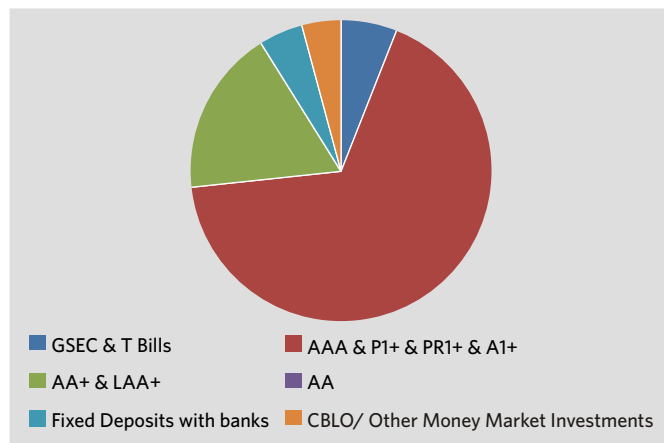
This Fund is positioned as a pure debt oriented fund, with asset allocation pattern providing a good opportunity to provide consistent and sustainable returns. The debt portfolio will comprise of high rated debt instruments with a low to moderate liquidity, government securities, money market investments 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 May, 2011

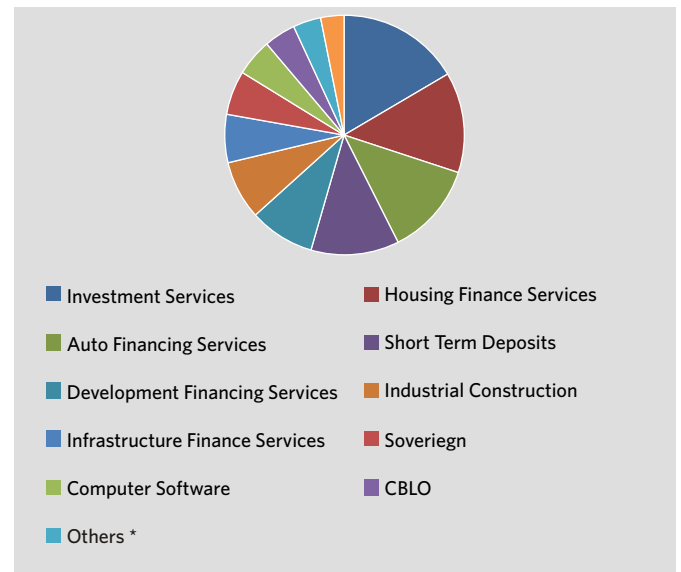


Credit Profile of Debt and Money Market Investments

Nature	Percentage
GSEC & T Bills	6.02
AAA & P1+ & PR1+ & A1+	67.24
AA+ & LAA+	17.82
AA	0.00
Fixed Deposits with banks	4.72
CBLO/ Other money market investments	4.21
Total	100.00



Industry-wise Exposure



Returns

	Annualised Returns in Percentage			
	3 months	6 months	1 year	Since Inception
Debt Pension Fund	6.98	5.38	4.30	5.00
Composite benchmark**	5.28	4.79	4.51	4.77

** Refer "Features of our Funds" for Details

Portfolio

Scheme: Debt Fund - Pension

Nature of Security	Security Name	Percentage(%)
Debt	9.20 % Larsen and Toubro Limited (MD: 21.01.2012)	7.93
	6.50% NABARD 2013 (MD: 30.06.2013)	7.60
	10.20 Sundaram Finance Limited 2013	5.97
	12% TATA Capital Limited (MD: 05.03.2014) - P/C.-05.03.2012	4.61
	LIC Housing Finance Limited ZCB (MD: 08.08.2011)	4.40
	Other Debt	58.03
		88.54
Money Market Investments		11.46
Net Assets		100.00

