

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

# AvivaInvestor

Group Superannuation, Gratuity and Leave Encashment Funds

June, 2011



# Market review

## EQUITY

The domestic bourses commenced the month on a weaker note as the risk aversion continued to be the prevailing theme in the global markets. The macroeconomic headwinds like inflation, rate hike and weaker governance provided cause for concern. The uncertainty over another Greek bailout turned global indices volatile. Feeble US economic outlook further added to woes. During the last two weeks of the month, the Sensex regained 18000 level, due to positive development on Greece bailout, coupled with subsiding crude prices. This relief rally brought back FIIs. They have invested close to Rs.5, 084 crores, during the last 5 trading session of month. Thus FIIs turned net buyers in Indian equities to the tune of Rs.4, 089 crores.

During June, Sensex surged by 1.85% to touch 6 weeks high at 18,845. The Nifty appreciated by 1.57%. Among the sectoral indices Consumer Durable, FMCG and Banking topped the charts. While realty, oil and gas and metals declined.

The headline, Wholesale Price Index inflation rebounded to 9.06% y-o-y during May from 8.66% y-o-y in April. This rise was due to appreciating prices of non-food manufactured items, despite slowing economy and subdued commodity prices. This forced the RBI to hike policy rates by another 25 basis points. This was the 10<sup>th</sup> successive hike since March 2010, indicating RBIs commitment to halt inflationary trend. The IIP for the month of April rose to 6.3% YoY as per new index, which is based on new base year 2004-05, along

with new component and modified weightings. This fallback in industrial growth was due to dismal performance of manufacturing, capital goods and consumer durables sector.

The rising difference between domestic crude price and global price continues to exert pressure on fiscal deficit. Due to which centre had to offset the losses by hiking diesel, LPG and kerosene prices. On the other side, intent to provide relief by nullifying custom duty on diesel will again push fiscal deficit, due to shortfall in tax revenue. The hike in fuel prices will directly exert pressure on inflation figures due next month. Further, IMD (Indian Meteorological department) downgrade of monsoon forecast from normal to below normal may aggravate ongoing worries. Thus, the RBI may act tough, if inflation figures indicate any potential threat to economy at large.

On international front, the crude prices observed an upwards trend during the first half of the month. But the weaker economic cues from Europe and USA receded the prices to some extent. This fall continued as IEA (International Energy Agency) declared to augment the oil supplies by 2.5%, so as to meet the requirement of thriving emerging economies. As the US was close to complete its second round of monetary easing or QE2, the weaker economic outlook by Federal Reserve raised the question over recovery post QE2. Dow Jones and NASDAQ fell by 2.45% and 3.34% respectively. The uncertainty over second bailout to Greece finally eased, as it agreed to implement 5 year austerity measures to secure aid from IMF (International Monetary Fund) and EU (European Union). This event boosted the global appetite for riskier asset, which propelled the relief rally across the

global indices. In Asia, China's instant reaction to counter inflation was witnessed after release of better industrial numbers, followed by alarming inflation numbers, which directed its central bank to hike the reserve requirement by 50 basis points to 21.50%. This apart, comments by top Chinese officials indicating a control over inflation in the coming months lifted the confidence of the world's second largest economy.

## Equity Outlook

The recent hike by RBI came after the worrying inflation numbers for May. In light of fresh fuel price hike, inflation number will be negatively impacted. The progress of monsoon has been so far normal. Despite this, recent forecast by IMD points towards below average monsoon in this year further stoking inflationary concerns. The rising cost of raw material and global commodities are likely to weigh on corporate performance for Q1 FY11, due in July. Further, the hike in price of diesel, LPG and kerosene can be viewed as rational step towards reducing the deficit caused by high subsidies. Moving forward substantial reduction of subsidies to oil companies will help government to reshape its fiscal structure, combined with strong domestic consumption is expected to keep the India growth story intact. The global markets may experience volatility, due to end of QE2, moderating fuel price and subdued Greece concern. In spite, of this FIIs are expected to continue to pour in Indian equities which have strong fundamentals. Though, market can be volatile for short-term, we remain positive on Indian equity market for long term because of its strong macro fundamentals, its inherent strengths and the prospects of beginning of the next earnings growth cycle.

**FIXED INCOME**

The key themes of the fixed income market continue to be the persistent high inflation and tight monetary policy. Recently banks have started transmitting RBI's monetary policy stance by raising Base Rate aggressively while mobilizing deposits at equally higher rates. This is going to be impacting growth which is already reflecting in recent lower car and cement sales figures. The passenger car sales grew by just 10% in first two months this year as compared to 34% during same period last year. It is also expected that corporate results will also moderate as interest expenses will move up.

WPI inflation for the month of May 2011 was at 9.06%. It is expected that it will be close to 10% after incorporating increase in prices of Kerosene, Diesel & LPG. This will further aggravate the already firm inflationary situation. The recent increase in Minimum Support Prices will also create artificial floor for the prices of agriculture produce and this will not allow its prices to come down meaningfully in long run. HSBC's India manufacturing PMI index though declined to 55.3 in June 2011 from 57.5 in May 2011 however, inflationary concerns are still elevated. The input price index in the PMI series continues to remain elevated indicating rising input costs.

