

Investment Report December, 2009



## Quarterly Market Round up for Oct-Dec 2009

India's real GDP grew 7.9% y-o-y the July-September quarter (Q2). GDP grew at 6.1% in the April-July quarter and at 5.8% in each of the preceding last two quarters. Agriculture and allied activities decelerated by 0.9% y-o-y in Q2 from 2.7% in Q2 FY09, while industry grew at 8.3% (6.1% in Q2 FY09) and services grew at 9.3% (9.8% in Q2 FY09).

IIP grew 10.3% y-o-y in October, slower than general market expectations of 12%. In September, IIP grew by 9.6% and in August, IIP grew by 10.4%. In April-Oct, the industrial sector grew 7.1% as compared with 4.3% the same period in FY09. Manufacturing grew 11.1% y-o-y in October against a drop of 0.6% a year ago, consumer durables output grew 21% (-1.6%), mining grew 8.2% (3.2%) and power generation grew 4.7% (4.4%).

India's current account deficit widened in July-Sept quarter to \$12.63 billion from \$5.99 billion in April-June. The deficit was \$12.58 billion in the July-Sept quarter of the FY09. Trade deficit for the quarter widened to \$32.2 billion, from \$26.02 billion in April-June. The RBI said the balance of payments surplus in the July-Sept quarter was \$9.42 billion, compared with a surplus of \$115 million in the April-June period. The balance of payments had a deficit of \$4.73 billion in the corresponding quarter a year earlier. Exports grew 18.2% y-o-y in November after registering declines for 13 straight months.

WPI inflation rate was up at 4.78% y-o-y in November while the food price index rose 18.65% y-o-y to December 19. Several forecasts believed that headline inflation might have exceeded RBI's fiscal year-end projection of 6.5% in December itself. Prices of staples like potatoes were higher by more than 125% as compared to the same period last year while vegetables, onions and pulses rose by more than 40%.

Besides inflation, the market also stayed wary of the deteriorating government finances. Fiscal deficit reached Rs. 3.06 trillion or 76% of the fiscal budget target in November 2009, while revenues had fallen short of targets. Tax receipts were Rs 2.33 trillion and total expenditure was Rs 6.22 trillion for the first eight months of 2009/10 fiscal year. The government completed more than 85% of the planned borrowing by December.

Indian equity market was on a roll in 2009 as benchmark indices posted the best ever yearly performance in 18 years in sharp contrast to 2008. Sensex closed with an impressive gain of 81.03% at 17464.81 while Nifty ended 75.76% higher at 5201.05 from last year.

FII inflows into Indian equities totalled Rs. 24807.10 crore in Oct-Dec. FIIs flocked back to the India growth story with inflows of over a record Rs 80,000 crore in 2009 after pulling out over Rs. 52,000 crore in 2008. A stable government at the Centre improved sentiment and outlook over reforms like disinvestment, GST, Direct Tax Code and FDI in certain sectors.

FDI inflow was flat for Apr-Nov if compared with the previous fiscal but this was because of a strong rebound in November (+60% y-o-y) and October (+56%).

In the Oct-Dec quarter, Sensex gained 1.97% and Nifty gained 2.30%. Among the sectors, metals outperformed with gains over 22% backed by surge in base metal prices followed by healthcare and IT with gains of over 13% each. However, realty plunged 14.50%. Oil & gas also closed marginally lower. Mid cap and Smaller cap indices gained attention due to valuation concerns in large caps. BSE small cap surged 10.11% while BSE Midcap gained 6.22%.

The 10-year benchmark yield climbed 50 bps to end at 7.69% in December compared 7.19% in the previous quarter. The yield touched an annual high of 7.75% from close to 5% levels at the beginning of 2009 while the 5-year yield rose to 7.22% from 5.12% during the year.

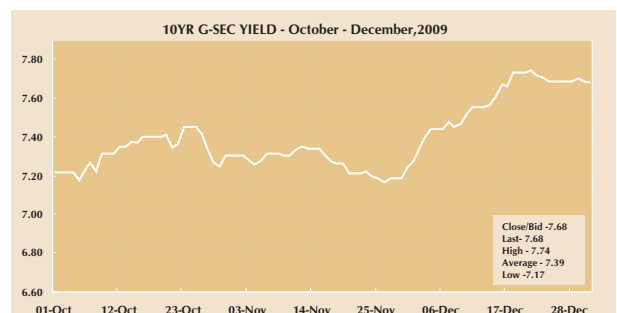
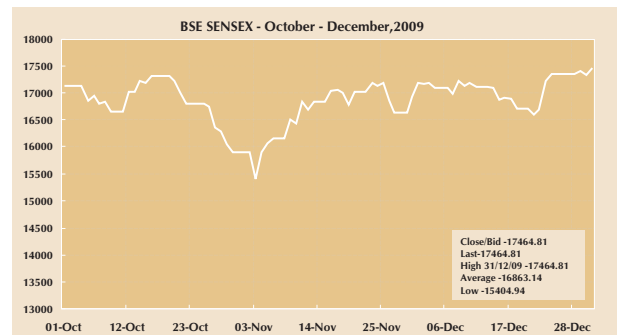
RBI provided ample cash conditions to the money market with banks parking over a trillion rupees at the LAF reverse repos auctions consistently in the last three quarters.

Robust Q2 GDP growth and rising inflation increased pressure on bonds in the last couple of months. Surplus liquidity supported short-term yields but long-term yields rose faster, leading to a steeper yield curve. RBI sent out signals to prepare the market for the reversal of monetary policy by raising the SLR back to 25%. The gap between 2-year and 10-year yield widened to above 200 bps from 140 bps in the last quarter.

The rate futures segment launched on the NSE in August failed to pick up steam while anticipated progress on repo in corporate bonds failed to arrive.

AAA 5-year yield ended at 8.34% from 8.45% at the end of the previous quarter. The yield eased from the high of 9% in March, but was up 115 bps from the low of 7.22% in April. Credit spread narrowed to 72 bps from a peak of 327 bps.