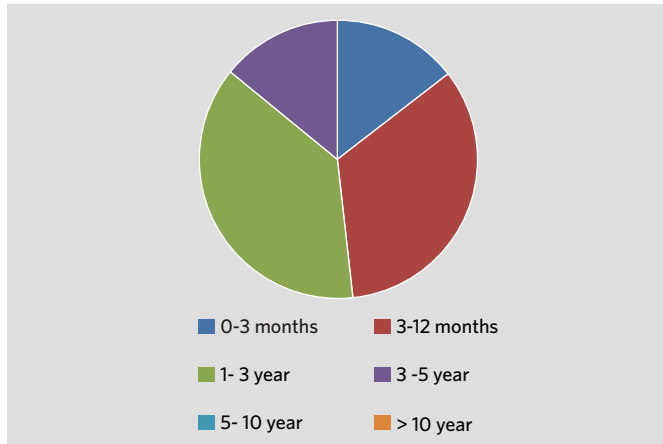
Industry-wise Exposure

Industry	Percentage(%)
Investment Services	16.49
Housing Finance Services	13.56
Auto Financing Services	12.51
Short Term Deposits	11.96
Development Financing Services	8.85
Industrial Construction	7.93
Infrastructure Finance Services	6.47
Sovereign	6.02
Computer Software	5.05
CBLO	4.21
Others *	3.75
Banking Services	3.20
Grand Total	100.00

* 'Others' includes all industries having weightages lesser than 3%

Maturity Profile of Debt Portfolio

Period	Exposure in Percentage
0-3 months	14.58
3-12 months	33.68
1- 3 year	37.65
3 -5 year	14.10
5- 10 year	-
> 10 year	-
Total	100.00



Fund Manager's Comments

The yields in the debt market have increased significantly over the past one month in view of the unexpected 50 bps hike by RBI. The inflation is likely to be high for the next quarter too. The liquidity is in deficit mode and the deficit will increase especially in mid June due to tax outflows. The RBI mid quarterly policy statement is also due. We expect the RBI to hike rates by 25 bps. The yields are likely to be at range bound at current market levels. The duration of our portfolio is around 1 so that the rate hikes have minimal adverse impact on the portfolio. We will increase the duration, in the second half of the financial year once inflation has moderates and RBI achieves its objective.

Equity Fund / Equity1 Fund

Fact Sheet as on 31st May, 2011

Investment Objective

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

Name	Date of Inception	NAV as on 31st May, 2011
Equity Fund	25-Nov-09	₹ 11.15
Equity1 Fund	15-Sep-10	₹ 9.58

Targeted Asset Allocation Pattern in Percentage

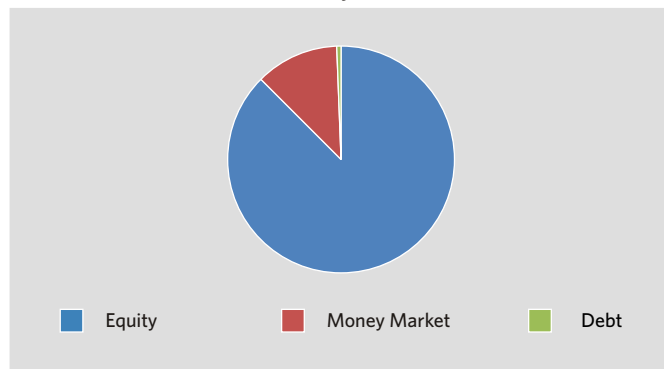
	Minimum	Maximum	Actual
Equity Shares	80	100	87
Debt Securities and Bonds	0	10	1
Cash and Money Market Investments	0	20	12