India's industrial output in April 2011 grew at 6.3% as compared to 13% during same period last year as per the new series. In the new series, the base year of 1993-94 has been replaced with the new base year of 2004-05 and wider range of products has been covered. Capital goods however, posted a healthy growth of 14.5% despite a fall in manufacturing output. In line with the decline in the manufacturing output, GDP for Q4 FY 11 came in at 7.8% vs. 8.3% in Q3 FY 11.

Exports have been posting robust growth. The exports for the first two months of the current financial year grew by 45% y-o-y. However, rising price of crude oil and high non-oil imports have been responsible for widening trade deficit. The trade deficit for April-May 2011 was recorded at USD 23 bn vs. USD 21 bn same period last year.

On the international front, growth is slackening in most parts of the world due to global imbalances. Sovereign debt crisis in Greece though now averted for time being as they have passed austerity measures, which, in turn has entitled it for bailout package. USA is also facing deadline to raise its sovereign debt issuance limit otherwise there would be profound repercussions in the global financial markets.

RBI is likely to maintain a tight monetary stance in the coming months. It is expected that with moderation in the economy, there would be challenges to get projected tax revenues. It would be difficult to achieve ambitious target of divestment. In addition there would be pressure on exchequer of unfunded large oil subsidies. Thus there is a need to borrow more in second half of FY 12 & this would impact interest rates adversely in a persistent high inflationary environment. We expect that interest rate to remain firm while current wide spreads for corporate bonds provide margin of safety. In fact, spreads are expected to contract once liquidity improves and issuances of private sector stabilize.

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Benchmark Indices Provided by CRISIL

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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

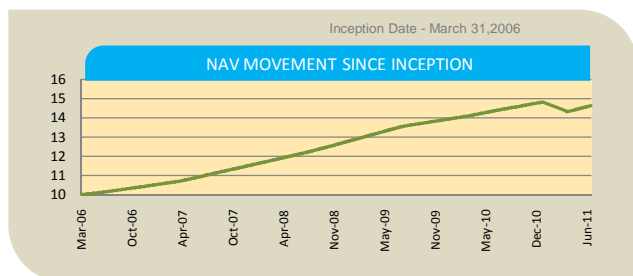
As on June 30, 2011

|                  | Since inception# | Last 5years*# | Last 3years*# | Last 1 years*# |
|------------------|------------------|---------------|---------------|----------------|
| Portfolio return | 8.5%             | 8.6%          | 8.2%          | 6.8%           |
| Benchmark*       | 6.8%             | 6.8%          | 6.7%          | 8.0%           |

**Note:** Past returns are not indicative of future performance.  
Benchmark return is CRISIL Liquid Fund Index Return

# Returns for more than one year are compounded annualised growth rate (CAGR)

## NAV Movement



Portfolio as on June 30, 2011

| Security                                  | Net Asset %  | Rating         |
|---|--------------|----------------|
| <b>CERTIFICATE OF DEPOSITS</b>            |              |                |
| Bank of Baroda                            | 8.08         | P1+            |
| Syndicate Bank                            | 8.08         | PR1+           |
| Punjab National Bank                      | 8.07         | PR1+           |
| ICICI Bank Ltd.                           | 7.96         | P1+            |
| State Bank of India                       | 7.53         | P1+            |
| Industrial Development Bank of India Ltd. | 7.38         | P1+            |
| Canara Bank Ltd.                          | 7.08         | P1+            |
| State Bank of Patiala                     | 6.94         | P1+            |
| Oriental Bank of Commerce Ltd.            | 6.91         | P1+            |
| Punjab & Sind Bank                        | 6.39         | P1+            |
| State Bank of Hyderabad                   | 4.83         | A1+            |
| Dena Bank Ltd.                            | 4.56         | P1+            |
| <b>COMMERCIAL PAPERS</b>                  |              |                |
| Reliance Capital Ltd.                     | 7.97         | A1+            |
| <b>Total</b>                              | <b>91.78</b> |                |
| <b>CASH AND EQUIVALENTS*</b>              |              | <b>8.22%</b>   |
| <b>PORTFOLIO TOTAL</b>                    |              | <b>100.00%</b> |

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

Group Superannuation, Gratuity and Leave Encashment

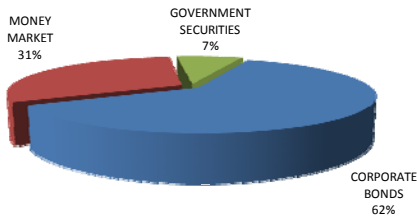
# PENSION DEBT FUND

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

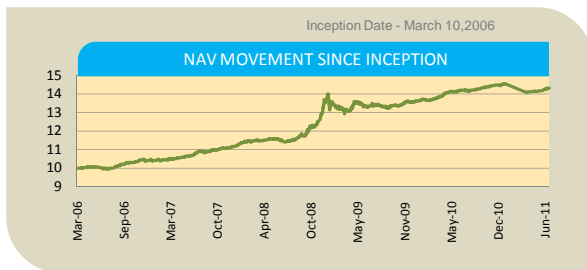
As on June 30, 2011

|                  | Since inception# | Last 5years*# | Last 3years*# | Last 1years*# |
|------------------|------------------|---------------|---------------|---------------|
| Portfolio return | 8.0%             | 8.6%          | 9.5%          | 6.2%          |
| Benchmark*       | 5.7%             | 6.2%          | 7.5%          | 5.6%          |

