TATA AIG LIFE

A new look at life

FundAssure

Investment Report, January 2011

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Dear Friends,

The Indian equity markets corrected in the month of January 2011 on the back of an unexpected spurt in inflation, with the benchmark indices BSE Sensex and CNX Nifty losing over 10%. The equity market now offers an attractive entry point for a long term investor.

Wholesale Price Index inflation accelerated to 8.43% in December 2010, in line with consensus expectation of 8.4% from 7.48% in November. The October inflation was revised upward to 9.12% from the provisional estimate of 8.58%. The recent trends have pushed the inflation trajectory higher than the comfort zone of policymakers even as the government stepped up efforts to rein in food inflation, which has been at the core of the recent spike in inflation.

RBI remained hawkish in its stance on inflation and hiked repo and reverse repo rates by 25 bps each to 6.5% and 5.5% respectively on 25th January 2011. There was no change in CRR. The monetary policy stance continues to be squarely focused on inflation management as RBI increased its end-FY2011 estimate to 7% from 5.5%.

November IIP growth at 2.7% surprised the markets on the downside, much lower than the consensus estimate of 6.6%.It is widely believed that this muted IIP number has been mainly due to the slump in production, post the festive season and reined in by strong adverse base effects.

Going ahead, December 2010 and March 2011 IIP numbers are likely to be particularly weak, given the high base effect in these months. However, up tick in credit growth and exports in recent months as well as robust Purchase Manager Index (PMI) are indicative of industrial activity recovering from its soft patch. But weak trends in IIP and rising inflation do pose a challenge for the monetary policy.

On the global front, The US economy led the market with its 4th quarter CY10 growth rate jumping up to 3.2% from 2.6% in the 3rd quarter CY10. The details of the GDP growth provided some hopes of a better recovery in CY2011. The highlight was on consumption, as it rose by 4.4% with personal savings dropping to 5.4% from 5.9% in the previous quarter. Japan, on the flip side, provided little comfort as it saw its sovereign rating being trimmed down one notch by the S&P to AA-. The main reasons cited were poor debt dynamics along with persistent deflation and demographic pressures.

Over the last few months, global markets and economy have witnessed inflationary pressures finding their way into commodity prices. Initially, the sole reason for the commodity price inflation was the devaluing dollar, but now unpredictable events such as the floods that hit Australia, led the iron ore prices to spurt upwards, even leading to the speculation that future prices of steel will escalate higher. And now it is the chaos in Egypt that is driving the prices of crude oil higher.

The Middle East is the world's main supplier of crude oil, and the Suez Canal, an artificial sea-level waterway in Egypt, is one of the world's major channels. The volatile political situation in Egypt is closely watched by the analysts as there are global ramifications on trade and commodity prices, a key macro-variable in charting inflation trajectory in many emerging markets.

Indian economic growth over recent quarters has surprised positively, led by the services, agriculture and export sectors Export growth has revived meaningfully and global growth appears to be on a much better footing. Also it appears that policy makers in the developed world will sustain easy monetary policies through the year. This is critical for India, given its dependence on external capital.

Over FY11-12, the Indian earnings growth is expected to moderate to a still healthy 22% year on year. Indian Equities have been consolidating over the past three months and the current valuations at about 16 times forward earnings are largely in line with historical comparatives, seen since May 2004 when the long-term capital gains tax was abolished.

These factors along with the fact that the Indian equity markets having corrected around 15% from the recent November 2010 peak offers attractive entry point for a long term investor, with many sectors offering fair valuations, even though headwinds to growth remain in the near term.

Saravana Kumar

Chief Investment Officer

Pension Schemes

RBI remained hawkish in its stance on inflation and hikedrepo and reverse repo rates by 25 bps each to 6.50% and 5.50% respectively on 25th Jan 2011. RBI remains confident of domestic growth but does sound worried that the growth might not be broad-based.

Rightly, fiscal issues come to the fore in this document and are thought to be preventing the efficiency of monetary policy actions. Inflation being the dominant theme of the policy, RBI hiked the repo and reverse repo rates by 25 bps each keeping the CRR and the SLR unchanged. RBI chose to tread a calibrated path and assess the implications of the previous hikes on the growth dynamics. This is important in light of the slackness shown by the industrial production.

RBI retained its GDP target for FY2011 at 8.5% with some bias to the upside. In the Macroeconomic and Monetary Development report, RBI appeared concerned that manufacturing sector growth is still not broad-based and nearly 73% of the overall growth comes from the top-5 manufacturing industries.

In FY2012, RBI expects growth to come down slightly on the back of agricultural sector trending lower. On inflation, RBI expects the current spike in food inflation to be transitory but structural demand-supply mismatches will keep food inflation high. It notes that non-food manufacturing inflation remains above the medium-term trend of 4%. RBI expects inflation in 2011 to be a global concern driven by supply constraints and rising demand as the developed countries start to recover. RBI consequently has revised up the end-FY2011 estimates by 150 bps to 7%.

The food inflation seems to be driven by supply side factors as well as structural factors resulting in changing dietary patterns with preferences towards protein rich foods such as milk, eggs and pulses.

With the food inflation continuing to remain at elevated levels and the pressure from the global commodity prices, the RBI is expected to continue with its monetary tightening and raise the policy rates by 25 basis points in the mid-quarter review on 17th March 2011. The favorable base effects for WPI inflation comes off from first quarter FY 12 and the RBI would be keen to rein in the headline inflation by then.