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

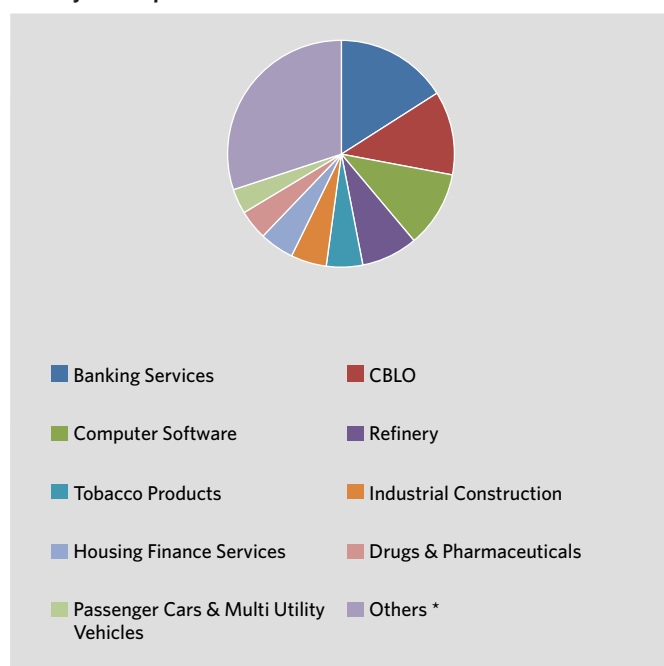
Fund Positioning

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 per cent 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 on 31st May, 2011



Industry-wise Exposure



Returns

	Returns in Percentage			
	3 months	6 months	1 year	Since Inception
Equity Fund	4.17	-4.16	9.26	7.98
Composite Benchmark**	4.22	-4.26	8.48	5.72

Portfolio

Scheme: Equity Fund

Security	Security Name	Holding Percentage
Equity Shares		
	Reliance Industries Limited	7.62
	Infosys Technologies Limited	7.15
	ICICI Bank Limited	6.23
	ITC Limited	5.18
	Larsen & Toubro Limited	5.04
	Housing Development Finance Corporation	4.38
	HDFC Bank Limited	3.18
	State Bank Of India	3.00
	Bharti Airtel Limited	2.89
	Tata Consultancy Services Limited	2.78
	Hindustan Unilever Limited	2.25
	Bharat Heavy Electricals Limited	2.22
	Axis Bank Limited	2.07
	Maruti Suzuki India Limited	1.94
	ONGC Limited	1.93
	Tata Motors Limited	1.70
	Mahindra & Mahindra Limited	1.57
	Gail (India) Limited	1.44
	Hindalco Industries Limited	1.43
	Cipla Limited	1.35
	Other Equity	22.03
		87.36
Money Market Investments		11.94
Debt	Debt Securities	0.70
Net Assets		100.00

Industry-wise Exposure

Industry	Percentage
Banking Services	15.99
CBLO	11.94
Computer Software	10.90
Refinery	8.14
Tobacco Products	5.18
Industrial Construction	5.04
Housing Finance Services	4.92
Drugs & Pharmaceuticals	4.26
Passenger Cars & Multi Utility Vehicles	3.50
OTHERS*	30.13
Grand total	100.00

* 'Others' includes all industries having weightages lesser than 3%

Fund Manager's Comments

In the month of May, the Sensex and Nifty ended lower by 3.2 per cent and 3.3 per cent respectively. The movement was in line with the regional markets as leading Asian indices ended lower. Apart from profit booking several other factors like higher inflation data, no signs of crude easing out, higher than expected rate hike by RBI and below expected earnings and IIP numbers kept the markets under pressure. With global and domestic concerns still prevailing the outlook remains cautious going ahead.

During the month, we maintained cash levels at around 12-14 per cent in-line with our cautious view. We continued to be over-weight on Oil & Gas, Pharma, Banking, Auto and other consumption themes. Going ahead, we would tactically reduce cash levels to deploy in good stories that have become attractive post the recent fall. The exposure to equity will be tilted towards low beta stocks that have attractive value proposition.

