

IN ULIP PRODUCTS THE INVESTMENT RISK IN THE INVESTMENT PORTFOLIO SHALL BE BORNE BY THE POLICYHOLDER.

# AvivaInvestor

Group Superannuation, Gratuity and Leave Encashment Funds

September, 2010



# Market. review

## EQUITY

In 2010, two things broadly have happened - (1) Continuous and sustainable recovery from troughs in fundamentals across the globe and (2) Abundant liquidity chasing few asset classes and market.

India has been clearly a big beneficiary of both. Meanwhile throughout 2010, Indian economy has shown remarkable strength and certainly looking a lot better than a year earlier. For India, the key domestic indicators are showing reassuring trends of recovery and positive growth. Consumer discretionary spending is growing, bank credit is picking up and commercial vehicle sales continue to remain strong. Whereas, International financial markets continue to walk a tight rope and any cracks anywhere can disturb the equilibrium leading to prolonged periods of volatility and sub-par growth rate.

During the quarter, BSE Sensex was up 13%, of which it was up 10% in the month of September alone. Among the sectoral indices, BSE consumer goods index and Banking index were the best performers - up 33% and 30% respectively. India has clearly outperformed major international markets. For the same period, Dow Jones Industrial Average was up 10%, FTSE EuroTop 100 index 6%, Hang Seng Index 11% and Shanghai Composite Index also up 11%. The markets that have outperformed India are Colombo Index - up 52%, Philippines and Thailand Index up 22% and Jakarta Composite Index up 20%. Clearly, Asian emerging markets have outshone this quarter and one key driver has been increased liquidity flows into the emerging markets.

India has received \$11.5bn of net FII investment this quarter, which is the highest ever in a single quarter in the history of Indian equity markets. The previous highest was \$7.46bn received in quarter ending September 2007. Increased flows is a function of both i) improved confidence in the Indian economy, and ii) surplus global liquidity looking for attractive return. To encourage FII flows in debt instruments also, RBI has recently hiked the FII investment limit in both government

securities and corporate bonds. Yield difference between 10 year India G-Sec bond and 10 year US G Sec bond is near its all time high and should encourage investments in fixed income instruments. Incidentally, domestic institutional investors were net sellers to the tune of 4.6 bn\$ in Q2FY10 with domestic mutual funds selling US \$ 2.8bn.

## Economy

With domestic consumption picking up and industrial capex expected to revive, official pronouncements of FY11 GDP growth are being revised upwards. A good monsoon has raised expectations of a good crop in FY11 and would result in strong consumption led demand in rural India. Besides the direct impact on GDP growth, it has other cascading impact on the whole economy. Service sector has also picked up from the slowdown. Hiring plans are now back across the industries and propensity to consume in urban India would increase with better job outlook.

Indian economy looks firmly entrenched on the growth path. Q1'11 GDP growth was 8.8% yoy. GDP growth for FY11 is expected at 8.25%-8.5%. On the industry front, July IIP number came very strong at 13.8% and much higher than expectations. This was led by capex spending and strong number of the manufacturing sector especially capital goods.

Policy environment is supportive of the growth and any concerns emanating from inflationary pressures or higher trade deficits would be adequately addressed. Already, August 2010 WPI inflation at 8.5% (new series) reflects a moderation in headline inflation from the double-digit levels of Q1FY10. Food inflation is expected to further come down thanks to normal monsoon. However, any sharp rise in prices of international food crops and fuel can upset the picture.

Corporate sector health is improving with more ratings upgrade in recent times compared to downgrades. Huge volumes of projects are in the pipeline and though there are concerns with regard to pace of execution, the trend is definitely up. Notwithstanding the low base effect, the improving macro environment has translated into a strong corporate earnings, as borne out by the

Q1 FY10 earnings season. Importantly, the strong earnings growth momentum is likely to continue in the coming quarters driven by strong domestic consumption.

## Equity Outlook

Indian economy is definitely doing well but the Indian equity markets have seen a sharp jump in recent times. In September, NIFTY crossed the 6000 and Sensex the 20,000 mark - levels last seen in January 2008. Primary market is also now heating up with recent IPOs subscribed multiple times and mega IPOs like Coal India coming up soon. As the current round of rally is also liquidity driven, we need to be cautious. Given no major upgrade in earnings between June quarter and September quarter, this run up implies sharp rise in market valuations. India is now trading at above average valuations and any negative surprise in earnings would be punished. Also, if global macro environment deteriorate significantly from here, it would lead to flight to safety and it would negatively impact flow of liquidity to emerging markets.

However, the easing of monetary policy in Japan and expectedly in the US will bring further liquidity in the market. This incremental liquidity may not get channeled into equity markets alone but is likely to move into other asset classes such as metals and oil as well, which may pose challenges to the economy.

India's earnings growth for Q2FY11 is expected to be good, in spite of margin pressures. However, policy measures of raising interest rates may impact the growth prospects of the economy. And last but not the least, global headwinds, which can cause serious damage to global recovery and hence seriously impact FII inflows to emerging markets like India.

