

Investment Report

Investment Report June, 2009



Vivek Sood
Chief Financial Officer

Market Commentary

India's economy grew a faster-than-expected 5.8% y-o-y in the March quarter, as a still strong services sector offset a decline in manufacturing. The annual growth for India's fiscal fourth quarter was above a median forecast of 5.2%, but sharply lower than the year-ago quarter's 8.6%. Manufacturing sector contracted 1.4% in the January-March quarter from a year earlier, while farm output grew an annual 2.7%. For the full year, India's economy grew 6.7% in 2008/09, sharply slower than the 9% or more in the previous three years.

India's fiscal deficit in just the first two months (April-May) was at Rs.907.58 billion (\$18.9 billion), or 27.3% of the full-year target. In February, the interim budget projected a fiscal deficit of Rs.3.32 trillion or 5.5% of GDP for 2009/10.

The current account swung into a surplus in the March quarter, but it was not enough to prevent a wider deficit for the full 2008/09 fiscal year during which cost of oil imports rose and exports fell sharply due to the global slump. The RBI data showed current account deficit for 2008/09 widened to \$29.82 billion, or 2.6% of GDP. It was \$17.03 billion or 1.5% of GDP in 2007/08. For Jan-Mar quarter, current account showed a surplus for the first time in two years. RBI reported surplus of \$4.7 billion, a drastic change from \$13.03 billion deficit in Oct-Dec. The net surplus under invisibles not only fully financed the lower trade deficit, but also led to a surplus in the current account as a whole. The exodus of FDI and FII kept the capital account in a deficit of \$4.4 billion, resulting in an overall balance of payments surplus of \$300 million in Jan-March.

India's industrial production (IP) rose by 1.4% y-o-y in April, rebounding after three declines in four months. Manufacturing production rose just 0.7% y-o-y in April; the main boost coming from consumer durables (+16.9%). While IP for May was yet to be released, infrastructure sector output grew 2.8% y-o-y in May, slower than 5% in April. The infrastructure sector accounts for 26.7% of the industrial index.

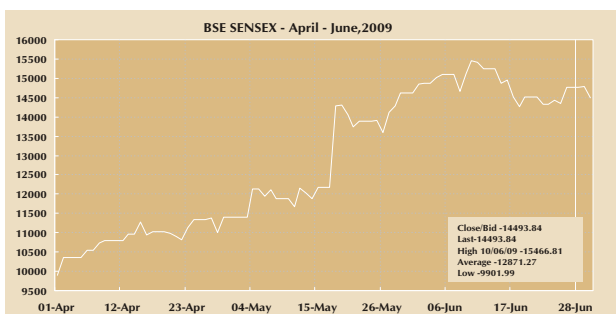
Exports fell 29.2% y-o-y in May to \$11 billion as recession at developed nations slashed demand for Indian goods while imports dropped by 39.2% to \$16.2 billion in May. Trade deficit halved to \$5.2 billion in May from \$11.2 billion a year earlier. In April, Exports fell 33.2% y-o-y to \$10.74 billion while imports dropped by 36.6% to \$15.8 billion.

WPI annual rate fell as low as -1.61% in June, putting the economy into deflation territory. The rate has tumbled over the last quarter because of the high base effect from last year when energy prices were elevated. The rate same time last year was 11.66%. India's consumer price inflation rate stays in double digits.

Sensex reported a stupendous rise of 49.29% for the April-June quarter, making it the best quarter in 17 years for the market. It only lagged Vietnam in Asia that rose around 60% in the quarter. Sectorwise, Realty gained 105.48% while Capital Goods, Metals and Banks also marked stupendous gains among others. FIIs poured in Rs. 30455.40 crore, making a comeback after drawing out a net Rs. 6351.60 crore from Indian equities. Interestingly, the biggest quarterly rise for the Sensex was a 124.5% flight in Jan-March 1992 when Mr. Manmohan Singh, then finance minister, flagged off reforms for the economy.