Equity Fund - Pension

Fact Sheet as on 31st May, 2011

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 as on 31st May, 2011	₹ 11.15

Targeted Asset Allocation Pattern in Percentage

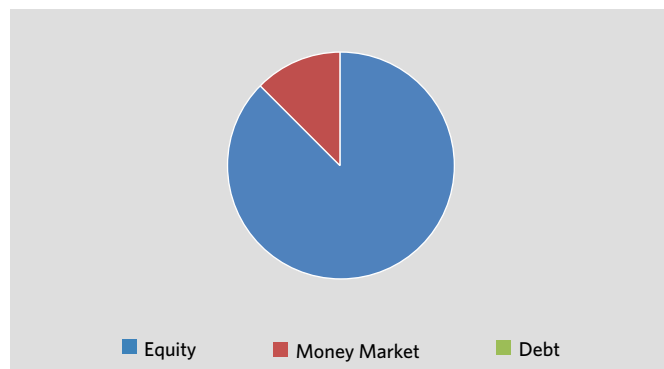
	Minimum	Maximum	Actual
Equity Shares	80	100	86
Debt Securities and Bonds	0	10	1
Cash and Money Market Investments	0	20	12

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

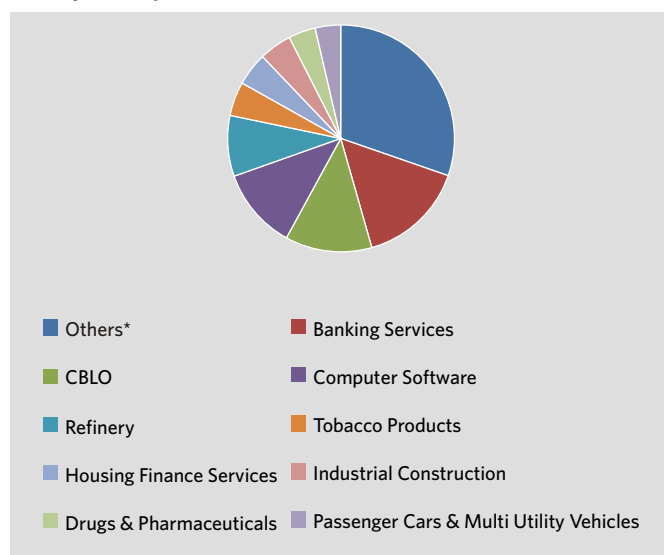
Fund Positioning

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 per cent 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 on 31st May, 2011



Industry-wise Exposure



Returns

	Returns in percentage			
	3 months	6 months	1 year	Since inception
Equity pension Fund	4.14	-4.22	9.16	7.95
Composite Benchmark**	4.22	-4.26	8.48	5.72

Portfolio

Scheme: Equity Fund - Pension

Security	Security Name	Holding Percentage
Equity shares		
	Infosys Technologies Limited	7.89
	Reliance Industries Limited	7.57
	ICICI Bank Limited	5.66
	ITC Limited	4.86
	Larsen & Toubro Limited	4.61
	Housing Development Finance Corporation	4.26
	HDFC Bank Limited	3.35
	Tata Consultancy Services Limited	3.11
	State Bank of India	2.92
	Bharat Heavy Electricals Limited	2.83
	Axis Bank Limited	2.19
	Maruti Suzuki India Limited	2.16
	Tata Motors Limited	2.05
	Hindustan Unilever Limited	1.85
	ONGC Limited	1.80
	Bharti Airtel Limited.	1.62
	Gail (India) Limited	1.61
	Cipla Limited	1.59
	Mahindra & Mahindra Limited	1.47
	Hindalco Industries Limited	1.39
	Other Equity	21.56
		86.34
Debt		1.32
Money Market Investments		12.34
Net Assets		100.00

Industry-wise Exposure

Industry	Percentage
Others *	30.30
Banking Services	15.33
CBLO	12.33
Computer Software	11.64
Refinery	8.69
Tobacco Products	4.86
Housing Finance Services	4.72
Industrial Construction	4.61
Drugs & Pharmaceuticals	3.89
Passenger Cars & Multi Utility Vehicles	3.63
Grand Total	100.00

* 'Others' includes all industries having weightages lesser than 3%

Fund Manager's Comments

In the month of May, the Sensex and Nifty ended lower by 3.2 per cent and 3.3 per cent respectively. The movement was in line with the regional markets as leading Asian indices ended lower. Apart from profit booking several other factors like higher inflation data, no signs of crude easing out, higher than expected rate hike by RBI and below expected earnings and IIP numbers kept the markets under pressure. With global and domestic concerns still prevailing the outlook remains cautious going ahead.