In the near-term, we expect Indian equity markets to continue to take cues from the global markets. The market direction will be determined by liquidity flows, global economic data and the upcoming domestic quarterly corporate results. However, the medium-to-long-term outlook remains strong driven by India's robust macro fundamentals, its inherent strengths and the prospects of beginning of the next earnings growth cycle.

**FIXED INCOME**

The July-September quarter witnessed contrasting trends in the global economy - while growth outlook for advanced economies led by US, Eurozone & Japan weakened; that of Emerging economies led by India & China improved. Indian economy clocked a growth of 8.8% y-o-y during Q1 FY 11 led by 10.3% y-o-y growth of industrial sector and 9.7% y-o-y growth of the services sector. The industrial production growth for the month of July 2010 was recorded at 13.8% y-o-y led by 63% y-o-y growth in capital goods sector. Similarly the average reading for the Purchasing Manager's Index for the quarter indicated continued expansion in the manufacturing sector backed by robust sales of automobiles and other consumer durables, albeit at a slower pace.

The buoyancy in domestic demand is getting reflected in the non-oil import growth. During the first two months of the Quarter July-Sept 2010, the non-oil import registered a growth of 45% y-o-y. Rising import growth in presence of poor export growth has led to deterioration in the trade deficit. The trade deficit for April-Aug period FY 11 was 45% higher than the same period last year. In spite of high trade deficit, INR has appreciated to 44.37 against USD - a five month high due to large FII inflows.

The outlook for growth has improved while inflation has remained a dominant concern. The WPI inflation for the month of August 2010 stood at 8.51% y-o-y.

Although the headline inflation rate has come off from the double digit level, the food inflation still persists at ~15% y-o-y. The high and persistent inflation has been guiding RBI's monetary policy decisions during this fiscal. In order to contain inflationary expectations the Central Bank raised reverse repo rate by a cumulative of 125 bps and repo rate by a cumulative of 75 bps during the July-September quarter.

The outlook of the government finances has improved significantly. The excess revenue of ₹ 700 bn in telecom spectrum auction along with robust tax collection has made it possible for the government to reduce its second half borrowing target by ₹ 10,000 cr. For April-August 2010 period, the tax proceeds have grown by 35% y-o-y as against a budgeted growth of 18% y-o-y. We expect the fiscal deficit for FY 11 to be contained within government's budgeted estimate of 5.5% of GDP.

The banking liquidity has remained tight with the deposit growth falling short of the credit growth. The banks have been borrowing average daily ₹ 350 bn from RBI's repo window during the quarter. The y-o-y credit growth as on September 24, 2010 stood at 19% y-o-y and the deposit growth stood at 14% y-o-y. Persistence of tightness in money market and hike in policy rates have been the main reason why we witnessed effective transmission of rate hike by RBI in to lending and deposit rates of commercial banks.

The yields on the medium and long term

government securities remained range bound during the quarter. There was a sharp rise in yield at shorter end (up to 1 year) in corporate bond & Government bond by 150 bps & 110 bps respectively in response to increase in policy rates. While inflation remained the dominant theme, improved outlook on government finances helped in containing the downside. Government has increased the FII limit in Government Securities and Corporate Bonds by USD 5 bn each. This additional amount can only be invested in securities with residual maturity of over 5 years. FII limit in Corporate Bonds & Government Securities now stands at USD 20 bn & USD 10 bn respectively.

Going forward, we expect RBI's monetary policy decision to be guided by the twin goal of inflation and growth. Although inflation remains on the higher side, we expect this to moderate in the near term due to some slowdown in food inflation thanks to the good Kharif crop. We believe that ensuring funds for productive credit growth is likely to remain RBI's main concern going forward. We expect Government bond yield to be range bound. Corporate bond yield may inch up marginally if banks persist with higher deposit and lending rates.

**Jyoti Vaswani,**  
CIO & Director, Fund Management



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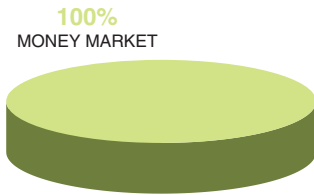
## Group Superannuation, Gratuity and Leave Encashment Pension Cash Fund

The investment objective is to provide progressive returns with very low risk of market movement

### Asset Allocation Pattern

- Debt Securities 0-20%
- Money Market & Cash 80-100%

### Asset Mix



### Portfolio Return

As on September 30, 2010

	Since inception <sup>#</sup>	Last 4 years <sup>#</sup>	Last 3 years <sup>#</sup>	Last 2 years <sup>#</sup>	Last 1 year
Portfolio Return**	8.7%	6.6%	9.0%	8.3%	6.4%
Benchmark*	6.5%	9.0%	6.3%	5.7%	4.6%

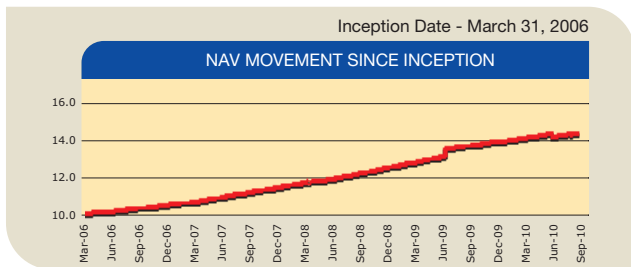
**Note:** Past returns are not indicative of future performance.