**Note:** Past returns are not indicative of future performance.  
Benchmark for this fund is CRISIL Composite Bond Fund Index

# Returns for more than one year are compounded annualised growth rate (CAGR)

## NAV Movement



Portfolio as on June 30, 2011

| Security                     | Net Asset % | Rating |
|------------------------------|-------------|--------|
| <b>GOVERNMENT SECURITIES</b> |             |        |
| 7.83% GOI 2018               | 2.35        |        |
| 7.32% GOI 2014               | 1.99        |        |
| 8.26% GOI 2027               | 1.84        |        |
| 7.17% GOI 2015               | 1.33        |        |
| <b>Total</b>                 | <b>7.51</b> |        |

| <b>CORPORATE BONDS</b>                          |              |         |
|---|--------------|---------|
| Tata Sons Ltd.                                  | 8.41         | AAA     |
| Reliance Gas Transportation Infrastructure Ltd. | 7.62         | AAA     |
| HDFC Ltd.                                       | 6.91         | AAA     |
| Ultratech Cement Ltd.                           | 6.59         | AAA     |
| Power Grid Corporation of India Ltd.            | 6.25         | AAA     |
| IndusInd Bank Ltd.                              | 5.21         | CAREAA- |
| Reliance Capital Ltd.                           | 4.90         | AAA     |
| Rural Electrification Corporation               | 4.61         | AAA     |
| Power Finance Corporation Ltd.                  | 4.17         | AAA     |
| LIC Housing Finance Ltd.                        | 3.49         | AAA     |
| Indian Railway Finance Corporation Ltd.         | 2.79         | AAA     |
| Reliance Industries Ltd.                        | 0.81         | AAA     |
| <b>Total</b>                                    | <b>61.76</b> |         |

|                                |               |
|--------------------------------|---------------|
| <b>CASH AND MONEY MARKETS*</b> | <b>30.73%</b> |
|--------------------------------|---------------|

|                        |                |
|------------------------|----------------|
| <b>PORTFOLIO TOTAL</b> | <b>100.00%</b> |
|------------------------|----------------|

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

Group Superannuation, Gratuity and Leave Encashment

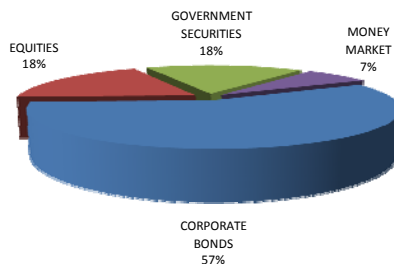
## PENSION SECURE FUND

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

### Asset Allocation Pattern

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

### Asset Mix



### Portfolio Return

As on June 30, 2011

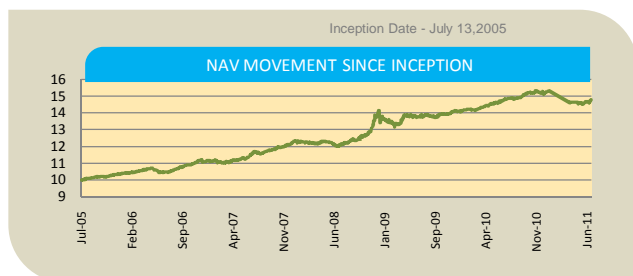
|                  | Since inception# | Last 5years*# | Last 3years*# | Last 1 years*# |
|------------------|------------------|---------------|---------------|----------------|
| Portfolio return | 7.9%             | 8.4%          | 9.2%          | 5.8%           |
| Benchmark*       | 7.0%             | 6.9%          | 8.1%          | 6.0%           |