The April-June quarter for the government bond market proved to be highly volatile with investor sentiments mainly driven by concerns over increase in government borrowing on one side and burgeoning fiscal deficit on the other, while political instability also kept sentiments jittery. Amidst volatility, the 10-year benchmark bond (6.05% 2019) yield ended the quarter at 7%, up 30 bps in a month and 70 bps in less than two months, but had touched a low of 6.10% in late April, after the RBI in its monetary policy cut the LAF repo and reverse repo rates by 25 bps each to 4.75% and 3.25%, respectively, leading to a healthy rally in the bond market. However, buoyancy did not sustain long after the rate cuts as huge government bond supplies played havoc with investor sentiment. AAA rated 5-year bond yield fell to 7.97% from 8.54% on March 31 while the spread offered narrowed to 124 bps as on June 30 from 173 bps.

The rupee retrieved 5.56% to 47.91/\$, even trading as high as 46.90/\$ on the way. After the debilitating preceding quarter, the rupee was on the recovery path right from the start as global economic conditions and risk appetite among investors was on the mend, benefiting emerging market economies. The steady appreciation burst into a wave of dollar liquidation in immediate reaction to the election results that boosted the political and well as the potential reforms profile of the country.



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Pension Short-Term Fixed Income Fund

Investment Report June, 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. Vivek Sood

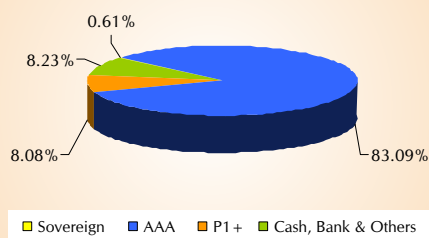
PERFORMANCE - PENSION SHORT-TERM FIXED INCOME FUND

(NAV [in Rs.] & CRISIL Short Term Bond Index as on 30-Jun-09 is 11.9870 and 1577.7392 respectively)

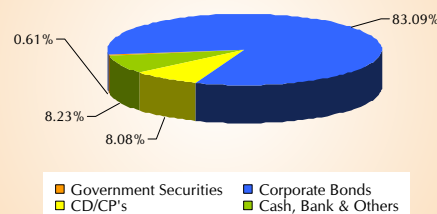
| PERIOD | DATE | NAV | CRISIL Short-Term Bond Index | NAV Change | INDEX Change |
|-----------------|-----------|---------|------------------------------|------------|--------------|
| Last 1 Month | 29-May-09 | 11.8775 | 1570.6361 | 0.92% | 0.45% |
| Last 3 Months | 31-Mar-09 | 11.5974 | 1541.8147 | 3.36% | 2.33% |
| Last 6 Months | 31-Dec-08 | 11.2314 | 1513.0129 | 6.73% | 4.28% |
| Last 1 Year | 30-Jun-08 | 10.6066 | 1418.0367 | 13.01% | 11.26% |
| Since Inception | 3-Jul-06 | 10.0000 | 1242.3300 | 19.87% | 27.00% |

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

RATING PROFILE



ASSET ALLOCATION

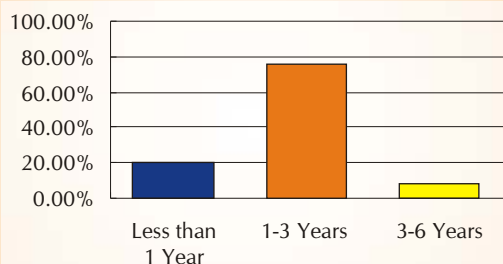


| ASSET ALLOCATION | % to NAV |
|-----------------------|---------------|
| Government Securities | 0.61 |
| Corporate Bonds | 83.09 |
| CD/CP's | 8.08 |
| Cash, Bank & Others | 8.23 |
| NET ASSETS | 100.00 |

| RATING | % to NAV |
|---------------------|---------------|
| Sovereign | 0.61 |
| AAA | 83.09 |
| P1 + | 8.08 |
| Cash, Bank & Others | 8.23 |
| TOTAL | 100.00 |