\* Benchmark return is CRISIL Liquid Fund Index Return

<sup>#</sup>Returns for more than one year are compounded annualised growth rate (CAGR)

\*\* Returns mentioned above are before deduction of fund management charge

### NAV Movement



ISSUER	% OF FUND	RATING
<b>CERTIFICATE OF DEPOSITS</b>		
BANK OF INDIA	7.92%	P1+
CANARA BANK	7.55%	A1+
FEDERAL BANK	7.67%	P1+
HDFC BANK	5.78%	P1+
IDBI BANK LIMITED	7.03%	P1+
JAMMU & KASHMIR BANK LTD.	7.73%	P1+
KARNATAKA BANK	7.73%	P1+
KOTAK MAHINDRA BANK LIMITED	8.19%	P1+
ORIENTAL BANK OF COMMERCE	7.76%	P1+
STATE BANK OF PATIALA	7.84%	P1+
UNION BANK	7.73%	P1+
<b>FIXED DEPOSITS</b>		
LAXMI VILAS BANK	8.29%	
INDUSIND BANK	8.29%	
<b>Sub Total</b>	<b>99.31%</b>	
Cash and Net current assets	0.69%	
<b>Total</b>	<b>100.00%</b>	

CASH AND EQUIVALENTS*	100.00%
<b>PORTFOLIO TOTAL</b>	<b>100.00%</b>

\* Money Market includes Liquid Schemes of Mutual Funds & Bank Deposits

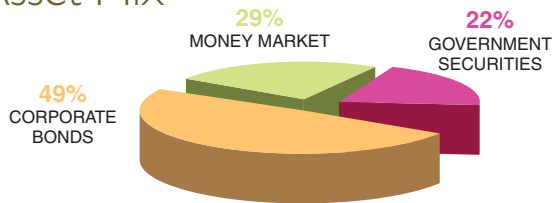
## Group Superannuation, Gratuity and Leave Encashment Pension Debt Fund

The investment objective of the debt fund is to provide progressive capital growth with relatively lower investment risks.

### Asset Allocation Pattern

- Debt Securities 60-100%
- Money Market & Cash 0-40%

### Asset Mix



### Portfolio Return

As on September 30, 2010

	Since inception <sup>#</sup>	Last 4 years <sup>#</sup>	Last 3 years <sup>#</sup>	Last 2 years <sup>#</sup>	Last 1 year
Portfolio Return**	8.2%	8.6%	9.3%	10.4%	7.1%
Benchmark*	5.7%	5.6%	5.6%	8.5%	7.3%

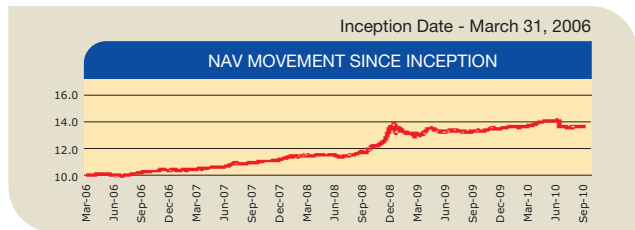
**Note:** Past returns are not indicative of future performance.

\* Benchmark for this fund is CRISIL Composite Bond Fund Index

<sup>#</sup>Returns for more than one year are compounded annualised growth rate (CAGR)

\*\* Returns mentioned above are before deduction of fund management charge

### NAV Movement



SECURITY	NET ASSETS %	RATING
<b>CENTRAL GOVERNMENT SECURITIES</b>		
8.13% GOI 2022	2.86	
6.49% GOI 2015	2.59	
7.38% GOI 2015	2.29	
7.32% GOI 2014	1.96	
7.02% GOI 2016	1.89	
8.26% GOI 2027	0.66	
8.20% GOI 2022	0.65	
Treasury Bills	9.31	
<b>Total</b>	<b>22.21</b>	

SECURITY	NET ASSETS %	RATING
<b>CORPORATE BONDS</b>		
HDFC LTD.	7.36	AAA
ULTRATECH CEMENT LIMITED.	6.51	AAA
POWER GRID CORPORATION OF INDIA LIMITED	6.23	AAA
RELIANCE GAS TRANSPORTATION INFRASTRUCTURE LTD.	6	AAA
INDUSIND BANK	5.2	AA-
RELIANCE CAPITAL LIMITED	4.86	AAA
RURAL ELECTRIFICATION CORPORATION LIMITED.	4.66	AAA
POWER FINANCE CORP LIMITED	4.15	AAA
IRFC	2.78	AAA
RELIANCE INDUSTRIES LIMITED	0.82	AAA
<b>Total</b>	<b>48.57</b>	