Banking system continues to be in liquidity deficit, despite the RBI conducting Open Market Operations (OMO) to ease the situation. The yield curve has flattened significantly over the past year and the corporate yield curve is currently inverted. Banks have been raising deposit rates aggressively to cope with the tight liquidity situation. We believe deposit rates will remain under pressure due to monetary tightening and as credit growth picks up. Ample liquidity and low rates in global financial markets coupled with tight liquidity locally has resulted in a significant differential between overseas and local borrowing costs.

Anecdotal evidence, particularly the recent trend in ECB approvals by the RBI, suggests that the corporate sector is increasingly looking to raise debt funds offshore. The increase in consumer finance rates has been relatively muted so far, in relation to the pressure on the local financial system Sustained tight liquidity into the future and a pick-up in corporate credit could result in a sharp rise in consumer finance rates. Growth in broad money supply (M3) has been moderating the over the past few months.

We could expect the 10 year to be in a range of 8.10-8.30% as the RBI effects its rate increases on the back of stubborn inflation numbers. The Bond spreads are expected to widen going forward in the 5 year and 10 year segment. The 5 year AAA corporate spreads is at 95 bps and the 10 year AAA corporate spread is at 85 bps.

Pension Schemes

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The equity markets sold off in the month of January 2011, with the benchmark indices BSE Sensex and CNX Nifty losing around 10.6% and 10.2% respectively, with the mid-cap index, CNX Midcap correcting by 10.5 %.

The markets corrected on the back of sticky and unexpected rise in headline WPI inflation, led by run away increase in food inflation as prices of vegetables soared.

We believe that there are headwinds to the equity market in the near term but the market does offer a possibility of attractive returns to a long term investor from current levels. We see a possibility of inflation receding to lower level (still higher than comfort zone of RBI) as RBIs monetary tightening transmits through the system. RBI has done a lot already in increasing policy rates compared to other emerging markets and the interest rates are expected to peak off in the near to medium term.

Return on Assets (ROAs) of the Indian companies is superior when compared to other Emerging markets and so is the higher EPS trajectory, justifying superior stock market valuation.

The macro-indicator which seems to have the highest influence on the performance of equity markets is the inflation. If inflation declines from the current elevated levels in the medium term it could be a positive for equity market returns.

Valuations have corrected to reasonable levels and face headwinds from stubbornly high inflation, tight domestic liquidity and rising global crude oil prices. The trend in these variables poses risks to current earnings growth estimates. The Government seems to have limited policy flexibility in the near term due to distractions with recent corruption allegations and a packed state election calendar over the first half of the calendar year as five states go to the polls over March-May 2011. Against this backdrop, the market performance for a large part of CY2011 will likely be driven more by earnings growth rather than re-rating.

The structural growth story driven by improving demographics and infrastructure investments make India an attractive investment destination for global liquidity which is expected to remain benign in 2011.India stands out amongst peer group for its absorptive capacity of foreign capital due to a meaningful current account deficit.

Valuations in terms of forward earnings are just below one standard deviation higher than the long-term average. Valuations are, however, at the average levels sustained, since abolition of long-term capital gains tax in 2004.

The consensus estimates for earnings growth of 24% for FY11 and 22% for FY 12 make the current levels an attractive entry point for a long-term investor, who could absorb the volatility from the near term headwinds grappling the Indian equity market.

Pension Schemes

Pension Equity Fund

FundAssure, Investment Report, January 2011

Fund Details

Investment Objective : To deliver medium to long-term capital appreciation through a portfolio essentially comprising of large cap stocks that can perform well through market and economic cycles.

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Jan, 2011 : ₹34.66

Benchmark : BSE Sensex - 100%

Investment Style

Portfolio

Instrument	Industry	% of NAV
Equity		**92.71**
Infosys Technologies Ltd	IT - Software	8.20
Reliance Industries Ltd	Refineries	6.96
ICICI Bank Ltd	Banks	5.80
ITC Ltd	Tobacco Products	5.64
HDFC Bank	Banks	5.60
State Bank of India	Banks	4.58
Larsen and Toubro Ltd	Capital Goods-Non Electrical Equipment	4.14
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	3.47
Bharat Heavy Electricals Ltd	Capital Goods-Electrical Equipment	3.27
Mahindra and Mahindra Ltd	Automobile	2.85
Asian Paints (India) Ltd	Paints/Varnish	2.44
Tata Consultancy Services Ltd	IT - Software	2.44
Tata Steel Ltd	Steel	2.42
Crompton Greaves Ltd	Capital Goods-Electrical Equipment	2.34
Bharti Airtel Ltd	Telecomm-Service	2.15
Axis Bank Ltd	Banks	2.09
Sterlite Industries (India) Ltd	Non Ferrous Metals	2.00