During the month, we maintained cash levels at around 12-14 per cent in-line with our cautious view. We continued to be over-weight on Oil & Gas, Pharma, Banking, Auto and other consumption themes. Going ahead, we would tactically reduce cash levels to deploy in good stories that have become attractive post the recent fall. The exposure to equity will be tilted towards low beta stocks that have attractive value proposition.

Liquid Fund - Pension

Fact Sheet as on 31st May, 2011

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 as on 31st May, 2011	₹ 10.70

Targeted Asset Allocation Pattern in Percentage

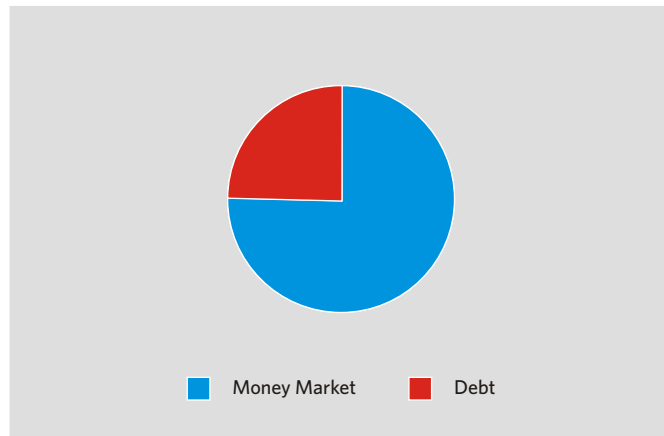
	Minimum	Maximum	Actual
Rs Equity Shares	0	0	0
Debt Securities and Bonds	0	20	25
Cash and Money Market Investments	80	100	75

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

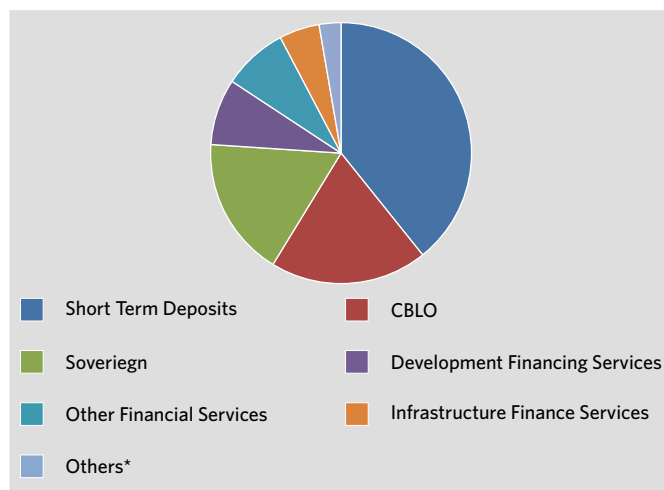
Fund Positioning

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 on 31st May, 2011



Industry-wise Exposure



Credit Profile of Debt and Money Market Investments

Nature	Percentage
GSEC & T Bills	17.33
AAA & P1+ & PR1+ & A1+	51.59
AA+ & LAA+	0.00
AA	0.00
Fixed Deposits with banks	11.48
CBLO/ Other money market investments	19.60
Total	100.00

Returns

	Annualised Returns in Percentage			
	3 months	6 months	1 year	Since Inception
Liquid Pension Fund	7.54	7.11	5.76	4.91
Composite Benchmark**	7.81	7.79	6.91	6.01

** Refer "Features of our Funds" for Details

Portfolio

Scheme: Liquid Fund - Pension

Security	Holding Percentage
Money Market Instruments	75.43
Debt	
9.60% Union Bank of India, Hill Road Branch FD (MD: 26.12.2011)	8.20
6.50% NABARD 2013 (MD: 30.06.2013)	8.18
9.70% Power Finance Corporation 2011 (MD: 23.11.2011)	4.91
9.50% Bank of Baroda, BKC Branch FD (MD: 26.12.2011)	3.28
	24.57
Net Assets	100.00