The rupee appreciated 3.26% in Oct-Dec, to 46.54/\$ from 48.11/\$. The appreciating stock market and foreign investors' inflows bolstered the rupee. It sustained gains despite the solid rebound of the dollar in December against nearly all major currencies. Through 2009, the rupee appreciated 4.5% but if compared with the 51.97/\$ trough in March, the rupee ended 10.5% stronger.



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# Pension Short-Term Fixed Income Fund

Investment Report December, 2009

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

**NAV Calculation:** Daily

**Fund Manager:** Mr. Saravana Kumar

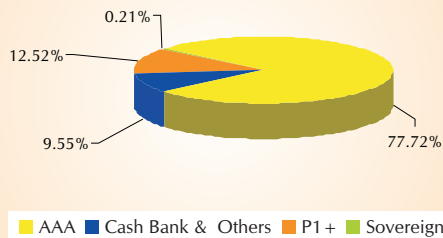
## PERFORMANCE - PENSION SHORT-TERM FIXED INCOME FUND

(NAV [in Rs.] & CRISIL Short Term Bond Index as on 31-Dec-09 is 12.3490 and 1612.5226 respectively)

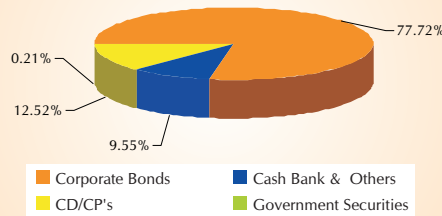
PERIOD	DATE	NAV	CRISIL Short-Term Bond Index	NAV Change	INDEX Change
Last 1 Month	30-Nov-09	12.3379	1609.6436	0.09%	0.18%
Last 3 Months	30-Sep-09	12.1130	1591.8848	1.95%	1.30%
Last 6 Months	30-Jun-09	11.9870	1577.7392	3.02%	2.20%
Last 1 Year	31-Dec-08	11.2314	1513.0129	9.95%	6.58%
Since Inception	03-Jul-06	10.0000	1242.3300	23.49%	29.80%

Note: The investment income and prices may go down as well as up.

### RATING PROFILE



### ASSET ALLOCATION

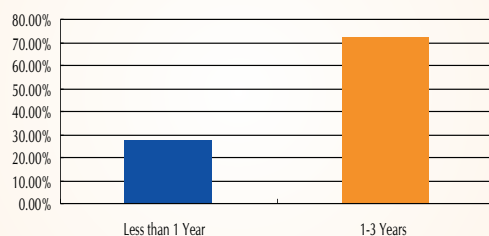


ASSET ALLOCATION	% to NAV
Corporate Bonds	77.72
Cash Bank & Others	9.55
CD/CP's	12.52
Government Securities	0.21
<b>NET ASSETS</b>	<b>100.00</b>

RATING	% to NAV
AAA	77.72
Cash Bank & Others	9.55
P1 +	12.52
Sovereign	0.21
<b>TOTAL</b>	<b>100.00</b>

PORTFOLIO		
Instrument	Rating	% of NAV
<b>Government Securities</b>		
9.39% GOI 2011	Sovereign	0.21
<b>Corporate Bonds</b>		
7.90% RECL 2012	AAA	26.39
9.45% LIC Housing 2012	AAA	8.47
7.35% HPCL 2012	AAA	7.37
6.90% PFC 2012	AAA	7.35
10.00% PFC 2012	AAA	7.11
6.84% HDFC 2011	AAA	6.73
7.40% Infrastructure 2012	AAA	6.02
8.40% EXIM Bank 2010	AAA	4.79
9.68% IRFC 2012	AAA	2.47
7.20% HDFC 2010	AAA	1.01
<b>CD/CP's</b>		
State Bank of Patiala 2010 - CD	P1 +	4.78
Bank of Baroda 2010 - CD	P1 +	4.77
Canara Bank 2010 - CD	P1 +	1.65
Axis Bank 2010 - CD	P1 +	1.31
<b>CASH BANK &amp; OTHERS</b>		
Cash Bank & Others		9.55
<b>NET ASSETS</b>		<b>100.00</b>

### MATURITY PROFILE



# Pension Income Fund

Investment Report December, 2009

**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.

**NAV Calculation:** Daily

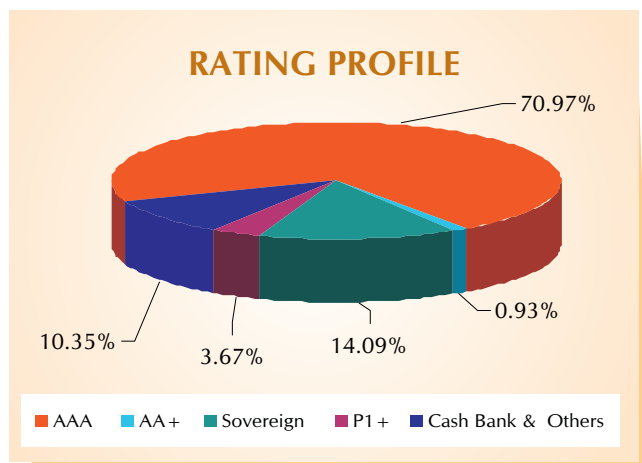
**Fund Manager:** Mr. Saravana Kumar

## PERFORMANCE - PENSION INCOME FUND

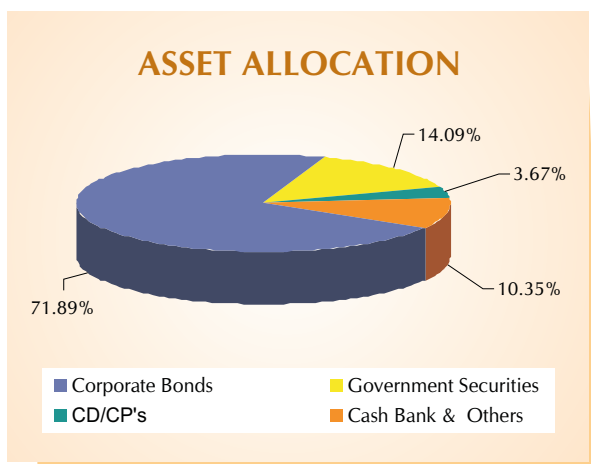
(NAV [in Rs.] & CRISIL Composite Bond Fund Index as on 31-Dec-09 is 13.8522 and 1566.5262 respectively)