**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

# Returns for more than one year are compounded annualised growth rate (CAGR)

### NAV Movement



Portfolio as on June 30, 2011

| Security                                      | Net Asset % | Rating |
|---|-------------|--------|
| <b>EQUITIES</b>                               |             |        |
| <b>AGROCHEMICALS</b>                          | <b>0.16</b> |        |
| United Phosphorus Ltd. (New)                  | 0.16        |        |
| <b>AUTOMOBILES</b>                            | <b>0.13</b> |        |
| Maruti Suzuki India Ltd.                      | 0.13        |        |
| <b>BANKING AND FINANCIAL SERVICES</b>         | <b>4.35</b> |        |
| HDFC Bank Ltd.                                | 0.84        |        |
| HDFC Ltd.                                     | 0.69        |        |
| ICICI Bank Ltd.                               | 0.67        |        |
| State Bank of India                           | 0.58        |        |
| Rural Electrification Corporation             | 0.34        |        |
| Oriental Bank of Commerce Ltd.                | 0.30        |        |
| Bank of Baroda                                | 0.24        |        |
| Federal Bank Ltd.                             | 0.16        |        |
| Power Finance Corporation Ltd.                | 0.15        |        |
| Infrastructure Development Finance Co. Ltd.   | 0.14        |        |
| Punjab National Bank                          | 0.10        |        |
| Indian Bank                                   | 0.08        |        |
| Axis Bank Ltd.                                | 0.06        |        |
| <b>CONSUMER GOODS</b>                         | <b>1.76</b> |        |
| ITC Ltd.                                      | 1.19        |        |
| Hindustan Unilever Ltd.                       | 0.57        |        |
| <b>ENGINEERING</b>                            | <b>0.48</b> |        |
| Bharat Electronics Ltd.                       | 0.29        |        |
| Engineers India Ltd.                          | 0.19        |        |
| <b>INFORMATION TECHNOLOGY</b>                 | <b>2.01</b> |        |
| Infosys Ltd.                                  | 1.76        |        |
| Tata Consultancy Services Ltd.                | 0.25        |        |
| <b>INFRASTRUCTURE</b>                         | <b>2.00</b> |        |
| Larsen & Toubro Ltd.                          | 0.99        |        |
| JaiPrakash Associates Ltd.                    | 0.45        |        |
| IVRCL Ltd.                                    | 0.22        |        |
| NCC Ltd.                                      | 0.21        |        |
| Sintex Industries Ltd.                        | 0.11        |        |
| Unity Infraprojects Ltd.                      | 0.02        |        |
| <b>MEDIA</b>                                  | <b>0.24</b> |        |
| Jagran Prakashan Ltd.                         | 0.24        |        |
| <b>METALS &amp; MINING</b>                    | <b>0.50</b> |        |
| Jindal Steel and Power Ltd.                   | 0.50        |        |
| <b>OIL &amp; GAS and Ancillaries</b>          | <b>3.04</b> |        |
| Reliance Industries Ltd.                      | 1.69        |        |
| Gas Authority of India Ltd.                   | 0.39        |        |
| Maharashtra Seamless Ltd.                     | 0.32        |        |
| Indraprastha Gas Ltd.                         | 0.21        |        |
| Oil & Natural Gas Corporation Ltd.            | 0.18        |        |
| Indian Oil Corporation Ltd.                   | 0.09        |        |
| Shiv-Vani Oil & Gas Exploration Services Ltd. | 0.09        |        |
| Oil India Ltd.                                | 0.07        |        |
| <b>PHARMACEUTICALS</b>                        | <b>0.31</b> |        |
| Glenmark Pharmaceuticals Ltd.                 | 0.31        |        |
| <b>POWER AND POWER EQUIPMENT</b>              | <b>2.77</b> |        |
| Bharat Heavy Electricals Ltd.                 | 0.99        |        |
| NTPC Ltd.                                     | 0.43        |        |
| BGR Energy Systems Ltd.                       | 0.38        |        |
| Power Grid Corporation of India Ltd.          | 0.38        |        |
| Tata Power Co. Ltd.                           | 0.26        |        |
| Crompton Greaves Ltd.                         | 0.19        |        |
| NHPC  | 0.14        |        |
| <b>REALTY</b>                                 | <b>0.05</b> |        |
| Housing Development & Infrastructure Ltd.     | 0.05        |        |
| <b>RETAILING</b>                              | <b>0.14</b> |        |
| Pantaloon Retail (India) Ltd.                 | 0.14        |        |
| <b>TELECOM</b>                                | <b>0.40</b> |        |

## Group Superannuation, Gratuity and Leave Encashment

## PENSION SECURE FUND

| Security                                | Net Asset %    | Rating  |
|---|----------------|---------|
| <b>EQUITIES</b>                         |                |         |
| Bharti Airtel Ltd.                      | 0.40           |         |
| <b>TRANSPORT SERVICES</b>               | <b>0.11</b>    |         |
| Container Corporation Of India Ltd.     | 0.11           |         |
| <b>Total</b>                            | <b>18.45</b>   |         |
| <b>GOVERNMENT SECURITIES</b>            |                |         |
| 7.32% GOI 2014                          | 6.05           |         |
| 7.38% GOI 2015                          | 3.29           |         |
| 8.26% GOI 2027                          | 2.39           |         |
| 7.83% GOI 2018                          | 2.07           |         |
| 8.08% GOI 2022                          | 1.35           |         |
| 7.80% GOI 2021                          | 1.03           |         |
| 8.13% GOI 2022                          | 0.83           |         |
| 7.37% GOI 2014                          | 0.52           |         |
| 7.17% GOI 2015                          | 0.01           |         |
| <b>Total</b>                            | <b>17.54</b>   |         |
| <b>CORPORATE BONDS</b>                  |                |         |
| Power Grid Corporation of India Ltd.    | 8.16           | AAA     |
| Power Finance Corporation Ltd.          | 7.59           | AAA     |
| Tata Motors Ltd.                        | 7.09           | AAA     |
| IndusInd Bank Ltd.                      | 7.05           | CAREAA- |
| Ultratech Cement Ltd.                   | 6.70           | AAA     |
| Indian Railway Finance Corporation Ltd. | 4.24           | AAA     |
| Tata Sons Ltd.                          | 4.13           | AAA     |
| HDFC Ltd.                               | 3.24           | AAA     |
| Reliance Industries Ltd.                | 2.79           | AAA     |
| Steel Authority of India Ltd.           | 2.39           | CAREAAA |
| LIC Housing Finance Ltd.                | 2.15           | AAA     |
| Export-Import Bank of India Ltd.        | 1.35           | AAA     |
| <b>Total</b>                            | <b>56.88</b>   |         |
| <b>CASH AND MONEY MARKETS*</b>          | <b>7.13%</b>   |         |
| <b>PORTFOLIO TOTAL</b>                  | <b>100.00%</b> |         |