Industry-wise Exposure

Industry	Percentage
Short Term Deposits	39.18
CBLO	19.60
Sovereign	17.33
Development Financing Services	8.18
Other Financial Services	8.06
Infrastructure Finance Services	4.91
Others*	2.73
Grand Total	100.00

* 'Others' includes all industries having weightages lesser than 3%

Fund Manager's Comments

The funds under the Liquid Fund 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.

Value Fund

Fact Sheet as on 31st May, 2011

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	16th September, 2010
NAV as on 31st May, 2011	₹ 9.64

Targeted Asset Allocation Pattern in Percentage

	Minimum	Maximum	Actual
Equity Shares	70	100	90
Debt Securities and Bonds	0	0	0
Cash and Money Market Investments	0	30	10

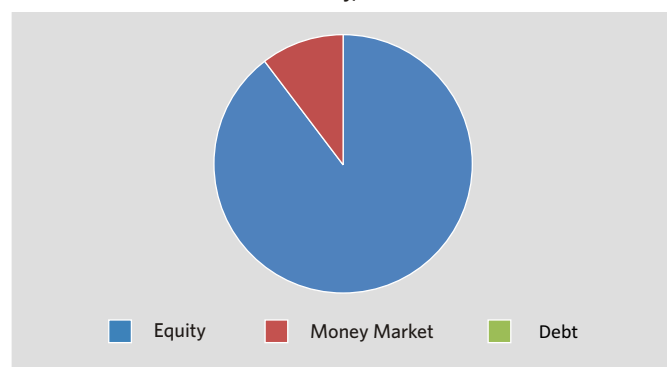
The actual asset allocation will remain within the 'minimum' and 'maximum' range based on market opportunities and future outlook of the markets.

Fund Positioning

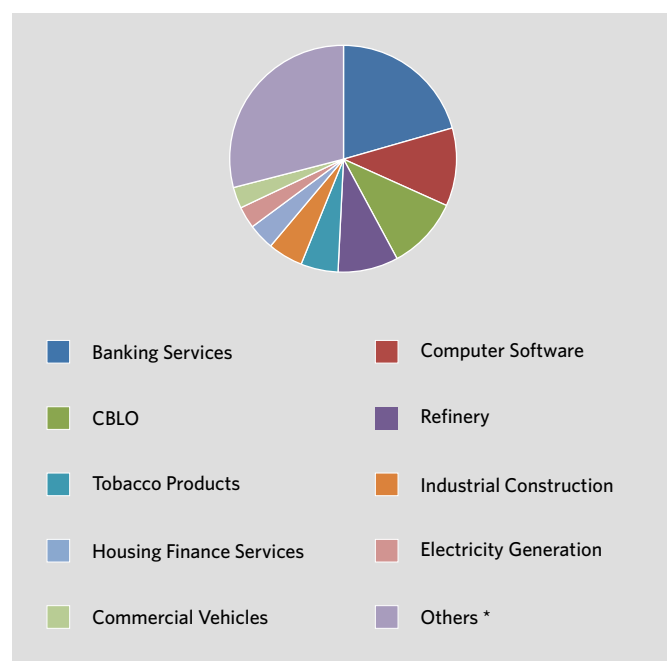
The Fund will be positioned as a multi-cap pure value fund with clearly defined investment criteria for investing in value stocks.