ISSUER	% OF FUND	RATING
<b>CERTIFICATE OF DEPOSITS</b>		
BANK OF INDIA	1.45%	P1+
CANARA BANK	8.65%	A1+
HDFC BANK	4.00%	P1+
ICICI BANK LIMITED	8.83%	P1+
IDBI BANK LIMITED	8.84%	P1+
KARNATAKA BANK	8.84%	P1+
ORIENTAL BANK OF COMMERCE	8.82%	P1+
STATE BANK OF PATIALA	8.92%	P1+
STATE BANK OF TRAVANCORE	5.41%	P1+
UNION BANK	8.84%	P1+
<b>COMMERCIAL PAPER</b>		
HOUSING DEVELOPMENT FINANCE CORP. LIMITED	8.82%	P1+
<b>FIXED DEPOSITS</b>		
FEDERAL BANK	3.52%	
INDUSIND BANK	3.52%	
LAXMI VILAS BANK	3.62%	
STATE BANK OF TRAVANCORE	3.52%	
BANK OF INDIA	3.52%	
<b>Sub Total</b>	<b>99.11%</b>	
CASH AND NET CURRENT ASSETS	0.89%	
<b>Total</b>	<b>100.00%</b>	

CASH AND MONEY MARKET*	29.22%
<b>PORTFOLIO TOTAL</b>	<b>100.00%</b>

\* Money Market includes Liquid Schemes of Mutual Funds & Bank Deposits

Group Superannuation, Gratuity and Leave Encashment

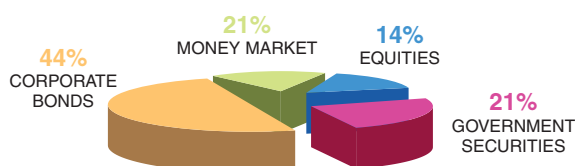
# Pension Secure Fund

The investment objective is to provide progressive capital growth with relatively lower investment risk.

## Asset Allocation Pattern

- Equity 0-20%
- Debt Securities 60-100%
- Money Market & Cash 0-40%

## Asset Mix



## Portfolio Return

As on September 30, 2010

	Since inception <sup>#</sup>	Last 5 years <sup>#</sup>	Last 4 years <sup>#</sup>	Last 3 years <sup>#</sup>	Last 2 years <sup>#</sup>	Last 1 year
Portfolio Return**	8.3%	8.3%	8.7%	8.8%	10.7%	8.7%
Benchmark*	7.4%	7.0%	6.8%	6.2%	10.2%	8.9%

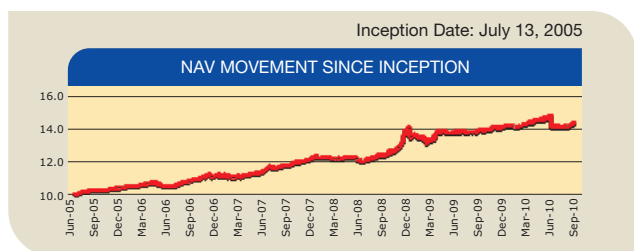
**Note:** Past returns are not indicative of future performance.

\*Benchmark return has been computed by applying benchmark weightages on CRISIL Composite Bond Fund Index and S&P CNX NIFTY

<sup>#</sup>Returns for more than one year are compounded annualised growth rate (CAGR)

\*\* Returns mentioned above are before deduction of fund management charge

## NAV Movement



### CENTRAL GOVERNMENT SECURITIES

7.32% GOI 2014	3.41
6.49% GOI 2015	3.31
7.02% GOI 2016	2.96
7.38% GOI 2015	1.85
7.80% GOI 2020	1
8.13% GOI 2022	0.95
8.26% GOI 2027	0.42
7.37% GOI 2014	0.29
Treasury Bills	6.79
<b>Total</b>	<b>20.98</b>