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

## Group Superannuation, Gratuity and Leave Encashment

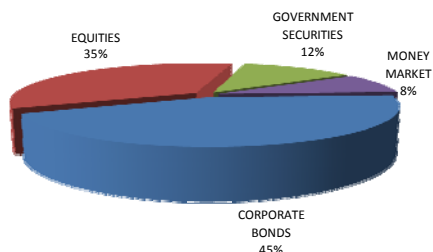
## PENSION BALANCED FUND

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     | 15% - 90% |
| • Money Market & Cash | 0% - 40%  |

## Asset Mix



## Portfolio Return

As on June 30, 2011

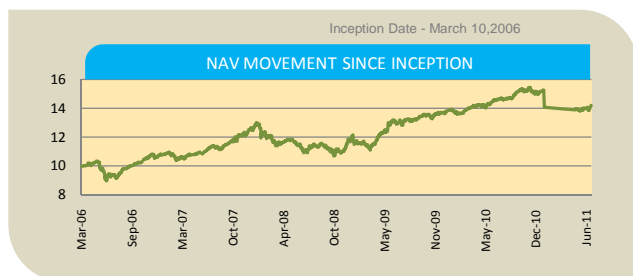
|                  | Since inception# | Last 5 years*# | Last 3 years*# | Last 1 years*# |
|------------------|------------------|----------------|----------------|----------------|
| Portfolio return | 8.3%             | 10.3%          | 11.5%          | 4.7%           |
| Benchmark*       | 8.0%             | 8.6%           | 8.9%           | 6.2%           |

**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

# Returns for more than one year are compounded annualised growth rate (CAGR)

## NAV Movement



Portfolio as on June 30, 2011

| Security   | Net Asset % | Rating |
|--|-------------|--------|
| <b>EQUITIES</b>                                    |             |        |
| <b>AGROCHEMICALS</b> <b>0.40</b>                   |             |        |
| United Phosphorus Ltd. (New)                       | 0.40        |        |
| <b>AUTOMOBILES</b> <b>1.63</b>                     |             |        |
| Mahindra & Mahindra Ltd.                           | 0.94        |        |
| Bajaj Auto Ltd.                                    | 0.69        |        |
| <b>BANKING AND FINANCIAL SERVICES</b> <b>10.03</b> |             |        |
| ICICI Bank Ltd.                                    | 2.90        |        |
| HDFC Bank Ltd.                                     | 1.56        |        |
| State Bank of India                                | 1.10        |        |
| HDFC Ltd.  | 1.06        |        |
| Axis Bank Ltd.                                     | 0.68        |        |
| Power Finance Corporation Ltd.                     | 0.65        |        |
| Rural Electrification Corporation                  | 0.55        |        |
| Bank of Baroda                                     | 0.41        |        |
| Punjab National Bank                               | 0.28        |        |
| Infrastructure Development Finance Co. Ltd.        | 0.27        |        |
| Federal Bank Ltd.                                  | 0.21        |        |
| Oriental Bank of Commerce Ltd.                     | 0.19        |        |
| Indian Bank  | 0.17        |        |
| <b>CONSUMER GOODS</b> <b>1.74</b>                  |             |        |
| ITC Ltd.   | 1.74        |        |
| <b>ENGINEERING</b> <b>0.15</b>                     |             |        |
| Bharat Electronics Ltd.                            | 0.15        |        |
| <b>INFORMATION TECHNOLOGY</b> <b>4.82</b>          |             |        |
| Infosys Ltd.                                       | 3.28        |        |
| Tata Consultancy Services Ltd.                     | 1.54        |        |
| <b>INFRASTRUCTURE</b> <b>3.76</b>                  |             |        |
| Larsen & Toubro Ltd.                               | 1.94        |        |
| Sintex Industries Ltd.                             | 0.70        |        |
| NCC Ltd.   | 0.33        |        |
| JaiPrakash Associates Ltd.                         | 0.30        |        |
| Gmr Infrastructure Ltd.                            | 0.25        |        |
| IVRCL Ltd.   | 0.24        |        |
| <b>MEDIA</b> <b>0.39</b>                           |             |        |
| Jagran Prakashan Ltd.                              | 0.39        |        |
| <b>METALS &amp; MINING</b> <b>0.72</b>             |             |        |
| Jindal Steel and Power Ltd.                        | 0.72        |        |
| <b>OIL &amp; GAS and Ancillaries</b> <b>5.46</b>   |             |        |
| Reliance Industries Ltd.                           | 2.79        |        |
| Gas Authority of India Ltd.                        | 0.79        |        |
| Oil & Natural Gas Corporation Ltd.                 | 0.52        |        |
| Indraprastha Gas Ltd.                              | 0.48        |        |
| Maharashtra Seamless Ltd.                          | 0.37        |        |
| Oil India Ltd.                                     | 0.33        |        |
| Shiv-Vani Oil & Gas Exploration Services Ltd.      | 0.18        |        |
| <b>PHARMACEUTICALS</b> <b>0.40</b>                 |             |        |
| Glenmark Pharmaceuticals Ltd.                      | 0.40        |        |
| <b>POWER AND POWER EQUIPMENT</b> <b>4.45</b>       |             |        |
| Bharat Heavy Electricals Ltd.                      | 1.50        |        |
| NTPC Ltd.  | 0.97        |        |
| Power Grid Corporation of India Ltd.               | 0.64        |        |
| Crompton Greaves Ltd.                              | 0.63        |        |
| NHPC   | 0.27        |        |
| Tata Power Co. Ltd.                                | 0.23        |        |
| Suzlon Energy Ltd.                                 | 0.11        |        |
| BGR Energy Systems Ltd.                            | 0.10        |        |
| <b>RETAILING</b> <b>0.50</b>                       |             |        |
| Pantaloon Retail (India) Ltd.                      | 0.50        |        |
| <b>TELECOM</b> <b>0.56</b>                         |             |        |
| Bharti Airtel Ltd.                                 | 0.38        |        |
| Reliance Communication Ventures Ltd.               | 0.18        |        |
| <b>TRANSPORT SERVICES</b> <b>0.01</b>              |             |        |