The Fund will invest in stocks that are relatively undervalued to their intrinsic value and which will create wealth for shareholders in the medium to long term

Asset Allocation Pattern as on 31st May, 2011



Industry-wise Exposure



Returns

	Returns in Percentage			
	3 months	6 months	1 year	Since Inception
value Fund	4.36	-3.72	NA	-3.63
Composite Benchmark**	4.63	-4.60	NA	-5.81

** Refer "Features of our Funds" for Details

Portfolio

Scheme: Value Fund

Security	Security Name	Holding Percentage
Equity Shares		
	Reliance Industries Limited	8.06
	ICICI Bank Limited	7.73
	Infosys Technologies Limited	7.12
	ITC Limited	5.33
	Larsen & Toubro Limited	5.01
	HDFC Bank Limited	4.69
	Tata Consultancy Services Limited	3.61
	Housing Development Finance Corporation	3.48
	The Karnataka Bank Limited	3.16
	Power Grid Corporation	2.45
	State Bank of India	2.39
	Tata Motors Limited	2.05
	Axis Bank Limited	2.00
	Bajaj Auto Limited	1.93
	Bharti Airtel Limited	1.75
	Hindustan Unilever Limited	1.66
	Cipla Limited	1.63
	Mahindra & Mahindra Limited	1.57
	Apollo Hospitals Enterprises Limited	1.53
	Power Finance Corporation Limited	1.31
	Other Equity	21.13
		89.60
Money Market Investments		10.39
Debt	Debt Securities	0.01
Net Assets		100.00

Industry-wise Exposure

Industry	Percentage
Banking Services	20.60
Computer Software	11.12
CBLO	10.39
Refinery	8.61
Tobacco Products	5.33
Industrial Construction	5.01
Housing Finance Services	3.74
Electricity Generation	3.12
Commercial Vehicles	3.03
Others*	29.05
Grand Total	100.00

* 'Others' includes all industries having weightages lesser than 3%

Fund Manager's Comments

The Value Fund invests in stocks which offer better value- proposition vis-a-vis peers based on strategies laid out in the Fund's investment mandate. In the initial phase, the tilt has been more towards large-cap stocks. This conscious short term strategy, has worked well as can be seen by the fund out-performance. We have started to increase the exposure to value stocks and mid-cap stocks, to bring in more of value orientation, as the risk-reward appears to be favorable now.

Index Tracker Fund

Fact Sheet as on 31st May, 2011

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	22nd September, 2010
NAV as on 31st May, 2011	₹ 9.32

Targeted Asset Allocation Pattern in Percentage

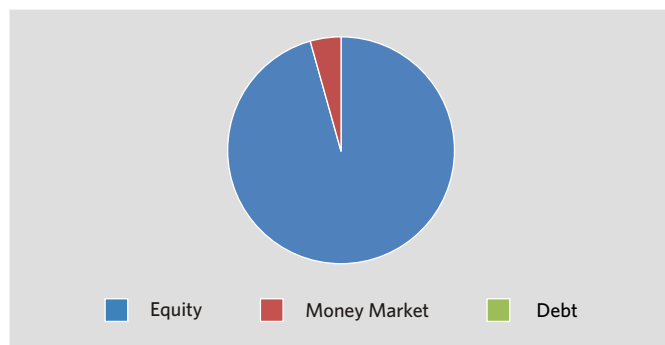
	Minimum	Maximum	Actual
Equity Shares	90	100	96
Debt Securities and Bonds	0	0	0
Cash and Money Market Investments	0	10	4