Portfolio as on **September 30, 2010**

SECURITY	NET ASSETS %	RATING
<b>EQUITIES</b>		
<b>AGROCHEMICALS 0.17</b>		
UNITED PHOSPHORUS LIMITED		
<b>AUTOMOBILES 0.26</b>		
MARUTI SUZUKI INDIA LIMITED	0.26	
<b>BANKING AND FINANCIAL SERVICES 3.26</b>		
STATE BANK OF INDIA	0.88	
ICICI BANK LIMITED	0.8	
AXIS BANK LIMITED	0.41	
HDFC LTD.	0.32	
HDFC BANK	0.23	
PUNJAB NATIONAL BANK	0.18	
RURAL ELECTRIFICATION CORPORATION LIMITED.	0.14	
POWER FINANCE CORPORATION LTD	0.11	
FEDERAL BANK	0.11	
BANK OF BARODA	0.09	
<b>CEMENT 0.11</b>		
ASSOCIATED CEMENT COMPANIES LIMITED	0.11	
<b>CONSUMER GOODS 0.59</b>		
ITC LIMITED	0.59	
<b>DIVERSIFIED 1.43</b>		
RELIANCE INDUSTRIES LIMITED	1.36	
SINTEX INDUSTRIES LIMITED	0.08	
<b>ENGINEERING 0.29</b>		
BHARAT ELECTRONICS LIMITED	0.29	
<b>INFORMATION TECHNOLOGY 1.62</b>		
INFOSYS TECHNOLOGIES LIMITED	1.02	
TATA CONSULTANCY SERVICES LIMITED	0.46	
MPHASIS LIMITED	0.14	
<b>INFRASTRUCTURE 1.46</b>		
LARSEN & TOUBRO LIMITED	0.98	
NAGARJUNA CONSTRUCTION COMPANY	0.34	
IVRCL INFRASTRUCTURES LIMITED	0.09	
JAIPRAKASH ASSOCIATES LIMITED	0.03	
UNITY INFRAPROJECTS LIMITED	0.02	
<b>METAL - FERROUS 0.13</b>		
JINDAL STEEL & POWER LIMITED.	0.09	
STEEL AUTHORITY OF INDIA LIMITED	0.03	
<b>OIL AND GAS AND ANCILLARIES 1.36</b>		
GAS AUTHORITY OF INDIA LIMITED	0.65	
OIL & NATURAL GAS CORPORATION LIMITED	0.52	
OIL INDIA LIMITED	0.09	
SHIV-VANI OIL & GAS EXPLORATION LIMITED	0.05	
INDRAPRASTHA GAS LIMITED	0.05	
<b>PHARMACEUTICALS 0.3</b>		
GLENMARK PHARMA	0.18	
SUN PHARMACEUTICAL INDUSTRIES LIMITED	0.13	
<b>PIPES 0.13</b>		
MAHARASHTRA SEAMLESS LIMITED	0.13	
<b>POWER AND POWER EQUIPMENT 2.17</b>		
BHARAT HEAVY ELECTRICALS LIMITED	0.89	
NTPC LIMITED	0.49	
TATA POWER COMPANY LIMITED	0.36	
CROMPTON GREAVES INDIA LIMITED	0.25	
NHPC	0.1	
POWER GRID CORPORATION OF INDIA LIMITED	0.08	
<b>RETAILING 0.05</b>		
PANTALOON RETAIL INDIA LIMITED	0.05	
<b>TELECOM 0.41</b>		
BHARTI AIRTEL LIMITED	0.41	
<b>TRANSPORT SERVICES 0.19</b>		
CONTAINER CORPORATION OF INDIA LIMITED	0.19	
<b>Total</b>	<b>13.93</b>	

### CORPORATE BONDS

RURAL ELECTRIFICATION CORPORATION LIMITED.	7.03	AAA
RELIANCE GAS TRANSPORTATION INFRASTRUCTURE LTD.	6.68	AAA
POWER GRID CORPORATION OF INDIA LIMITED	4.97	AAA
POWER FINANCE CORP LIMITED	4.89	AAA
IRFC	4.6	AAA
INDUSIND BANK	4.02	AA-
ULTRATECH CEMENT LIMITED.	3.78	AAA
TATA MOTORS LIMITED	2.55	AAA
HDFC LTD.	2.03	AAA
RELIANCE INDUSTRIES LIMITED	1.61	AAA
STEEL AUTHORITY OF INDIA LIMITED	1.35	AAA
EXPORT IMPORT BANK OF INDIA	0.77	AAA
<b>Total</b>	<b>44.28</b>	

CASH AND MONEY MARKET\* 20.81%

PORTFOLIO TOTAL 100.00%

\* Money Market includes Liquid Schemes of Mutual Funds & Bank Deposits

Group Superannuation, Gratuity and Leave Encashment

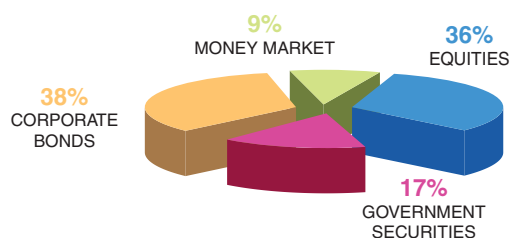
# Pension Balanced Fund

The fund is designed to provide long term cumulative capital growth while controlling overall risk, by availing opportunities in debt and equity markets.

## Asset Allocation Pattern

• Equity	0-45%
• Debt Securities	50-90%
• Money Market & Cash	0-40%

## Asset Mix



## Portfolio Return

As on September 30, 2010

	Since inception <sup>#</sup>	Last 4 years <sup>#</sup>	Last 3 years <sup>#</sup>	Last 2 years <sup>#</sup>	Last 1 year
Portfolio Return**	9.5%	10.5%	9.1%	16.1%	12.0%
Benchmark*	9.3%	8.6%	5.9%	13.2%	11.5%

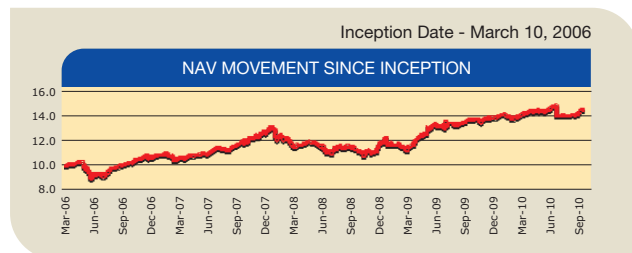
**Note:** Past returns are not indicative of future performance.