## Group Superannuation, Gratuity and Leave Encashment

## PENSION BALANCED FUND

| Security  | Net Asset %  | Rating         |
|---|--------------|----------------|
| <b>EQUITIES</b>                                 |              |                |
| Container Corporation Of India Ltd.             | 0.01         |                |
| <b>Total</b>                                    | <b>35.02</b> |                |
| <b>GOVERNMENT SECURITIES</b>                    |              |                |
| 7.17% GOI 2015                                  | 2.97         |                |
| 7.32% GOI 2014                                  | 2.22         |                |
| 7.37% GOI 2014                                  | 2.14         |                |
| 7.38% GOI 2015                                  | 1.95         |                |
| 7.83% GOI 2018                                  | 1.69         |                |
| 8.26% GOI 2027                                  | 1.18         |                |
| <b>Total</b>                                    | <b>12.15</b> |                |
| <b>CORPORATE BONDS</b>                          |              |                |
| Power Grid Corporation of India Ltd.            | 7.70         | AAA            |
| Tata Sons Ltd.                                  | 6.89         | AAA            |
| Power Finance Corporation Ltd.                  | 5.63         | AAA            |
| Indian Railway Finance Corporation Ltd.         | 4.94         | AAA            |
| HDFC Ltd.                                       | 4.86         | AAA            |
| Reliance Gas Transportation Infrastructure Ltd. | 4.54         | AAA            |
| Rural Electrification Corporation               | 3.92         | AAA            |
| IndusInd Bank Ltd.                              | 1.86         | CAREAA-        |
| Reliance Industries Ltd.                        | 1.56         | AAA            |
| LIC Housing Finance Ltd.                        | 1.46         | AAA            |
| Steel Authority of India Ltd.                   | 1.13         | CAREAAA        |
| <b>Total</b>                                    | <b>44.49</b> |                |
| <b>CASH AND MONEY MARKETS*</b>                  |              | <b>8.34%</b>   |
| <b>PORTFOLIO TOTAL</b>                          |              | <b>100.00%</b> |

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

## Group Superannuation, Gratuity and Leave Encashment

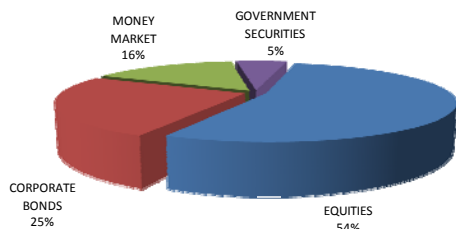
## PENSION GROWTH FUND

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% - 60%  |

## Asset Mix



## Portfolio Return

As on June 30, 2011

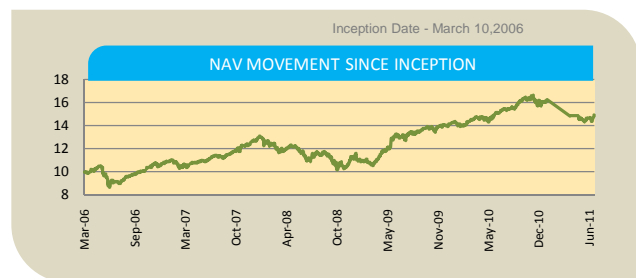
|                  | Since inception# | Last 5years*# | Last 3years*# | Last 1 years*# |
|------------------|------------------|---------------|---------------|----------------|
| Portfolio return | 9.2%             | 11.9%         | 12.9%         | 5.4%           |
| Benchmark*       | 8.8%             | 9.3%          | 9.5%          | 6.4%           |