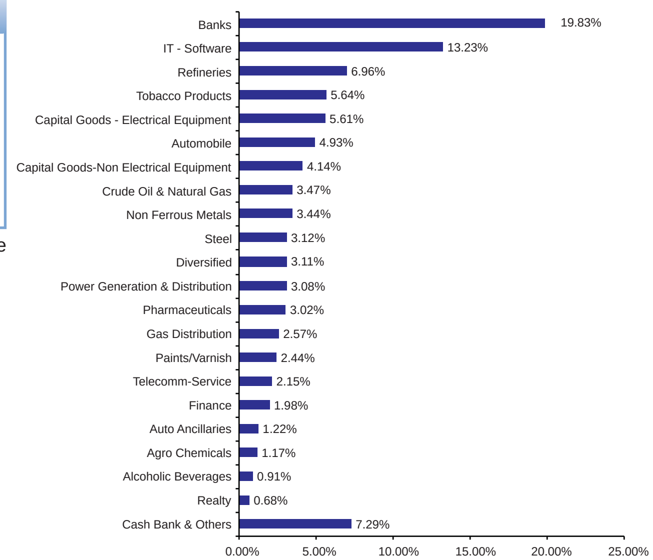
Instrument	Industry	% of NAV
HDFC Ltd	Finance	1.98
Bank of Baroda	Banks	1.76
Tata Motors Ltd	Automobile	1.69
Sun Pharmaceutical Industries Ltd	Pharmaceuticals	1.62
Voltas Limited	Diversified	1.62
Sintex Industries Ltd	Diversified	1.50
Mphasis Ltd	IT - Software	1.49
Gail India Ltd	Gas Distribution	1.49
Hindalco Industries Ltd	Non Ferrous Metals	1.44
Cipla Ltd	Pharmaceuticals	1.40
NTPC Ltd	Power Generation & Distribution	1.39
Exide Industries Ltd	Auto Ancillaries	1.22
United Phosphorus Ltd	Agro Chemicals	1.17
Wipro Ltd	IT - Software	1.11
Petronet LNG Ltd	Gas Distribution	1.09
Tata Power Co Ltd	Power Generation & Distribution	1.05
Other Equity (less than 1% of corpus)		3.33
Cash Bank & Others		**7.29**
Total		**100.00**

Fund Performance

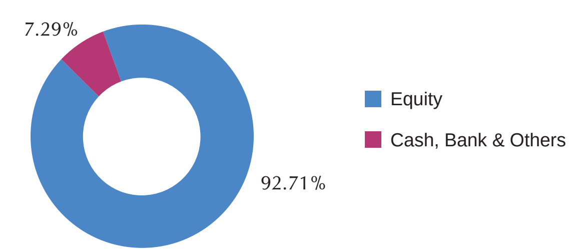
PERIOD	DATE	NAV	BSE Sensex	NAV Change	INDEX Change
Last 1 Month	31-Dec-10	38.45	20509.09	-9.83%	-10.64%
Last 3 Months	29-Oct-10	37.87	20032.34	-8.47%	-8.51%
Last 6 Months	30-Jul-10	34.24	17868.29	1.25%	2.57%
Last 1 Year	29-Jan-10	30.11	16357.96	15.14%	12.04%
Last 3 Years	31-Jan-08	35.86	17648.71	-1.12%	1.27%
Since Inception	29-Mar-04	10.00	5571.37	19.91%	19.00%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

Sector Allocation



Asset Allocation



Pension Liquid Fund

FundAssure, Investment Report, January 2011

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Fund Details

Investment Objective : To provide safety of funds, liquidity and return on investments, in that order.

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Jan, 11 : ₹14.91

Benchmark : CRISIL Liquid Fund Index -100%

Investment Style

Credit Quality			
High	Mid	Low	Interest Rate Sensitivity
			High
			Mid
■			Low

Portfolio

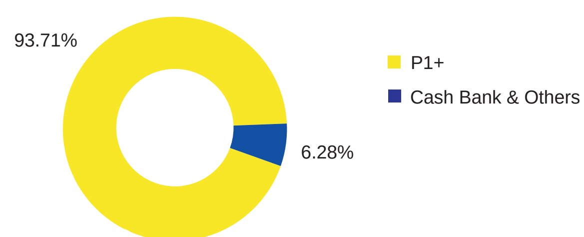
Instrument	Rating	% of NAV
CD/CP's		**93.71**
HDFC 2011 - CP	P1+	11.63
Bank of India 2012 - CD	P1+	9.94
Punjab National Bank 2011 - CD	P1+	8.92
State Bank of Mysore 2011 - CD	P1+	8.88
Andhra Bank 2011 - CD	P1+	8.57
IDBI Bank 2011 - CD	P1+	8.41
Aditya Birla Finance Ltd 2011- CP	P1+	8.39
Canara Bank 2011 - CD	P1+	8.32
Axis Bank 2012 - CD	P1+	8.25
ICICI Bank 2012 - CD	P1+	8.23
State Bank of Patiala 2011 - CD	P1+	4.17
Cash Bank & Others		**6.28**
Total		**100.00**

Fund Performance

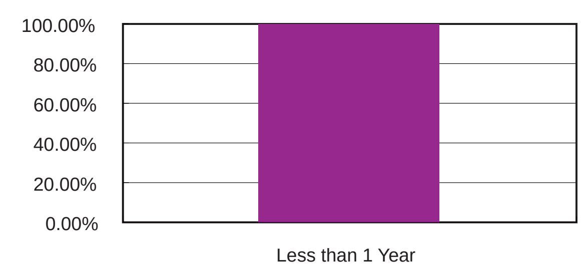
PERIOD	DATE	NAV	Crisil Liquid Fund Index	NAV Change	INDEX Change
Last 1 Month	31-Dec-10	14.83	1625.13	0.56%	0.63%
Last 3 Months	29-Oct-10	14.69	1605.61	1.50%	1.85%
Last 6 Months	30-Jul-10	14.51	1582.48	2.78%	3.34%
Last 1 Year	29-Jan-10	14.16	1549.77	5.28%	5.52%
Last 3 Years	31-Jan-08	12.24	1366.47	6.80%	6.17%
Since inception	25-May-04	10.00	1113.63	6.15%	5.91%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