\*Benchmark return has been computed by applying benchmark weightages on CRISIL Composite Bond Fund Index and S&P CNX NIFTY

<sup>#</sup>Returns for more than one year are compounded annualised growth rate (CAGR)

\*\* Returns mentioned above are before deduction of fund management charge

## NAV Movement



CENTRAL GOVERNMENT SECURITIES	
7.02% GOI 2016	2.94
6.49% GOI 2015	2.83
7.32% GOI 2014	2.2
7.37% GOI 2014	2.11
7.38% GOI 2015	1.93
8.13% GOI 2022	1.13
8.26% GOI 2027	0.33
8.20% GOI 2022	0.23
Treasury Bills	3.58
<b>Total</b>	<b>17.28</b>

Portfolio as on September 30, 2010

SECURITY	NET ASSETS %	RATING
<b>EQUITIES</b>		
<b>AGROCHEMICALS</b> 0.2		
UNITED PHOSPHORUS LIMITED	0.2	
<b>AUTOMOBILES</b> 0.74		
MARUTI SUZUKI INDIA LIMITED	0.74	
<b>BANKING AND FINANCIAL SERVICES</b> 6.64		
ICICI BANK LIMITED	1.89	
STATE BANK OF INDIA	1.73	
RURAL ELECTRIFICATION CORPORATION LIMITED.	0.79	
AXIS BANK LIMITED	0.54	
PUNJAB NATIONAL BANK	0.47	
HDFC LTD.	0.43	
HDFC BANK	0.36	
POWER FINANCE CORPORATION LTD	0.16	
FEDERAL BANK	0.15	
INFRASTRUCTURE DEV. & FINANCE CO.LIMITED	0.13	
<b>CEMENT</b> 0.42		
ASSOCIATED CEMENT COMPANIES LIMITED	0.42	
<b>CONSUMER GOODS</b> 1.51		
ITC LIMITED	1.51	
<b>DIVERSIFIED</b> 3.85		
RELIANCE INDUSTRIES LIMITED	3.43	
SINTEX INDUSTRIES LIMITED	0.43	
<b>ENGINEERING</b> 0.72		
BHARAT ELECTRONICS LIMITED	0.72	
<b>INFORMATION TECHNOLOGY</b> 3.67		
INFOSYS TECHNOLOGIES LIMITED	2.21	
TATA CONSULTANCY SERVICES LIMITED	1.03	
MPHASIS LIMITED	0.43	
<b>INFRASTRUCTURE</b> 3.43		
LARSEN & TOUBRO LIMITED	1.95	
IVRCL INFRASTRUCTURES LIMITED	0.46	
NAGARJUNA CONSTRUCTION COMPANY	0.42	
GMR INFRASTRUCTURE LIMITED	0.23	
JAIPRAKASH ASSOCIATES LIMITED	0.19	
HOUSING DEVELOPMENT & INFRASTRUCTURE LIMITED	0.18	
<b>METAL - FERROUS</b> 0.59		
STEEL AUTHORITY OF INDIA LIMITED	0.31	
JINDAL STEEL & POWER LIMITED.	0.28	
<b>OIL AND GAS AND ANCILLARIES</b> 4.37		
OIL & NATURAL GAS CORPORATION LIMITED	1.83	
GAS AUTHORITY OF INDIA LIMITED	1.57	
SHIV-VANI OIL & GAS EXPLORATION LIMITED	0.36	
OIL INDIA LIMITED	0.26	
INDIAN OIL CORPORATION LTD	0.2	
INDRAPRASTHA GAS LIMITED	0.16	
<b>PHARMACEUTICALS</b> 0.68		
GLENMARK PHARMA	0.43	
SUN PHARMACEUTICAL INDUSTRIES LIMITED	0.25	
<b>PIPES</b> 0.34		
MAHARASHTRA SEAMLESS LIMITED	0.34	
<b>POWER AND POWER EQUIPMENT</b> 6.22		
BHARAT HEAVY ELECTRICALS LIMITED	1.94	
NTPC LIMITED	1.61	
TATA POWER COMPANY LIMITED	0.96	
CROMPTON GREAVES INDIA LIMITED	0.74	
POWER GRID CORPORATION OF INDIA LIMITED	0.5	
NHPC	0.34	
SUZLON ENERGY LIMITED	0.12	
<b>RETAILING</b> 0.29		
PANTALOON RETAIL INDIA LIMITED	0.29	
<b>TELECOM</b> 1.79		
BHARTI AIRTEL LIMITED	1.48	
RELIANCE COMMUNICATIONS LIMITED	0.31	
<b>TRANSPORT SERVICES</b> 0.38		
CONTAINER CORPORATION OF INDIA LIMITED	0.38	
<b>Total</b>	<b>35.85</b>	

### CORPORATE BONDS

POWER GRID CORPORATION OF INDIA LIMITED	7.7	AAA
RELIANCE GAS TRANSPORTATION INFRASTRUCTURE LTD.	6.88	AAA
POWER FINANCE CORP LIMITED	5.69	AAA
IRFC	4.94	AAA
RURAL ELECTRIFICATION CORPORATION LIMITED.	3.98	AAA
LIC HOUSING FINANCE LIMITED	2.34	AAA
INDUSIND BANK	1.86	AA-
HDFC LTD.	1.67	AAA
RELIANCE INDUSTRIES LIMITED	1.58	AAA
STEEL AUTHORITY OF INDIA LIMITED	1.12	AAA
<b>Total</b>	<b>37.76</b>	