**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

# Returns for more than one year are compounded annualised growth rate (CAGR)

## NAV Movement



Portfolio as on June 30, 2011

| Security                                      | Net Asset % | Rating |
|---|-------------|--------|
| <b>EQUITIES</b>                               |             |        |
| <b>AGROCHEMICALS</b> 0.52                     |             |        |
| United Phosphorus Ltd. (New)                  | 0.52        |        |
| <b>AUTOMOBILES</b> 1.07                       |             |        |
| Mahindra & Mahindra Ltd.                      | 0.54        |        |
| Maruti Suzuki India Ltd.                      | 0.39        |        |
| Bajaj Auto Ltd.                               | 0.14        |        |
| <b>BANKING AND FINANCIAL SERVICES</b> 14.56   |             |        |
| ICICI Bank Ltd.                               | 2.88        |        |
| State Bank of India                           | 2.40        |        |
| HDFC Ltd.                                     | 1.88        |        |
| HDFC Bank Ltd.                                | 1.87        |        |
| Rural Electrification Corporation             | 1.00        |        |
| Bank of Baroda                                | 0.87        |        |
| Punjab National Bank                          | 0.75        |        |
| Infrastructure Development Finance Co. Ltd.   | 0.55        |        |
| Power Finance Corporation Ltd.                | 0.55        |        |
| Axis Bank Ltd.                                | 0.53        |        |
| Federal Bank Ltd.                             | 0.52        |        |
| Oriental Bank of Commerce Ltd.                | 0.49        |        |
| Indian Bank                                   | 0.27        |        |
| <b>CONSUMER GOODS</b> 4.51                    |             |        |
| ITC Ltd.                                      | 3.70        |        |
| Hindustan Unilever Ltd.                       | 0.81        |        |
| <b>ENGINEERING</b> 1.11                       |             |        |
| Engineers India Ltd.                          | 0.66        |        |
| Bharat Electronics Ltd.                       | 0.45        |        |
| <b>INFORMATION TECHNOLOGY</b> 6.17            |             |        |
| Infosys Ltd.                                  | 5.17        |        |
| Tata Consultancy Services Ltd.                | 1.00        |        |
| <b>INFRASTRUCTURE</b> 5.93                    |             |        |
| Larsen & Toubro Ltd.                          | 3.41        |        |
| JaiPrakash Associates Ltd.                    | 0.72        |        |
| IVRCL Ltd.                                    | 0.49        |        |
| NCC Ltd.                                      | 0.41        |        |
| Gmr Infrastructure Ltd.                       | 0.32        |        |
| Sintex Industries Ltd.                        | 0.27        |        |
| Hindustan Construction Co. Ltd.               | 0.16        |        |
| Unity Infraprojects Ltd.                      | 0.15        |        |
| <b>MEDIA</b> 1.13                             |             |        |
| Jagran Prakashan Ltd.                         | 1.13        |        |
| <b>METALS &amp; MINING</b> 1.50               |             |        |
| Jindal Steel and Power Ltd.                   | 1.43        |        |
| Coal India Ltd.                               | 0.07        |        |
| <b>OIL &amp; GAS and Ancillaries</b> 8.21     |             |        |
| Reliance Industries Ltd.                      | 5.28        |        |
| Gas Authority of India Ltd.                   | 0.98        |        |
| Oil & Natural Gas Corporation Ltd.            | 0.71        |        |
| Maharashtra Seamless Ltd.                     | 0.45        |        |
| Indraprastha Gas Ltd.                         | 0.31        |        |
| Oil India Ltd.                                | 0.22        |        |
| Shiv-Vani Oil & Gas Exploration Services Ltd. | 0.22        |        |
| Indian Oil Corporation Ltd.                   | 0.04        |        |
| <b>OTHERS</b> 0.14                            |             |        |
| Ashoka Buildcon Ltd                           | 0.14        |        |
| <b>PHARMACEUTICALS</b> 0.76                   |             |        |
| Glenmark Pharmaceuticals Ltd.                 | 0.76        |        |
| <b>POWER AND POWER EQUIPMENT</b> 5.92         |             |        |
| Bharat Heavy Electricals Ltd.                 | 1.94        |        |
| NTPC Ltd.                                     | 1.40        |        |
| Tata Power Co. Ltd.                           | 0.75        |        |
| Power Grid Corporation of India Ltd.          | 0.53        |        |
| BGR Energy Systems Ltd.                       | 0.49        |        |