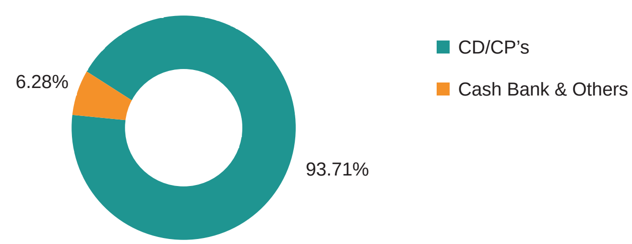
Rating Profile



Maturity Profile



Asset Allocation



Pension Income Fund

FundAssure, Investment Report, January 2011

A new look at life

Fund Details

Investment Objective : To provide long-term capital appreciation by investing in high credit quality fixed-income instruments. Stability of return and protection of principal over a long-term investment horizon will be the prime driver for investment management.

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Jan, 11 : ₹14.61

Benchmark : CRISIL Composite Bond Index -100%

Investment Style

Credit Quality: High	Mid	Low	Interest Rate Sensitivity
			High
			Mid
			Low

Portfolio

Instrument	Rating	% of NAV
Government Securities		**12.65**
8.30% GOI 2040	Sovereign	5.76
8.20% GOI 2022	Sovereign	2.49
8.08% GOI 2022	Sovereign	2.16
9.39% GOI 2011	Sovereign	1.22
8.32% GOI 2032	Sovereign	0.61
7.38% GOI 2015	Sovereign	0.41
Corporate Bonds		**55.43**
8.80% Tata Sons 2015	AAA	3.68
8.60% PFC 2014	AAA	3.65
HDFC LTD 2013	AAA	3.47
9.50% United Phosphorus Ltd 2015	AA+	3.12
7.95% IDFC 2014	AAA	3.00
9.40% LIC Housing Finance Ltd 2013	AAA	2.81
2.00% Indian Hotels Company Ltd 2014	AA+	2.69
9.80% PFC 2012	AAA	2.19
9.70% GE Shipping 2023	AAA	2.14
7.35% HPCL 2012	AAA	2.11
10.75% RECL 2013	AAA	1.92
9.30% Tata Sons 2015	AAA	1.87
7.40% Tata Chemicals 2011	AA+	1.84
8.84% Power Grid 2016	AAA	1.84
7.45% LIC Housing 2012	AAA	1.82
7.20% RECL 2012	AAA	1.81
10.95% RECL 2011	AAA	1.57
10.75% Reliance Industries Ltd 2018	AAA	1.35

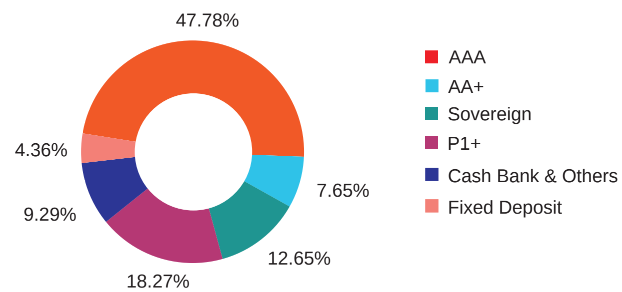
Instrument	Rating	% of NAV
9.80% ICICI Bank 2013	AAA	1.25
9.45% REC 2013	AAA	1.25
9.50% Exim Bank 2013	AAA	1.25
9.20% Larsen & Toubro 2012	AAA	1.24
9.20% Power Grid 2013	AAA	1.24
8.50% PFC 2014	AAA	1.22
8.40% HDFC 2014	AAA	1.21
8.75% Reliance Industries Ltd 2020	AAA	1.09
9.18% Tata Sons 2020	AAA	0.94
10.00% IDFC 2012	AAA	0.63
8.50% Exim Bank 2011	AAA	0.62
8.80% SAIL 2015	AAA	0.61
CD/CP's		**18.27**
State Bank of Patiala 2011 - CD	P1+	4.91
PNB 2011 - CD	P1+	3.09
Bank of Baroda 2011 - CD	P1+	2.49
Bank of Baroda 2011 - CD	P1+	2.03
Canara Bank 2011 - CD	P1+	2.02
Canara Bank 2011 - CD	P1+	1.72
Canara Bank 2011 - CD	P1+	1.24
IDBI Bank 2011 - CD	P1+	0.46
State Bank of Mysore 2011 - CD	P1+	0.31
Fixed Deposit		**4.36**
9.50% State Bank of Hyderabad 2014		4.36
Cash Bank & Others		**9.29**
Total		**100.00**