PERIOD	DATE	NAV	CRISIL Composite Bond Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Nov-09	13.8349	1567.5738	0.13%	-0.07%
Last 3 Months	30-Sep-09	13.6063	1543.6972	1.81%	1.48%
Last 6 Months	30-Jun-09	13.4790	1541.5516	2.77%	1.62%
Last 1 Year	31-Dec-08	12.8734	1513.4928	7.60%	3.50%
Since Inception	02-Mar-04	10.0000	1193.2000	38.52%	31.29%

Note: The investment income and prices may go down as well as up.

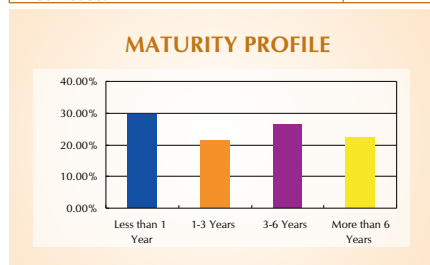


RATING	% to NAV	ASSET ALLOCATION	% to NAV
AAA	70.97	Corporate Bonds	71.90
AA+	0.93	Government Securities	14.09
Sovereign	14.09	Cash Bank & Others	10.35
Cash Bank & Others	10.35	CD/CP's	3.67
P1+	3.67	<b>Net Assets</b>	<b>100.00</b>
<b>Total</b>	<b>100.00</b>		



## PORTFOLIO

Instrument	Rating	% of NAV
<b>Government Securities</b>		<b>14.09</b>
7.59% GOI 2016	Sovereign	4.40
6.35% GOI 2020	Sovereign	2.70
6.07% GOI 2014	Sovereign	2.47
7.46% GOI 2017	Sovereign	2.17
9.39% GOI 2011	Sovereign	1.77
7.38% GOI 2015	Sovereign	0.58
<b>Corporate Bonds</b>		<b>71.90</b>
10.20% IDFC 2010	AAA	8.82
2.00% Tata Motors Ltd 2014	AAA	5.40
10.75% Reliance Industries 2018	AAA	3.91
2.00% Indian Hotels Company Ltd 2014	AAA	3.55
8.40% HDFC 2014	AAA	3.48
10.00% IDFC 2012	AAA	3.22
9.80% PFC 2012	AAA	3.19
7.35% HPCL 2012	AAA	3.03
10.75% RECL 2013	AAA	2.85
9.35% ILFS 2010	AAA	2.67
7.45% LIC Housing 2012	AAA	2.59
7.20% RECL 2012	AAA	2.58
11.00% PFC 2018	AAA	2.47
7.65% RECL 2016	AAA	2.33
10.95% RECL 2011	AAA	2.30
9.15% LIC 2010	AAA	2.22
10.00% HDFC 2010	AAA	1.92
9.85% RECL 2017	AAA	1.85
9.80% ICICI Bank 2013	AAA	1.84
9.45% REC 2013	AAA	1.82
9.20% L&T 2012	AAA	1.81
9.20% Power Grid 2013	AAA	1.81
9.50% Exim Bank 2013	AAA	1.80
8.80% Power Grid Corp. 2020	AAA	1.75
10.00% Tata Chemicals 2019	AA+	0.93
8.50% Exim Bank 2011	AAA	0.89
8.80% SAIL 2015	AAA	0.88
<b>CD/CP's</b>		<b>3.67</b>
State Bank of Patiala 2010 - CD	P1+	1.23
Bank of Baroda 2010 - CD	P1+	1.23
Corporation Bank 2010 - CD	P1+	1.20
<b>CASH BANK &amp; OTHERS</b>		<b>10.35</b>
Cash Bank & Others		10.35
<b>Net Assets</b>		<b>100.00</b>



# Pension Equity Fund

Investment Report December, 2009

**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.

**NAV Calculation:** Daily

**Fund Manager:** Mr. Saravana Kumar

**PERFORMANCE - PENSION EQUITY FUND** (NAV [in Rs.] & BSE Sensex as on 31-Dec-09 is 31.6961 and 17464.81 respectively)

PERIOD	DATE	NAV	BSE Sensex	NAV Change	INDEX Change
Last 1 Month	30-Nov-09	30.9065	16926.22	2.55%	3.18%
Last 3 Months	30-Sep-09	30.4295	17126.84	4.16%	1.97%
Last 6 Months	30-Jun-09	26.1718	14493.84	21.11%	20.50%
Last 1 Year	31-Dec-08	17.7374	9647.31	78.70%	81.03%
Since Inception	29-Mar-04	10.0000	5571.37	216.96%	213.47%

Note: The investment income and prices may go down as well as up.