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

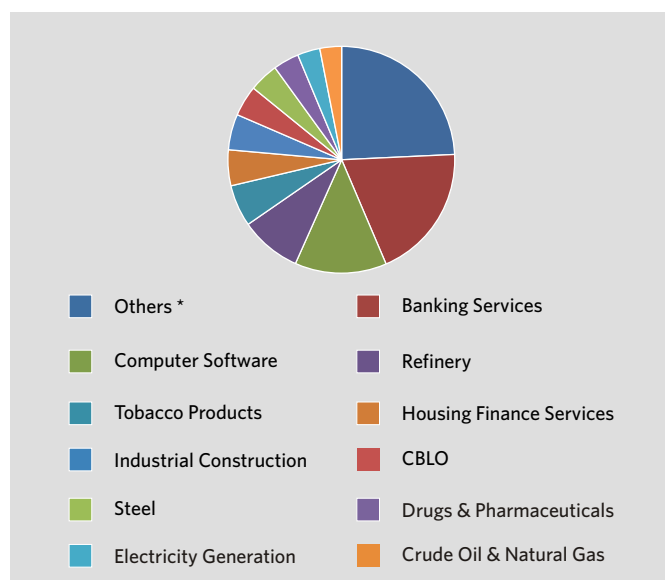
Fund Positioning

This will be a passively managed Fund, by investing the major portion of the fund, only in 50 equity stocks comprised in the S&P Nifty Index, in a proportion that is as close as possible to the weightages of these stocks in the Index. The exposures / weightages of investment stocks will, however be subject to the regulatory investment guidelines and exposure norms

Asset Allocation Pattern as on 31st May, 2011



Industry-wise Exposure



Returns

	Returns in Percentage			
	3 months	6 months	1 year	Since Inception
Index Tracker Fund	2.61	-6.16	NA	-6.85
Composite Benchmark**	4.35	-4.71	NA	-6.56

** Refer "Features of our Funds" for Details

Portfolio

Scheme: Index Tracker Fund

Security	Security Name	Holding Percentage
Equity Shares		
	Reliance Industries Limited	8.27
	Infosys Technologies Limited	7.76
	ICICI Bank Limited	7.27
	ITC Limited	5.93
	Housing Development Finance Corporation	5.11
	Larsen & Toubro Limited	5.06
	HDFC Bank Limited	4.95
	State Bank of India	3.41
	Tata Consultancy Services Limited	3.37
	Bharti Airtel Limited	2.61
	Tata Steel Limited	2.23
	Tata Motors Limited	2.20
	ONGC Limited	2.20
	Axis Bank Limited	1.91
	Hindustan Unilever Limited	1.84
	Mahindra & Mahindra Limited	1.82
	Bharat Heavy Electricals Limited	1.78
	Hindalco Industries Limited	1.47
	Jindal Steel & Powers Limited	1.44
	Sterlite Industries Limited	1.41
	Other Equity	23.57
		95.60
Money Market Investments		4.39
Debt	Debt Securities	0.01
Net Assets		100.00

Industry-wise Exposure

Industry	Percentage
Others *	24.24
Banking Services	19.29
Computer Software	13.15
Refinery	8.74
Tobacco Products	5.93
Housing Finance Services	5.11
Industrial Construction	5.06
CBLO	4.39
Steel	4.15
Drugs & Pharmaceuticals	3.67
Electricity Generation	3.23
Crude Oil & Natural Gas	3.04
Grand Total	100.00

* 'Others' includes all industries having weightages lesser than 3%

Fund Manager's Comments

The Fund will be managed passively by investing in all the Nifty 50 Stocks in a proportion that is as close as possible to the weightages of these stocks in the S & P CNX Nifty index. Under Index Funds, tracking error normally occurs due to intra day price movements, cost of transaction, fund management expenses charges, dividend inflows. In addition, limiting the actual exposures to the extent allowed by regulatory norms also contribute to tracking error in certain scrips.

The investment strategy is to keep the tracking error low and deliver the returns as close to the returns delivered by the benchmark index. The Fund will optimally use the portfolio re balancing techniques combined with least possible transaction cost to keep the tracking error low.

The money flow under this Fund is still in the accumulation stage.

Toll Free No. 1800 209 8700
SMS <FIRST> to 56677, SMS charges apply.

Website: www.indiafirstlife.com



Disclaimer: Some of the contents of this document may contain statements / estimates / expectations / predictions, which may be 'forward looking'. The actual outcomes could differ materially from those expressed /implied in this document. These statements, do not intend to provide personal recommendation to any specific individual or any investment needs of an individual. The recommendations / statements / estimates / expectations / predictions are of general in nature and may not take into account the specific investment needs or risk appetite or financial situations of individual clients. Therefore, before acting on any advice or recommendations contained in this document, readers, in their own interest, should consider seeking advice from any authorized and professional investment advisors or financial consultants.'