### CASH AND MONEY MARKET\*

9.11%

### PORTFOLIO TOTAL

100.00%

\* Money Market includes Liquid Schemes of Mutual Funds & Bank Deposits

Group Superannuation, Gratuity and Leave Encashment

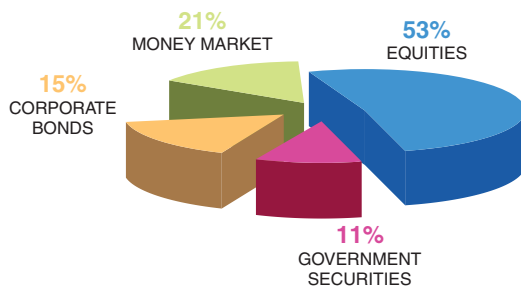
# Pension Growth Fund

The fund is designed to provide long term cumulative capital growth while managing the risk of a relatively high exposure to equity markets.

## Asset Allocation Pattern

- Equity 20-60%
- Debt Securities 20-60%
- Money Market & Cash 0-40%

## Asset Mix



## Portfolio Return

As on September 30, 2010

	Since inception <sup>†</sup>	Last 4 years <sup>†</sup>	Last 3 years <sup>†</sup>	Last 2 years <sup>†</sup>	Last 1 year
Portfolio Return**	11.0%	12.8%	11.1%	19.7%	16.3%
Benchmark*	10.9%	9.9%	6.6%	15.6%	13.5%

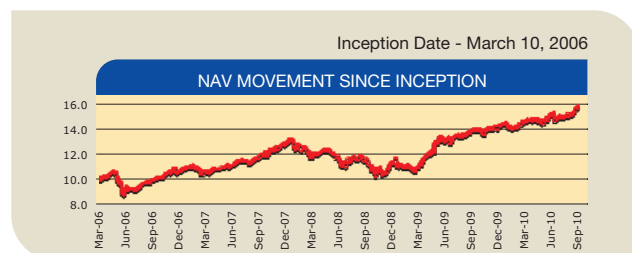
**Note:** Past returns are not indicative of future performance.

\*Benchmark return has been computed by applying benchmark weightages on CRISIL Composite Bond Fund Index and S&P CNX NIFTY

<sup>†</sup>Returns for more than one year are compounded annualised growth rate (CAGR)