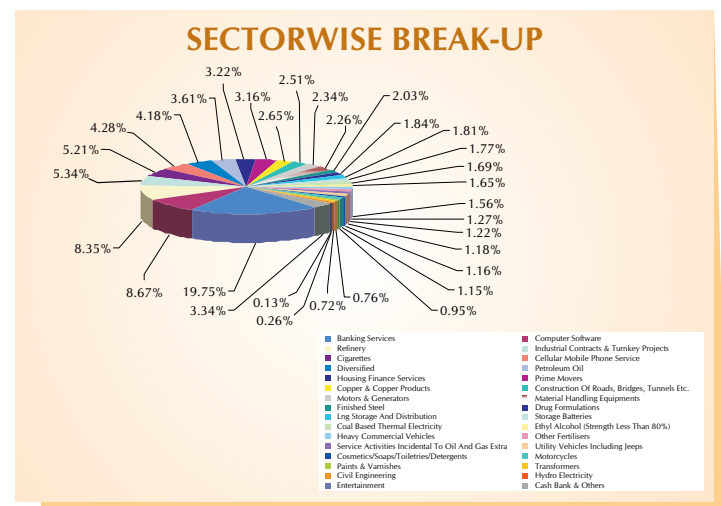
PORTFOLIO		
Instrument	Industry	% of NAV
<b>Equity</b>		<b>96.66</b>
Reliance Industries Ltd	Refinery	8.35
ICICI Bank Ltd	Banking Services	5.76
Infosys Technologies Ltd	Computer Software	5.69
ITC Ltd	Cigarettes	5.21
HDFC Bank	Banking Services	4.66
Larsen And Toubro Ltd	Industrial Contracts & Turnkey Projects	4.59
State Bank Of India	Banking Services	4.22
Bharti Airtel Ltd	Cellular Mobile Phone Service	3.82
Oil & Natural Gas Corp Ltd	Petroleum Oil	3.61
HDFC Ltd	Housing Finance Services	3.22
Bharat Heavy Electricals Ltd	Prime Movers	3.16
Axis Bank Ltd	Banking Services	3.03
Sterlite Industries (India) Ltd	Copper & Copper Products	2.65
Crompton Greaves Ltd	Motors & Generators	2.34
Sintex Industries Ltd	Diversified	2.28
Bank Of Baroda	Banking Services	2.08
Tata Steel Ltd	Finished Steel	2.03
Voltas Limited	Diversified	1.90
Gujarat State Petronet Ltd	Lng Storage And Distribution	1.81
Wipro Ltd	Computer Software	1.79
Exide Industries Ltd	Storage Batteries	1.77
Cesc Ltd	Coal Based Thermal Electricity	1.69
United Spirits Ltd	Ethyl Alcohol (Strength Less Than 80%)	1.65
Tata Motors Ltd	Heavy Commercial Vehicles	1.56
Mcnally Bharat Engineering Co Ltd	Material Handling Equipments	1.49
Ivrci Infrastructures & Projects Ltd	Construction Of Roads, Bridges, Tunnels Etc.	1.30
Tata Chemicals Ltd	Other Fertilisers	1.27
Oil India Ltd	Service Activities Incidental To Oil And Gas Extra	1.22
Jaiprakash Associates Ltd	Construction Of Roads, Bridges, Tunnels Etc.	1.21
Mphasis Ltd	Computer software	1.19
Mahindra And Mahindra Ltd	Utility Vehicles Including Jeeps	1.18
Hindustan Unilever Ltd	Cosmetics/Soaps/Toiletries/Detergents	1.16
Bajaj Auto Ltd - New Shs	Motorcycles	1.15
Sun Pharmaceutical Industries Ltd	Drug Formulations	0.99
Asian Paints (India) Ltd	Paints & Varnishes	0.95
Glenmark Pharmaceuticals Ltd	Drug Formulations	0.85
Elecon Engineering Co Ltd	Material Handling Equipments	0.77
Emco Ltd	Transformers	0.76
Alstom Projects India Ltd	Industrial Contracts & Turnkey Projects	0.75
Punj Lloyd Ltd	Civil Engineering	0.72
Reliance Communication Ltd	Cellular Mobile Phone Service	0.45
NHPC Ltd	Hydro Electricity	0.26
DB Corp Ltd	Entertainment	0.13
<b>CASH BANK &amp; OTHERS</b>		<b>3.34</b>
Cash Bank & Others		3.34
<b>Total</b>		<b>100.00</b>

## SECTOR STRATEGY

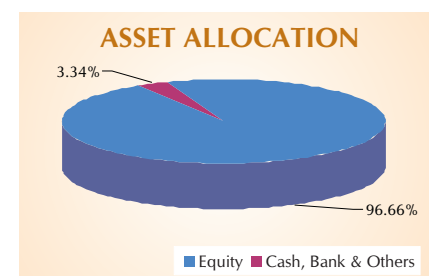
Sector	% to NAV
Banking Services	19.75
Computer Software	8.67
Refinery	8.35
Industrial Contracts & Turnkey Projects	5.34
Cigarettes	5.21
Cellular Mobile Phone Service	4.28
Diversified	4.18
Petroleum Oil	3.61
Housing Finance Services	3.22
Prime Movers	3.16
Copper & Copper Products	2.65
Construction Of Roads, Bridges, Tunnels Etc.	2.51
Motors & Generators	2.34
Material Handling Equipments	2.26
Finished Steel	2.03
Drug Formulations	1.84
Lng Storage And Distribution	1.81

Sector	% to NAV
Storage Batteries	1.77
Coal Based Thermal Electricity	1.69
Ethyl Alcohol (Strength Less Than 80%)	1.65
Heavy Commercial Vehicles	1.56
Other Fertilisers	1.27
Service Activities Incidental To Oil And Gas Extra	1.22
Utility Vehicles Including Jeeps	1.18
Cosmetics/Soaps/Toiletries/Detergents	1.16
Motorcycles	1.15
Paints & Varnishes	0.95
Transformers	0.76
Civil Engineering	0.72
Hydro Electricity	0.26
Entertainment	0.13
Cash Bank & Others	3.34
<b>Total</b>	<b>100.00</b>

## SECTORWISE BREAK-UP



ASSET ALLOCATION	% to NAV
Equity	96.66
Cash, Bank & Others	3.34
<b>Net Asset</b>	<b>100.00</b>