| PORTFOLIO | | |
|--------------------------------|-----------|---------------|
| Instrument | Rating | % of NAV |
| Government Securities | | |
| 9.39% GOI 2011 | Sovereign | 0.61 |
| Corporate Bonds | | |
| 8.40% EXIM Bank 2010 | AAA | 9.67 |
| 7.20% HDFC 2010 | AAA | 2.87 |
| 6.84% HDFC 2011 | AAA | 19.01 |
| 8.60% IDFC 2011 | AAA | 21.56 |
| 9.45% LIC Housing 2012 | AAA | 22.88 |
| 9.68% IRFC 2012 | AAA | 7.10 |
| CD/CP's | | |
| Canara Bank 2010 - CD | P1 + | 4.50 |
| Axis Bank 2010 - CD | P1 + | 3.58 |
| Cash, Bank & Others | | |
| Cash, Bank & Others | | 8.23 |
| NET ASSETS | | 100.00 |

MATURITY PROFILE



Pension Income Fund

Investment Report June, 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

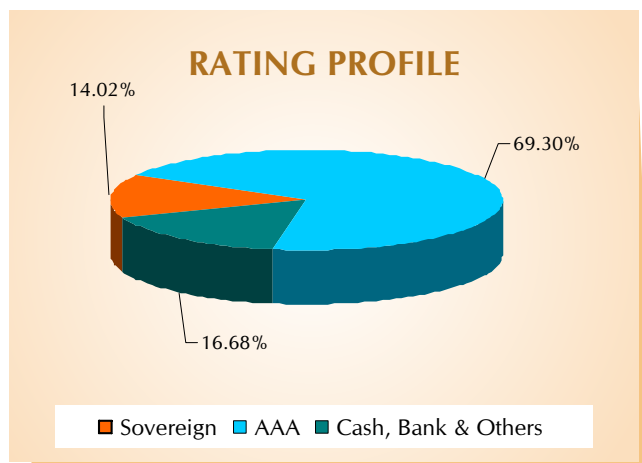
Fund Manager: Mr. Vivek Sood

PERFORMANCE - PENSION INCOME FUND

(NAV [in Rs.] & CRISIL Composite Bond Fund Index as on 30-Jun-09 is 13.4790 and 1541.5516 respectively)

| PERIOD | DATE | NAV | CRISIL Composite Bond Fund Index | NAV Change | INDEX Change |
|-----------------|-----------|---------|----------------------------------|------------|--------------|
| Last 1 Month | 29-May-09 | 13.3289 | 1534.6982 | 1.13% | 0.45% |
| Last 3 Months | 31-Mar-09 | 12.9832 | 1505.3334 | 3.82% | 2.41% |
| Last 6 Months | 31-Dec-08 | 12.8734 | 1513.4928 | 4.70% | 1.85% |
| Last 1 Year | 30-Jun-08 | 11.6891 | 1386.2790 | 15.31% | 11.20% |
| Since Inception | 2-Mar-04 | 10.0000 | 1193.2000 | 34.79% | 29.19% |

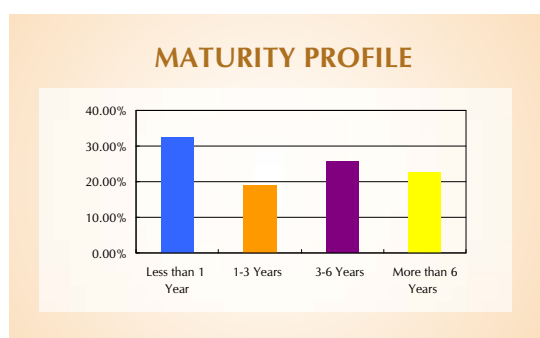
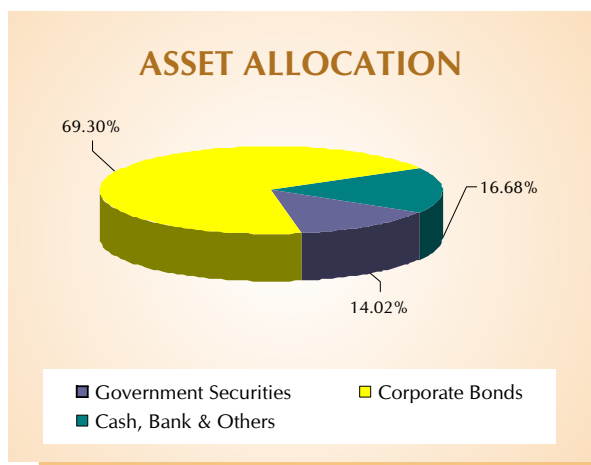
Note: The investment income and prices may go down as well as up.