Fund Performance

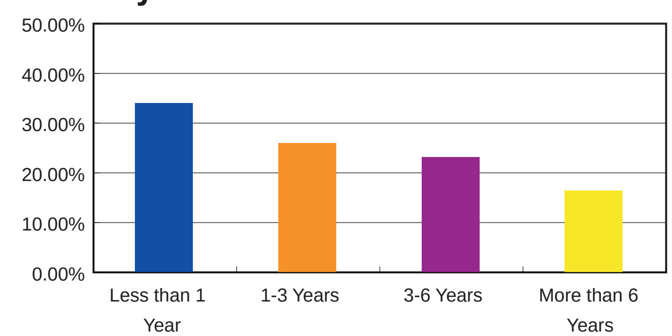
PERIOD	DATE	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 1 Month	31-Dec-10	14.59	1644.23	0.09%	-0.06%
Last 3 Months	29-Oct-10	14.47	1630.21	0.93%	0.80%
Last 6 Months	30-Jul-10	14.31	1614.01	2.07%	1.81%
Last 1 Year	29-Jan-10	13.93	1575.32	4.89%	4.31%
Last 3 Years	31-Jan-08	11.81	1402.36	7.33%	5.43%
Since Inception	2-Mar-04	10.00	1193.20	5.63%	4.73%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

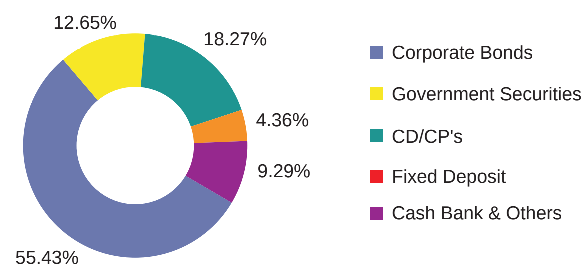
Rating Profile



Maturity Profile



Asset Allocation



Pension Schemes

Pension Short Term Income Fund

FundAssure, Investment Report, January 2011

A new look at life

Fund Details

Investment Objective : The primary objective is to generate stable returns by investing in fixed-income securities having maturities between 1 & 3 years.

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Jan, 11 : ₹12.96

Benchmark : CRISIL India Short Term Bond Index -100%

Investment Style

Credit Quality: High	Mid	Low	Interest Rate Sensitivity
			High
			Mid
■			Low

Portfolio

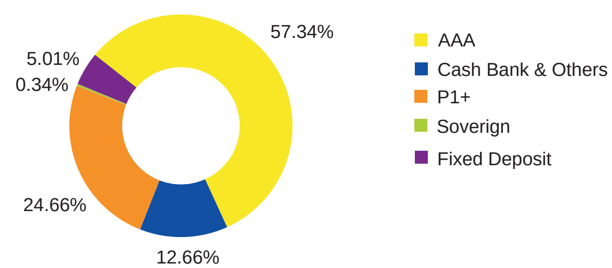
Instrument	Rating	% of NAV
Government Securities		**0.34**
9.39% GOI 2011	Sovereign	0.34
Corporate Bonds		**57.34**
7.76% LIC Housing 2012	AAA	12.99
6.84% HDFC 2011	AAA	11.09
7.90% RECL 2012	AAA	10.86
7.40% Infrastructure 2012	AAA	9.74
9.68% IRFC 2012	AAA	3.92
7.35% HPCL 2012	AAA	3.77
9.50% NABARD 2012	AAA	2.78
7.74% Tata Communication Ltd 2012	AAA	2.18
CD/CP's		**24.66**
IDBI Bank 2011 - CD	P1+	9.22
State Bank of Patiala 2011 - CD	P1+	7.73
Canara Bank 2011 - CD	P1+	7.72
Fixed Deposit		**5.01**
9.50% State Bank of Hyderabad 2014		5.01
Cash Bank & Others		**12.66**
Total		**100.00**

Fund Performance

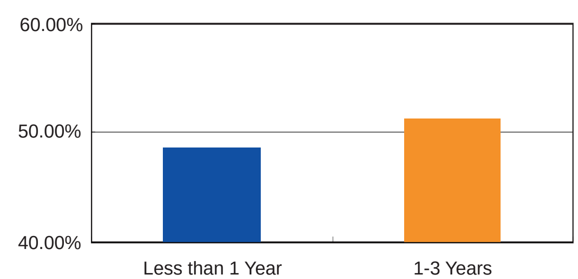
PERIOD	DATE	NAV	Crisil India Short Term Bond Index	NAV Change	INDEX Change
Last 1 Month	31-Dec-10	12.91	1688.32	0.37%	0.29%
Last 3 Months	29-Oct-10	12.84	1675.18	0.92%	1.08%
Last 6 Months	30-Jul-10	12.72	1655.29	1.93%	2.29%
Last 1 Year	29-Jan-10	12.43	1620.44	4.28%	4.49%
Last 3 Years	31-Jan-08	10.49	1391.47	7.30%	6.76%
Since Inception	03-Jul-06	10.00	1242.33	5.82%	6.99%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

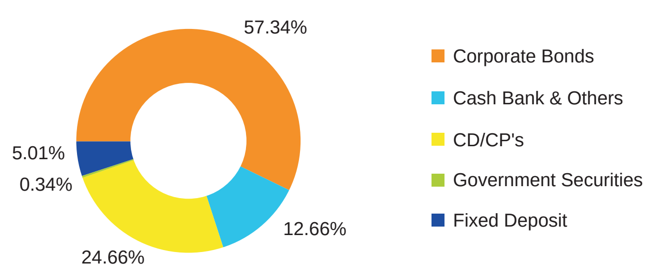
Rating Profile



Maturity Profile



Asset Allocation



Pension Schemes

Pension Bond Fund

FundAssure, Investment Report, January 2011

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Fund Details

Investment Objective : To generate income through investing in a range of debt and money market instruments of various maturities with a view to maximising the optimal balance between yield, safety and liquidity.