# Pension Liquid Fund

Investment Report December, 2009

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

**NAV Calculation:** Daily

**Fund Manager:** Mr. Saravana Kumar

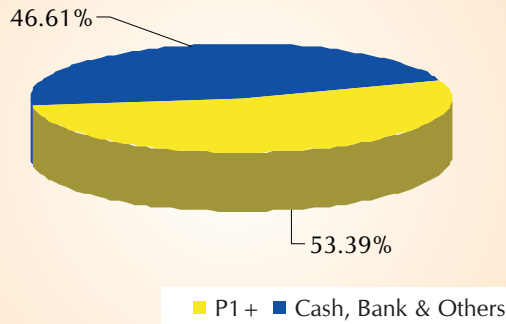
## PERFORMANCE - PENSION LIQUID FUND

(NAV [in Rs.] & CRISIL Liquid Fund Index as on 31-Dec-09 is 14.1111 and 1545.98 respectively)

PERIOD	DATE	NAV	CRISIL Liquid Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Nov-09	14.0481	1542.38	0.45%	0.23%
Last 3 Months	30-Sep-09	13.9225	1535.67	1.35%	0.67%
Last 6 Months	30-Jun-09	13.6710	1525.51	3.22%	1.34%
Last 1 Year	31-Dec-08	13.1721	1474.26	7.13%	4.86%
Since inception	25-May-04	10.0000	1113.63	41.11%	38.82%

Note: The investment income and prices may go down as well as up.

### RATING PROFILE

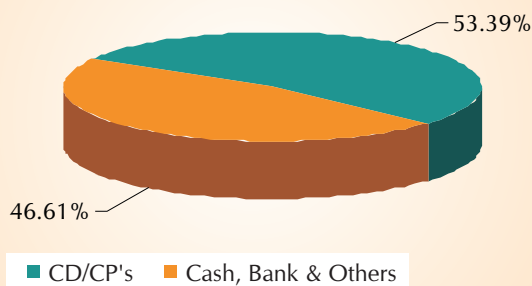


### PORTFOLIO

Instrument	Rating	% of NAV
<b>CD/CP's</b>		<b>53.39</b>
Canara Bank 2010 - CD	P1+	16.54
Axis Bank 2010 - CD	P1+	8.19
Corporation Bank 2010 - CD	P1+	7.95
ICICI Bank 2010 - CD	P1+	7.58
Indian Oil Corp. 2010 - CP	P1+	5.89
State Bank of Patiala 2010 - CD	P1+	3.62
Bank of Baroda 2010 - CD	P1+	3.62
<b>CASH BANK &amp; OTHERS</b>		<b>46.61</b>
Cash Bank & Others		46.61
<b>Net Assets</b>		<b>100.00</b>

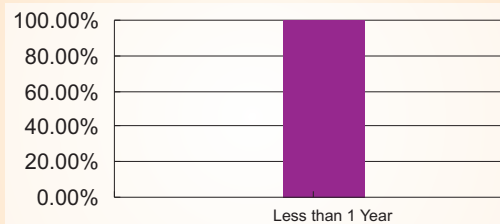
RATING	% to NAV
P1+	53.39
Cash, Bank & Others	46.61
<b>Total</b>	<b>100.00</b>

### ASSET ALLOCATION



ASSET ALLOCATION	% to NAV
CD/CP's	53.39
Cash, Bank & Others	46.61
<b>Net Assets</b>	<b>100.00</b>

### MATURITY PROFILE





# Pension Balanced Fund

Investment Report December, 2009

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

**NAV Calculation:** Daily

**Fund Manager:** Mr. Saravana Kumar

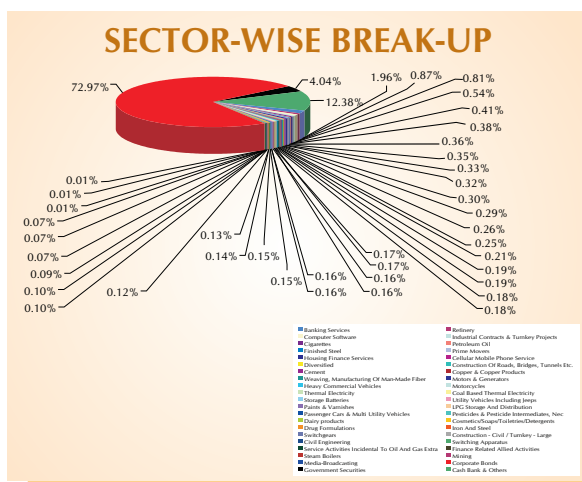
**PERFORMANCE - PENSION BALANCED FUND (NAV [in Rs.] as on 31-Dec-09 is 11.6780)**

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	30-Nov-09	11.6652	0.11%	0.27%
Last 3 Months	30-Sep-09	11.5073	1.48%	1.56%
Last 6 Months	30-Jun-09	11.3381	3.00%	3.58%
Last 1 Year	31-Dec-08	10.5865	10.31%	10.73%
Since Inception	17-Aug-07	10.0000	16.78%	17.91%

ASSET ALLOCATION	% to NAV
Corporate Bonds	72.97
Cash Bank & Others	12.38
Equity	10.61
Government Securities	4.04
<b>Net Assets</b>	<b>100.00</b>

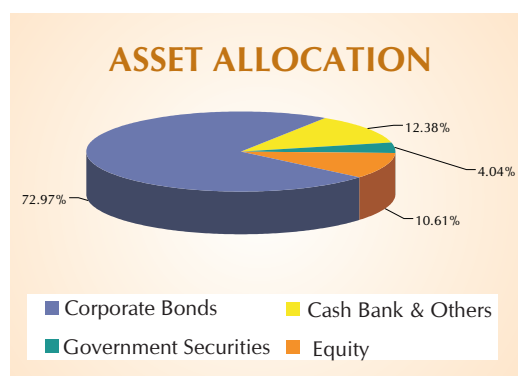
Note: The investment income and prices may go down as well as up.