\*\*Returns mentioned above are before deduction of fund management charge

## NAV Movement



Portfolio as on **September 30, 2010**

SECURITY	NET ASSETS %	RATING
<b>EQUITIES</b>		
<b>AGROCHEMICALS</b>	<b>0.73</b>	
UNITED PHOSPHORUS LIMITED	0.73	
<b>AUTOMOBILES</b>	<b>0.66</b>	
MARUTI SUZUKI INDIA LIMITED	0.66	
<b>BANKING AND FINANCIAL SERVICES</b>	<b>10.65</b>	
ICICI BANK LIMITED	2.66	
STATE BANK OF INDIA	2.33	
AXIS BANK LIMITED	1.4	
HDFC BANK	0.73	
RURAL ELECTRIFICATION CORPORATION LIMITED.	0.66	
PUNJAB NATIONAL BANK	0.66	
HDFC LTD.	0.61	
INFRASTRUCTURE DEVELOPMENT & FINANCE CO.LIMITED	0.52	
FEDERAL BANK	0.49	
POWER FINANCE CORPORATION LTD	0.24	
ORIENTAL BANK OF COMMERCE	0.18	
BANK OF BARODA	0.17	
<b>CEMENT</b>	<b>0.39</b>	
ASSOCIATED CEMENT COMPANIES LIMITED	0.39	
<b>CONSUMER GOODS</b>	<b>1.4</b>	
ITC LIMITED	1.4	
<b>DIVERSIFIED</b>	<b>6.16</b>	
RELIANCE INDUSTRIES LIMITED	5.4	
SINTEX INDUSTRIES LIMITED	0.76	
<b>ENGINEERING</b>	<b>1.38</b>	
BHARAT ELECTRONICS LIMITED	1.38	
<b>INFORMATION TECHNOLOGY</b>	<b>5.02</b>	
INFOSYS TECHNOLOGIES LIMITED	3.4	
TATA CONSULTANCY SERVICES LIMITED	1.19	
MPHASIS LIMITED	0.43	
<b>INFRASTRUCTURE</b>	<b>7.11</b>	
LARSEN & TOUBRO LIMITED	1.99	
NAGARJUNA CONSTRUCTION COMPANY	1.69	
IVRCL INFRASTRUCTURES LIMITED	1.17	
JAIPRAKASH ASSOCIATES LIMITED	0.64	
HOUSING DEVELOPMENT & INFRASTRUCTURE LIMITED	0.61	
UNITY INFRAPROJECTS LIMITED	0.45	
GMR INFRASTRUCTURE LIMITED	0.35	
HINDUSTAN CONSTRUCTION COMPANY LIMITED	0.21	
<b>METAL - FERROUS</b>	<b>1.06</b>	
JINDAL STEEL & POWER LIMITED.	0.66	
STEEL AUTHORITY OF INDIA LIMITED	0.4	
<b>OIL AND GAS AND ANCILLARIES</b>	<b>5.9</b>	
GAS AUTHORITY OF INDIA LIMITED	1.74	
OIL & NATURAL GAS CORPORATION LIMITED	1.46	
INDRAPRASTHA GAS LIMITED	1.15	
SHIV-VANI OIL & GAS EXPLORATION LIMITED	0.59	
INDIAN OIL CORPORATION LTD	0.48	
OIL INDIA LIMITED	0.48	
<b>PHARMACEUTICALS</b>	<b>0.83</b>	
GLENMARK PHARMA	0.6	
SUN PHARMACEUTICAL INDUSTRIES LIMITED	0.23	
<b>PIPES</b>	<b>0.84</b>	
MAHARASHTRA SEAMLESS LIMITED	0.84	
<b>POWER AND POWER EQUIPMENT</b>	<b>7.18</b>	
BHARAT HEAVY ELECTRICALS LIMITED	2.86	
NTPC LIMITED	1.62	
TATA POWER COMPANY LIMITED	1.16	
CROMPTON GREAVES INDIA LIMITED	0.57	
POWER GRID CORPORATION OF INDIA LIMITED	0.35	
KALPATARU POWER TRANSMISSION LIMITED.	0.29	
NHPC	0.21	
SUZLON ENERGY LIMITED	0.12	
<b>RETAILING</b>	<b>0.31</b>	
PANTALOON RETAIL INDIA LIMITED	0.31	
<b>SHIP BUILDING</b>	<b>0.28</b>	
ABG SHIPYARD LIMITED	0.28	
<b>TELECOM</b>	<b>1.46</b>	
BHARTI AIRTEL LIMITED	1.46	
<b>TRANSPORT SERVICES</b>	<b>1.27</b>	
CONTAINER CORPORATION OF INDIA LIMITED	1.27	
<b>Total</b>	<b>52.64</b>	
<b>CENTRAL GOVERNMENT SECURITIES</b>		
6.49% GOI 2015	1.47	
7.02% GOI 2016	1.4	
8.13% GOI 2022	1.06	
7.32% GOI 2014	0.94	
8.26% GOI 2027	0.84	
7.38% GOI 2015	0.75	
7.37% GOI 2014	0.6	
7.80% GOI 2020	0.56	
Treasury Bills	4.01	
<b>Total</b>	<b>11.62</b>	
<b>CORPORATE BONDS</b>		
RURAL ELECTRIFICATION CORPORATION LIMITED.	3.74	AAA
INDUSIND BANK	2.31	AA-
STEEL AUTHORITY OF INDIA LIMITED	1.68	AAA
POWER FINANCE CORP LIMITED	1.67	AAA
POWER GRID CORPORATION OF INDIA LIMITED	1.58	AAA
HDFC LTD.	1.12	AAA
RELIANCE GAS TRANSPORTATION INFRASTRUCTURE LTD.	1.09	AAA
IRFC	0.94	AAA
ULTRATECH CEMENT LIMITED.	0.69	AAA
RELIANCE INDUSTRIES LIMITED	0.25	AAA
<b>Total</b>	<b>15.07</b>	
<b>CASH AND MONEY MARKET*</b>	<b>20.67%</b>	
<b>PORTFOLIO TOTAL</b>	<b>100.00%</b>	

\* Money Market includes Liquid Schemes of Mutual Funds & Bank Deposits

Group Superannuation, Gratuity and Leave Encashment

# Pension Short Term Debt Fund

## Asset Allocation Pattern

- Debt Securities 0-50%
- Money Market & Cash 0-100%

Portfolio as on **September 30, 2010**

CASH AND MONEY MARKET*	100.00%
<b>PORTFOLIO TOTAL</b>	<b>100.00%</b>

\* Money Market includes Liquid Schemes of Mutual Funds & Bank Deposits

## Asset Mix



## Portfolio Return

As on September 30, 2010

	Since inception <sup>#</sup>	Last 1 year <sup>#</sup>
Portfolio return**	5.6%	5.4%
Benchmark*	4.6%	4.4%

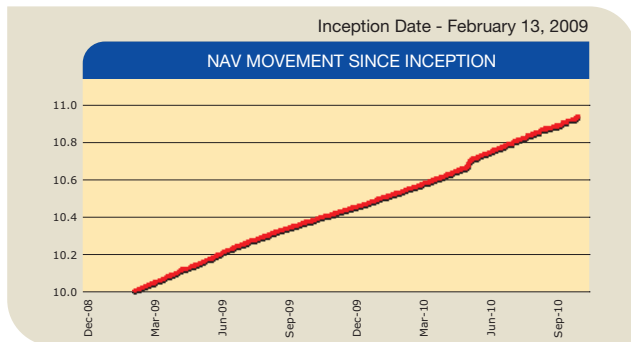
**Note:** Past returns are not indicative of future performance.

\* Benchmark for this fund is CRIISL Liquid Fund Index.

<sup>#</sup> Returns for more than one year are compounded annualised growth rate (CAGR)

\*\* Returns mentioned above are before deduction of fund management charge

## NAV Movement





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