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Jan, 11 : ₹12.47

Benchmark : CRISIL Composite Bond Index -100%

Investment Style

Credit Quality			
High	Mid	Low	Interest Rate Sensitivity
			High
			Mid
			Low

Portfolio

Instrument	Rating	% of NAV
Government Securities		**14.38**
8.30% GOI 2040	Sovereign	5.93
8.08% GOI 2022	Sovereign	3.03
8.32% GOI 2032	Sovereign	2.39
7.00% GOI 2012	Sovereign	1.81
8.20% GOI 2022	Sovereign	1.22
Corporate Bonds		**56.34**
10.00% PFC 2012	AAA	5.89
2.00% Indian Hotels Company Ltd 2014	AA+	5.26
9.50% HDFC Ltd. 2013	AAA	5.13
7.45% LIC Housing 2012	AAA	4.75
9.50% United Phosphorus Ltd 2015	AA+	4.27
9.50% Exim Bank 2013	AAA	3.67
9.20% Power Grid 2013	AAA	3.64
8.80% Tata Sons Ltd 2015	AAA	3.60
7.35% HPCL 2012	AAA	2.95
11.75% Rural Electric Corp Ltd 2011	AAA	2.47
9.80% ICICI Bank 2013	AAA	2.46
9.70% GE Shipping 2023	AAA	2.16
8.75% Reliance Industries Ltd 2020	AAA	2.14

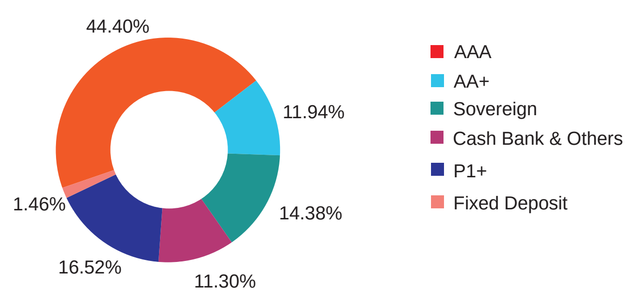
Instrument	Rating	% of NAV
9.30% Sundaram Finance Ltd 2013	AA+	1.82
6.98% IRFC 2012	AAA	1.67
9.30% Tata Sons Ltd 2015	AAA	1.22
9.20% Larsen & Toubro 2012	AAA	1.22
7.76% LIC Housing 2012	AAA	0.95
7.40% Tata Chemical 2011	AA+	0.60
9.45% LIC Housing 2012	AAA	0.49
CD/CP's		**16.52**
State Bank of Patiala 2011 - CD	P1+	3.39
Canara Bank 2011 - CD	P1+	3.38
Canara Bank 2011 - CD	P1+	2.25
Axis Bank 2012 - CD	P1+	2.24
Bank of Baroda 2011 - CD	P1+	1.71
Bank of Baroda 2011 - CD	P1+	1.22
PNB 2011 - CD	P1+	1.21
Bank of Baroda 2011 - CD	P1+	1.13
Fixed Deposit		**1.46**
9.50% State Bank of Hyderabad 2014		1.46
Cash Bank & Others		**11.30**
Total		**100.00**

Fund Performance

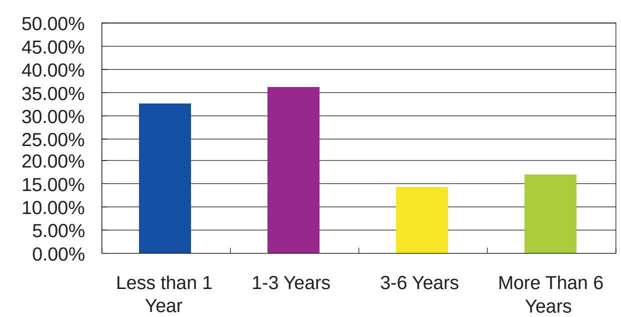
PERIOD	DATE	NAV	Crisil Composite Bond Index	NAV Change	INDEX Change
Last 1 Month	31-Dec-10	12.45	1644.23	0.16%	-0.06%
Last 3 Months	29-Oct-10	12.36	1630.21	0.93%	0.80%
Last 6 Months	30-Jul-10	12.23	1614.01	1.98%	1.81%
Last 1 Year	29-Jan-10	11.88	1575.32	5.00%	4.31%
Last 3 Years	31-Jan-08	10.29	1402.36	6.63%	5.43%
Since Inception	17-Aug-07	10.00	1339.53	6.59%	6.08%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

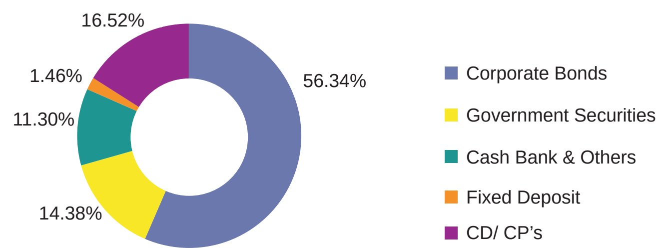
Rating Profile



Maturity Profile



Asset Allocation



Pension Schemes

TATA AIG LIFE *A new look at life*

Pension Balance Fund

FundAssure, Investment Report, January 2011

Fund Details

Investment Objective : To supplement the income generation from the fixed income instruments with capital appreciation of the equity assets.