PORTFOLIO		
Instrument	Industry	% of NAV
<b>Equity</b>		<b>10.61</b>
Reliance Industries Ltd	Refinery	0.87
Infosys Technologies Ltd	Computer Software	0.61
Larsen And Toubro Ltd	Industrial Contracts & Turnkey Projects	0.54
ICICI Bank Ltd	Banking Services	0.54
HDFC Bank	Banking Services	0.50
ITC Ltd	Cigarettes	0.41
Oil & Natural Gas Corp Ltd	Petroleum Oil	0.38
Bharat Heavy Electricals Ltd	Prime Movers	0.35
HDFC Ltd	Housing Finance Services	0.33
State Bank Of India	Banking Services	0.32
Bharti Airtel Ltd	Cellular Mobile Phone Service	0.29
Sterlite Industries (India) Ltd	Copper & Copper Products	0.25
Axis Bank Ltd	Banking Services	0.23
Tata Steel Ltd	Finished Steel	0.22
Aditya Birla Nuvo Ltd	Weaving, Manufacturing Of Man-Made Fiber	0.21
Sintex Industries Ltd	Diversified	0.20
Wipro Ltd	Computer Software	0.20
Crompton Greaves Ltd	Motors & Generators	0.19
Tata Motors Ltd	Heavy Commercial Vehicles	0.19
NTPC Ltd	Thermal Electricity	0.18
Cesc Ltd	Coal Based Thermal Electricity	0.17
Exide Industries Ltd	Storage Batteries	0.17
Jaiprakash Associates Ltd	Construction Of Roads, Bridges, Tunnels Etc.	0.16
Ultratech Cement Ltd	Cement	0.16
Mahindra And Mahindra Ltd	Utility Vehicles Including Jeeps	0.16
Asian Paints (India) Ltd	Paints & Varnishes	0.16
Gail India Ltd	LPG Storage And Distribution	0.16
Maruti Suzuki India Ltd	Passenger Cars & Multi Utility Vehicles	0.16
United Phosphorus Ltd	Pesticides & Pesticide Intermediates, Nec	0.15
Bank Of Baroda	Banking Services	0.15
Nestle India Ltd	Dairy products	0.15
Steel Authority Of India Ltd	Finished Steel	0.14
Hindustan Unilever Ltd	Cosmetics/Soaps/Toiletries/Detergents	0.14
Sun Pharmaceutical Industries Ltd	Drug Formulations	0.13
Jindal Steel & Power Ltd	Iron And Steel	0.12
Ivrc Infrastructure & Projects Ltd	Construction Of Roads, Bridges, Tunnels Etc.	0.12
Punjab National Bank	Banking Services	0.11
Ing Vysya Bank Ltd	Banking services	0.11
Bajaj Auto Ltd - New Shs	Motorcycles	0.10
Volta Limited	Diversified	0.10
Grasim Industries Ltd	Cement	0.10
ABB Ltd	Switchgears	0.10
Nagarjuna Cons Co Ltd	Construction Of Roads, Bridges, Tunnels Etc.	0.10
Punj Lloyd Ltd	Civil Engineering	0.09
Hero Honda Motors Ltd	Motorcycles	0.08
Oil India Ltd	Service Activities Incidental To Oil And Gas Extra	0.07
Infrastructure Dev Fin Co Ltd	Finance Related Allied Activities	0.07
Areva T&D India Ltd	Switching Apparatus	0.06
Reliance Communication Ltd	Cellular Mobile Phone Service	0.03
Thermax Limited	Steam Boilers	0.01
Gujarat Nre Coke Ltd	Mining	0.01
Siemens India Ltd	Switching Apparatus	0.01
Television Eighteen India Ltd	Media-Broadcasting	0.01
<b>Corporate Bonds</b>		<b>72.97</b>
8.80% Power Grid 2015	AAA	22.26
9.20% HDFC 2012	AAA	15.39
9.20% Power Grid 2015	AAA	12.16
8.40% HDFC 2014	AAA	8.83
7.35% HPCL 2012	AAA	8.79
9.80% PFC 2012	AAA	3.09
8.83% IRFC 2012	AAA	1.22
10.00% PFC 2012	AAA	0.62
9.68% IRFC 2010	AAA	0.60
<b>Government Securities</b>		<b>4.04</b>
6.35% GOI 2020	Sovereign	4.04
<b>CASH BANK &amp; OTHERS</b>		<b>12.38</b>
Cash Bank & Others		12.38
<b>Net Assets</b>		<b>100.00</b>



## SECTOR STRATEGY

Sector	% to NAV	Sector	% to NAV
Banking Services	1.96	Utility Vehicles Including Jeeps	0.16
Refinery	0.87	Paints & Varnishes	0.16
Computer Software	0.81	LPG Storage And Distribution	0.16
Industrial Contracts & Turnkey Projects	0.54	Passenger Cars & Multi Utility Vehicles	0.16
Cigarettes	0.41	Pesticides & Pesticide Intermediates, Nec	0.15
Construction Of Roads, Bridges, Tunnels Etc.	0.39	Dairy products	0.15
Petroleum Oil	0.38	Cosmetics/Soaps/Toiletries/Detergents	0.14
Finished Steel	0.36	Drug Formulations	0.13
Prime Movers	0.35	Iron And Steel	0.12
Housing Finance Services	0.33	Switchgears	0.10
Cellular Mobile Phone Service	0.32	Civil Engineering	0.09
Diversified	0.30	Switching Apparatus	0.07
Cement	0.26	Service Activities Incidental To Oil And Gas Extra	0.07
Copper & Copper Products	0.25	Finance Related Allied Activities	0.07
Weaving, Manufacturing Of Man-Made Fiber	0.21	Steam Boilers	0.01
Motors & Generators	0.19	Mining	0.01
Heavy Commercial Vehicles	0.19	Media-Broadcasting	0.01
Motorcycles	0.18	Corporate Bonds	72.97
Thermal Electricity	0.18	Government Securities	4.04
Coal Based Thermal Electricity	0.17	Cash Bank & Others	12.38
Storage Batteries	0.17	<b>Total</b>	<b>100.00</b>