## Group Superannuation, Gratuity and Leave Encashment

## PENSION GROWTH FUND

| Security                                  | Net Asset %  | Rating |
|---|--------------|--------|
| <b>EQUITIES</b>                           |              |        |
| Crompton Greaves Ltd.                     | 0.48         |        |
| NHPC                                      | 0.14         |        |
| Kalpataru Power Transmission Ltd.         | 0.10         |        |
| Suzlon Energy Ltd.                        | 0.09         |        |
| <b>REALTY</b>                             | <b>0.06</b>  |        |
| Housing Development & Infrastructure Ltd. | 0.06         |        |
| <b>RETAILING</b>                          | <b>0.96</b>  |        |
| Pantaloon Retail (India) Ltd.             | 0.96         |        |
| <b>TELECOM</b>                            | <b>1.17</b>  |        |
| Bharti Airtel Ltd.                        | 1.17         |        |
| <b>TRANSPORT SERVICES</b>                 | <b>0.22</b>  |        |
| Container Corporation Of India Ltd.       | 0.22         |        |
| <b>Total</b>                              | <b>53.94</b> |        |

| <b>GOVERNMENT SECURITIES</b> |             |  |
|------------------------------|-------------|--|
| 7.83% GOI 2018               | 1.43        |  |
| 7.17% GOI 2015               | 1.27        |  |
| 8.26% GOI 2027               | 0.85        |  |
| 7.32% GOI 2014               | 0.78        |  |
| 7.38% GOI 2015               | 0.63        |  |
| 7.37% GOI 2014               | 0.50        |  |
| <b>Total</b>                 | <b>5.46</b> |  |

| <b>CORPORATE BONDS</b>                          |              |         |
|---|--------------|---------|
| Tata Sons Ltd.                                  | 6.51         | AAA     |
| HDFC Ltd.                                       | 4.40         | AAA     |
| Rural Electrification Corporation               | 3.05         | AAA     |
| LIC Housing Finance Ltd.                        | 2.44         | AAA     |
| Reliance Gas Transportation Infrastructure Ltd. | 1.98         | AAA     |
| IndusInd Bank Ltd.                              | 1.90         | CAREAA- |
| Steel Authority of India Ltd.                   | 1.39         | CAREAA- |
| Power Grid Corporation of India Ltd.            | 1.30         | AAA     |
| Indian Railway Finance Corporation Ltd.         | 0.77         | AAA     |
| Power Finance Corporation Ltd.                  | 0.62         | AAA     |
| Ultratech Cement Ltd.                           | 0.57         | AAA     |
| Reliance Industries Ltd.                        | 0.20         | AAA     |
| <b>Total</b>                                    | <b>25.13</b> |         |

|                                |               |
|--------------------------------|---------------|
| <b>CASH AND MONEY MARKETS*</b> | <b>15.47%</b> |
|--------------------------------|---------------|

|                        |                |
|------------------------|----------------|
| <b>PORTFOLIO TOTAL</b> | <b>100.00%</b> |
|------------------------|----------------|

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

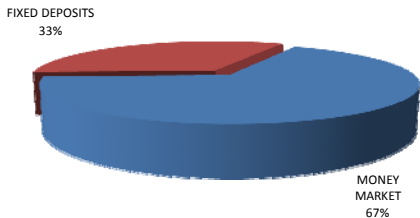
# PENSION SHORT TERM DEBT FUND

Portfolio as on June 30, 2011

## Asset Allocation Pattern

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

## Asset Mix



## Portfolio Return

As on June 30, 2011

|                  | Since inception# | Last 1 years*# |
|------------------|------------------|----------------|
| Portfolio return | 5.7%             | 5.7%           |
| Benchmark*       | 5.6%             | 7.2%           |

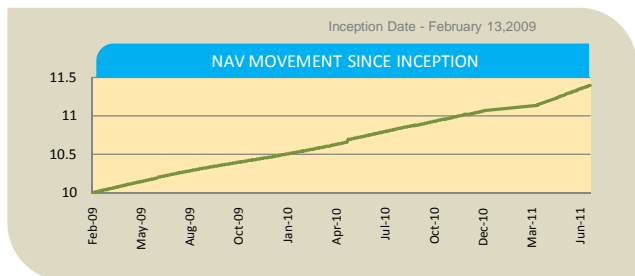
**Note:** Past returns are not indicative of future performance.

Benchmark for this fund is CRIISL Liquid Fund Index

\*\* Returns mentioned above are after deduction of fund management charges.

# Returns for more than one year are compounded annualised growth rate (CAGR)

## NAV Movement



| Security                                  | Net Asset %    | Rating |
|---|----------------|--------|
| <b>CERTIFICATE OF DEPOSITS</b>            |                |        |
| ICICI Bank Ltd.                           | 8.91           | P1+    |
| Industrial Development Bank of India Ltd. | 7.88           | P1+    |
| Canara Bank Ltd.                          | 7.40           | P1+    |
| Dena Bank Ltd.                            | 6.48           | P1+    |
| Oriental Bank of Commerce Ltd.            | 6.48           | P1+    |
| Punjab & Sind Bank                        | 6.48           | P1+    |
| State Bank of Patiala                     | 6.46           | P1+    |
| State Bank of India                       | 6.42           | P1+    |
| <b>COMMERCIAL PAPERS</b>                  |                |        |
| Reliance Capital Ltd.                     | 8.90           | A1+    |
| <b>Total</b>                              | <b>56.51</b>   |        |
| <b>FIXED DEPOSITS</b>                     | <b>32.86</b>   |        |
| <b>CASH AND EQUIVALENTS*</b>              | <b>10.63%</b>  |        |
| <b>PORTFOLIO TOTAL</b>                    | <b>100.00%</b> |        |

\* Money Market includes Liquid Schemes of Mutual Funds



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