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Jan, 11 : ₹12.29

Benchmark : Nifty - 10%
CRISIL Composite Bond Index - 90%

Debt Investment Style

Credit Quality			
High	Mid	Low	Interest Rate Sensitivity
			High
			Mid
			Low

Equity Investment Style

Investment Style			
Value	Blend	Growth	Size
			Large
			Mid
			Small

Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	31-Dec-10	12.52	-1.87%	-1.08%
Last 3 Months	29-Oct-10	12.41	-0.98%	-0.13%
Last 6 Months	30-Jul-10	12.12	1.41%	1.89%
Last 1 Year	29-Jan-10	11.67	5.29%	5.16%
Last 3 Years	31-Jan-08	10.37	5.82%	5.12%
Since Inception	17-Aug-07	10.00	6.13%	6.36%

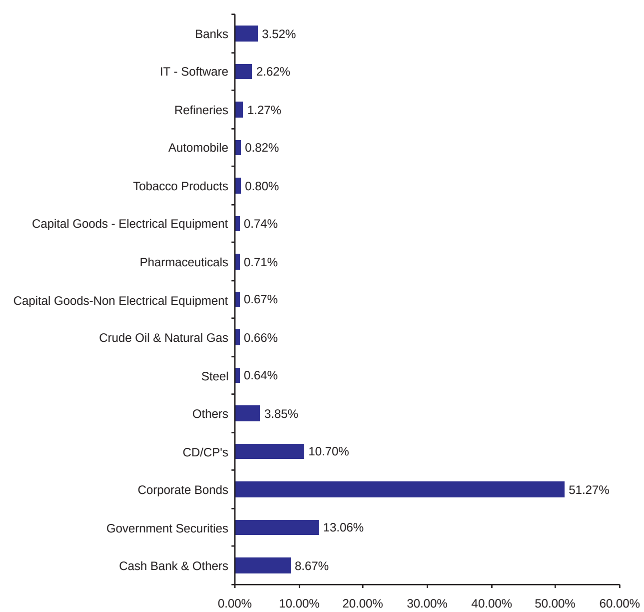
Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

Portfolio

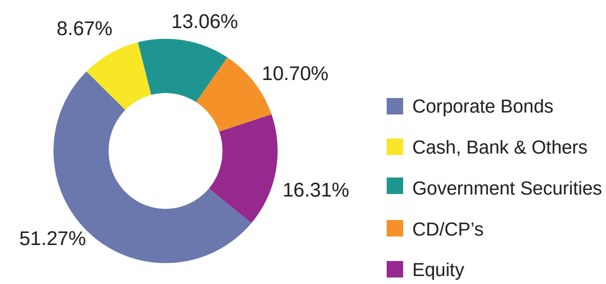
Instrument	Industry	% of NAV
Equity		**16.31**
Infosys Technologies Ltd	IT - Software	1.38
Reliance Industries Ltd	Refineries	1.13
ICICI Bank Ltd	Banks	0.97
ITC Ltd	Tobacco Products	0.80
State Bank of India	Banks	0.72
Larsen and Toubro Ltd	Capital Goods-Non Electrical Equipment	0.67
HDFC Bank	Banks	0.64
Oil & Natural Gas Corp Ltd	Crude Oil & Natural Gas	0.48
Tata Consultancy Services Ltd	IT - Software	0.47
Bharat Heavy Electricals Ltd	Capital Goods-Electrical Equipment	0.45
Other Equities		8.60
Corporate Bonds		**51.27**
8.28% LIC Housing 2015	AAA	9.20
7.75% RECL 2012	AAA	5.56
8.80% Power Grid 2015	AAA	5.02
8.70% PFC 2015	AAA	4.67
8.35% HDFC 2015	AAA	3.95

Instrument	Industry	% of NAV
9.20% HDFC 2012	AAA	3.39
7.40% Tata Chemical 2011	AA+	3.08
7.90% RECL 2012	AAA	3.06
9.30% Tata Sons 2015	AAA	2.73
9.20% Power Grid 2015	AAA	2.71
8.40% HDFC 2014	AAA	1.99
7.35% HPCL 2012	AAA	1.98
10.75% Reliance Ind 2018	AAA	1.48
9.50% NABARD 2012	AAA	1.36
9.80% PFC 2012	AAA	0.68
8.83% IRFC 2012	AAA	0.27
10.00% PFC 2012	AAA	0.14
CD/CP's		**10.70**
Bank of Baroda 2011 - CD	P1+	4.44
PNB 2012 - CD	P1+	3.75
Bank of Baroda 2011 - CD	P1+	2.51
Government Securities		**13.06**
8.30% GOI 2040	Sovereign	6.61
7.17% GOI 2015	Sovereign	5.78
8.32% GOI 2032	Sovereign	0.67
Cash Bank & Others		**8.67**
Total		**100.00**

Sector Allocation



Asset Allocation



Pension Schemes

Pension Growth Fund

FundAssure, Investment Report, January 2011

TATA AIG LIFE

A new look at life

Fund Details

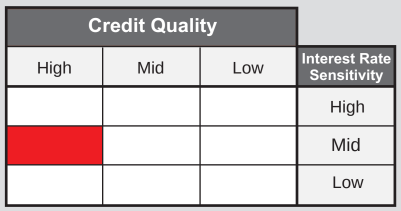
Investment Objective : The objective of this fund is to generate long term capital appreciation and income by investing a considerable percentage of the fund in equity and equity linked instruments and the balance in Government Bonds and high quality fixed income instruments.