# Pension Bond Fund

Investment Report December, 2009

**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.

**NAV Calculation:** Daily

**Fund Manager:** Mr. Saravana Kumar

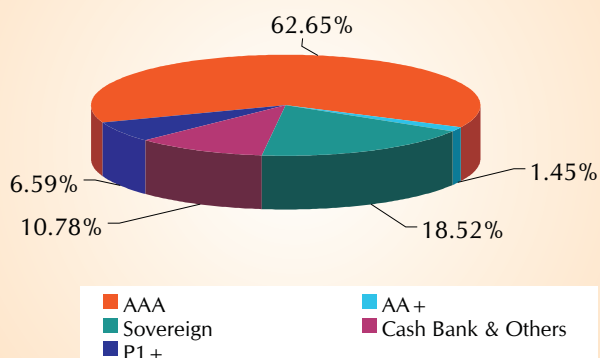
## PERFORMANCE - PENSION BOND FUND

(NAV [in Rs.] & CRISIL Composite Bond Fund Index as on 31-Dec-09 is 11.8092 and 1566.5262 respectively)

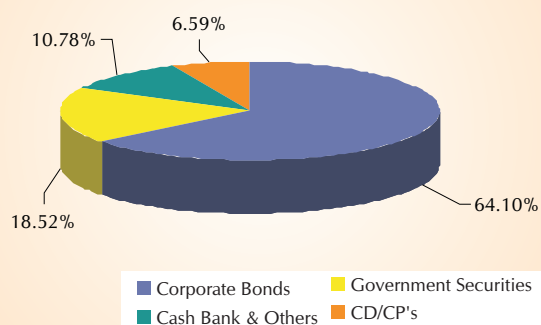
PERIOD	DATE	NAV	CRISIL Composite Bond Fund Index	NAV Change	INDEX Change
Last 1 Month	30-Nov-09	11.7902	1567.5738	0.16%	-0.07%
Last 3 Months	30-Sep-09	11.5844	1543.6972	1.94%	1.48%
Last 6 Months	30-Jun-09	11.5005	1541.5516	2.68%	1.62%
Last 1 Year	31-Dec-08	11.2140	1513.4928	5.31%	3.50%
Since Inception	17-Aug-07	10.0000	1339.5321	18.09%	16.95%

Note: The investment income and prices may go down as well as up.

## RATING PROFILE



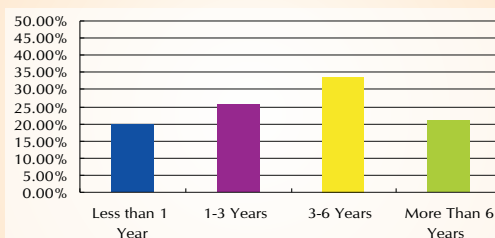
## ASSET ALLOCATION



## PORTFOLIO

Instrument	Rating	% of NAV
<b>Government Securities</b>		<b>18.52</b>
7.59% GOI 2016	Sovereign	6.86
6.07% GOI 2014	Sovereign	3.86
6.35% GOI 2020	Sovereign	3.04
7.46% GOI 2017	Sovereign	2.71
7.00% GOI 2012	Sovereign	2.05
<b>Corporate Bonds</b>		<b>64.10</b>
10.00% PFC 2012	AAA	6.88
9.50% HDFC 2013	AAA	5.98
2.00% Indian Hotels Company Ltd 2014	AAA	5.54
7.45% LIC Housing 2012	AAA	5.40
9.20% Power Grid 2013	AAA	4.24
2.00% Tata Motors Ltd 2014	AAA	4.22
9.50% Exim Bank 2013	AAA	4.22
7.65% RECL 2016	AAA	3.89
7.35% HPCL 2012	AAA	3.38
11.75% Rural Electric Corp Ltd 2011	AAA	2.94
9.80% ICICI Bank 2013	AAA	2.87
8.40% HDFC 2014	AAA	2.71
9.05% IDFC 2010	AAA	2.49
6.98% IRFC 2012	AAA	1.89
9.45% LIC Housing 2012	AAA	1.71
10.75% Reliance Industries 2018	AAA	1.53
10.00% Tata Chemicals 2019	AA+	1.45
9.20% Larsen & Toubro 2012	AAA	1.42
8.80% Power Grid Corp. 2020	AAA	1.37
<b>CD/CP's</b>		<b>6.59</b>
Corporation Bank 2010 - CD	P1+	4.03
State Bank of Patiala 2010 - CD	P1+	1.28
Bank of Baroda 2010 - CD	P1+	1.28
<b>Cash Bank &amp; Others</b>		<b>10.78</b>
Cash Bank & Others		10.78
<b>Net Assets</b>		<b>100.00</b>

## MATURITY PROFILE



RATING	% to NAV
AAA	62.65
AA+	1.45
Sovereign	18.52
Cash Bank & Others	10.78
P1+	6.59
<b>Total</b>	<b>100.00</b>

ASSET ALLOCATION	% to NAV
Corporate Bonds	64.10
Government Securities	18.52
Cash Bank & Others	10.78
CD/CP's	6.59
<b>Net Assets</b>	<b>100.00</b>



# Pension Growth Fund

Investment Report December, 2009

**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.

**NAV Calculation:** Daily

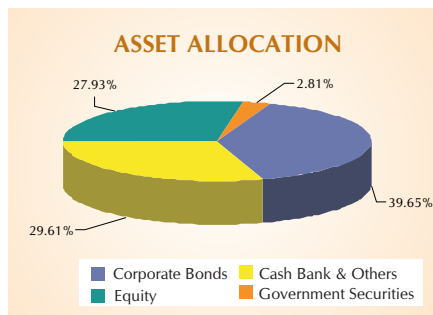
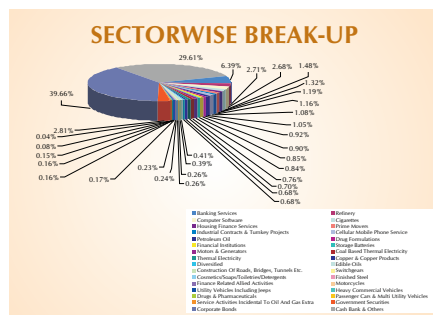
**Fund Manager:** Mr. Saravana Kumar

## PERFORMANCE - PENSION GROWTH FUND (NAV [in Rs.] as on 31-Dec-09 is 11.8452)

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	30-Nov-09	11.7658	0.67%	0.96%
Last 3 Months	30-Sep-09	11.6783	1.43%	1.73%
Last 6 Months	30-Jun-09	11.1096	6.62%	7.50%
Last 1 Year	31-Dec-08	9.7892	21.00%	25.18%
Since Inception	17-Aug-07	10.0000	18.45%	19.84%

ASSET ALLOCATION	% to NAV
Corporate Bonds	39.66
Cash Bank & Others	29.61
Equity	27.93
Government Securities	2.81
<b>Net Assets</b>	<b>100.00</b>

Note: The investment income and prices may go down as well as up.



SECTOR STRATEGY	% to NAV
Banking Services	6.39
Refinery	2.71
Computer Software	2.68
Cigarettes	1.48
Housing Finance Services	1.32
Prime Movers	1.19
Industrial Contracts & Turnkey Projects	1.16
Cellular Mobile Phone Service	1.08
Petroleum Oil	1.05
Drug Formulations	0.92
Financial Institutions	0.90
Storage Batteries	0.85
Motors & Generators	0.84
Coal Based Thermal Electricity	0.76
Thermal Electricity	0.70
Copper & Copper Products	0.68
Diversified	0.68
Edible Oils	0.41
Construction Of Roads, Bridges, Tunnels Etc.	0.39
Switchgears	0.26
Cosmetics/Soaps/Toiletries/Detergents	0.26
Finished Steel	0.24
Finance Related Allied Activities	0.23
Motorcycles	0.17
Utility Vehicles Including Jeeps	0.16
Heavy Commercial Vehicles	0.16
Drugs & Pharmaceuticals	0.15
Passenger Cars & Multi Utility Vehicles	0.08
Service Activities Incidental To Oil And Gas Extra	0.04
Government Securities	2.81
Corporate Bonds	39.66
Cash Bank & Others	29.61
<b>Total</b>	<b>100.00</b>

## PORTFOLIO

Instrument	Industry	% of NAV
<b>Equity</b>		<b>27.93</b>
Reliance Industries Ltd	Refinery	2.71
Infosys Technologies Ltd	Computer Software	1.92
HDFC Bank	Banking Services	1.68
ITC Ltd	Cigarettes	1.48
ICICI Bank Ltd	Banking Services	1.43
HDFC Ltd	Housing Finance Services	1.32
Bharat Heavy Electricals Ltd	Prime Movers	1.19
Larsen And Toubro Ltd	Industrial Contracts & Turnkey Projects	1.16
State Bank Of India	Banking Services	1.12
Oil & Natural Gas Corp Ltd	Petroleum Oil	1.05
Axis Bank Ltd	Banking Services	0.98
Bharti Airtel Ltd	Cellular Mobile Phone Service	0.91
Power Finance Corp Ltd	Financial Institutions	0.90
Exide Industries Ltd	Storage Batteries	0.85
Crompton Greaves Ltd	Motors & Generators	0.84
Cesc Ltd	Coal Based Thermal Electricity	0.76
Oriental Bank Of Commerce	Banking Services	0.74
NTPC Ltd	Thermal Electricity	0.70
Sterlite Industries (India) Ltd	Copper & Copper Products	0.68
Sintex Industries Ltd	Diversified	0.68
Wipro Ltd	Computer Software	0.47
Punjab National Bank	Banking Services	0.45
Sun Pharmaceutical Industries Ltd	Drug Formulations	0.45
Marico Ltd	Edible Oils	0.41
Mphasis Ltd	Computer software	0.29
Dishman Pharmaceuticals & Chemicals Ltd	Drug Formulations	0.28
Ivrc Infrastructure & Projects Ltd	Construction Of Roads, Bridges, Tunnels Etc.	0.28
ABB Ltd	Switchgears	0.26
Hindustan Unilever Ltd	Cosmetics/Soaps/Toiletries/Detergents	0.26
Tata Steel Ltd	Finished Steel	0.24
Infrastructure Dev Fin Co Ltd	Finance Related Allied Activities	0.23
Glenmark Pharmaceuticals Ltd	Drug Formulations	0.19
Bajaj Auto Ltd - New Shs	Motorcycles	0.17
Reliance Communication Ltd	Cellular Mobile Phone Service	0.17
Mahindra And Mahindra Ltd	Utility Vehicles Including Jeeps	0.16
Tata Motors Ltd	Heavy Commercial Vehicles	0.16
Lupin Ltd	Drugs & Pharmaceuticals	0.15
Jaiprakash Associates Ltd	Construction Of Roads, Bridges, Tunnels Etc.	0.11
Maruti Suzuki India Ltd	Passenger Cars & Multi Utility Vehicles	0.08
Oil India Ltd	Service Activities Incidental To Oil And Gas Extra	0.04
<b>Government Securities</b>		<b>2.81</b>
9.39% GOI 2011	Sovereign	2.81
<b>Corporate Bonds</b>		<b>39.66</b>
7.20% HDFC 2010	AAA	19.83
8.40% Exim Bank 2010	AAA	10.03
7.40% Infrastructure 2012	AAA	9.80
<b>CASH BANK &amp; OTHERS</b>		<b>29.61</b>
Cash Bank & Others		29.61
<b>Net Assets</b>		<b>100.00</b>

# Disclaimer

Investment Report November, 2009

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1. The fund is managed by Tata AIG Life Insurance Company Ltd. (hereinafter the "Company").
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).
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