Fund Manager : Mr. Saravana Kumar

NAV as on 31 Jan, 11 : ₹12.40

Benchmark : Nifty - 30%
CRISIL Composite Bond Fund Index - 70%

Debt Investment Style



Equity Investment Style

Fund Performance

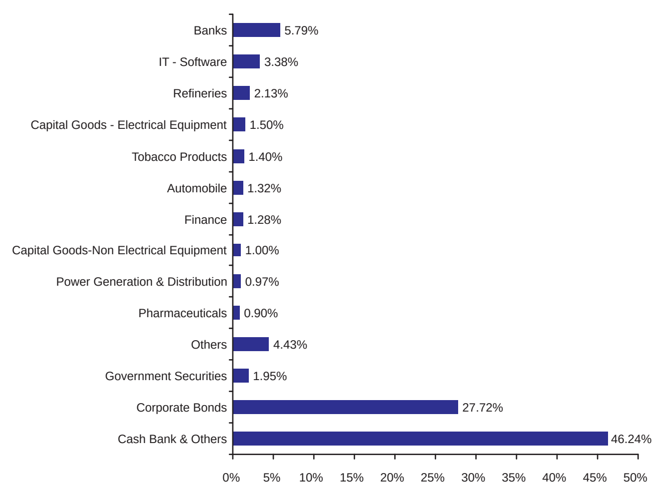
PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	31-Dec-10	12.78	-2.90%	-3.11%
Last 3 Months	29-Oct-10	12.71	-2.42%	-1.99%
Last 6 Months	30-Jul-10	12.31	0.77%	2.04%
Last 1 Year	29-Jan-10	11.72	5.86%	6.85%
Last 3 Years	31-Jan-08	10.00	7.45%	4.50%
Since Inception	17-Aug-07	10.00	6.43%	6.91%

Note : The investment income and prices may go down as well as up. "Since Inception" and "3-years" period returns are calculated as per CAGR.

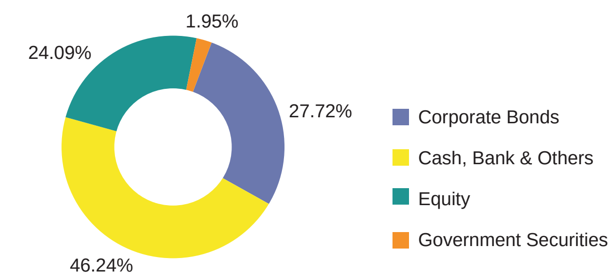
Portfolio

Instrument	Industry	% of NAV
Equity		**24.09**
Infosys Technologies Ltd	IT - Software	2.01
Reliance Industries Ltd	Refineries	1.82
HDFC Bank	Banks	1.47
ITC Ltd	Tobacco Products	1.40
ICICI Bank Ltd	Banks	1.35
State Bank of India	Banks	1.13
HDFC Ltd	Finance	1.12
Larsen and Toubro Ltd	Capital Goods-Non Electrical Equipment	1.00
Axis Bank Ltd	Banks	0.89
Bharat Heavy-Electricals Ltd	Capital Goods - Electrical Equipment	0.79
Other Equitys		11.11
Government Securities		**1.95**
9.39% GOI 2011	Sovereign	1.95
Corporate Bonds		**27.72**
8.28% LIC Housing 2015	AAA	13.83
7.40% Infrastructure 2012	AAA	6.97
8.30% HDFC Ltd 2015	AAA	6.92
Cash Bank & Others		**46.24**
Total		**100.00**

Sector Allocation



Asset Allocation



Pension Schemes

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Customer Services Team
Tata AIG Life 3rd floor, Unit 302,
Building No. 4,Infinity IT Park,
Film City Road, Dindoshi,
Malad (East), Mumbai - 400 097.

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2. Past performance is not indicative of future results. Returns are calculated on an absolute basis for a period of less than (or equal to) a year, with reinvestment of dividends (if any).
3. All investments made by the Company are subject to market risks. The Company does not guarantee any assured returns. The investment income and price may go down as well as up depending on several factors influencing the market.
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10. ULIP products are different from traditional Life Insurance products and are subject to risk factors.
11. Tata AIG Life Insurance Company Limited is only the name of insurance company and i. Pension Short-term Fixed Income, ii. Pension Income, iii. Pension Equity, iv. Pension Liquid, v. Pension Balanced, vi. Pension Bond, vii. Pension Growth, are only the names of the funds and does not in any way indicate the quality of the contracts, its future prospects or returns.
12. Interest Rate Sensitivity
    Less than 3 year duration - Low
    3 to10 years duration - Medium
    more than 10 years duration - High
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14. Whilst every care has been taken in the preparation of this document, it is subject to correction and markets may not perform in a similar fashion based on factors influencing the capital and debt markets; hence this review note does not individually confer any legal rights or duties.

Insurance is the subject matter of the solicitation

Tata AIG Life Insurance Company Ltd. (Reg. No. 110)
Registered and Corporate Office
Delphi-B Wing, 2nd Floor, Orchard Avenue
Hiranandani Business Park, Powai, Mumbai - 400076

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