| RATING | % to NAV | ASSET ALLOCATION | % to NAV |
|---------------------|---------------|-----------------------|---------------|
| Sovereign | 14.02 | Government Securities | 14.02 |
| AAA | 69.30 | Corporate Bonds | 69.30 |
| Cash, Bank & Others | 16.68 | Cash, Bank & Others | 16.68 |
| Total | 100.00 | Net Assets | 100.00 |

PORTFOLIO

| Instrument | Rating | % of NAV |
|---------------------------------|-----------|---------------|
| Government Securities | | 14.02 |
| 9.39% GOI 2011 | Sovereign | 2.16 |
| 7.38% GOI 2015 | Sovereign | 0.72 |
| 7.59% GOI 2016 | Sovereign | 5.39 |
| 7.46% GOI 2017 | Sovereign | 2.67 |
| 8.24% GOI 2027 | Sovereign | 1.90 |
| 6.83% GOI 2039 | Sovereign | 1.17 |
| Corporate Bonds | | 69.30 |
| 9.15% LIC 2010 | AAA | 2.67 |
| 8.50% Exim Bank 2011 | AAA | 1.07 |
| 9.80% PFC 2012 | AAA | 3.89 |
| 9.85% RECL 2017 | AAA | 2.23 |
| 8.55% HDFC 2009 | AAA | 3.14 |
| 10.00% HDFC 2010 | AAA | 2.34 |
| 10.20% IDFC 2010 | AAA | 10.72 |
| 9.35% ILFS 2010 | AAA | 3.21 |
| 10.95% RECL 2011 | AAA | 2.80 |
| 9.20% L&T 2012 | AAA | 2.17 |
| 10.00% IDFC 2012 | AAA | 3.89 |
| 7.20% RECL 2012 | AAA | 3.11 |
| 9.80% ICICI Bank 2013 | AAA | 2.24 |
| 9.20% Power Grid 2013 | AAA | 2.18 |
| 9.45% REC 2013 | AAA | 2.21 |
| 10.75% RECL 2013 | AAA | 3.44 |
| 9.50% Exim Bank 2013 | AAA | 2.19 |
| 2.00% Tata Motors 2014 | AAA | 6.33 |
| 8.95% IDFC 2018 | AAA | 1.06 |
| 11.00% PFC 2018 | AAA | 2.98 |
| 10.75% Reliance Industries 2018 | AAA | 4.71 |
| National Housing Bank 2018 | AAA | 0.71 |
| Cash, Bank & Others | | 16.68 |
| Cash, Bank & Others | | 16.68 |
| Net Assets | | 100.00 |



Pension Equity Fund

Investment Report June, 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. Vivek Sood

PERFORMANCE - PENSION EQUITY FUND (NAV [in Rs.] & BSE Sensex as on 30-Jun-09 is 26.1718 and 14493.84 respectively)

| PERIOD | DATE | NAV | BSE Sensex | NAV Change | INDEX Change |
|-----------------|-----------|---------|------------|------------|--------------|
| Last 1 Month | 29-May-09 | 26.1288 | 14625.25 | 0.16% | -0.90% |
| Last 3 Months | 31-Mar-09 | 16.9416 | 9708.50 | 54.48% | 49.29% |
| Last 6 Months | 31-Dec-08 | 17.7374 | 9647.31 | 47.55% | 50.24% |
| Last 1 Year | 30-Jun-08 | 24.5838 | 13461.60 | 6.46% | 7.67% |
| Since Inception | 29-Mar-04 | 10.0000 | 5571.37 | 161.72% | 160.15% |

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

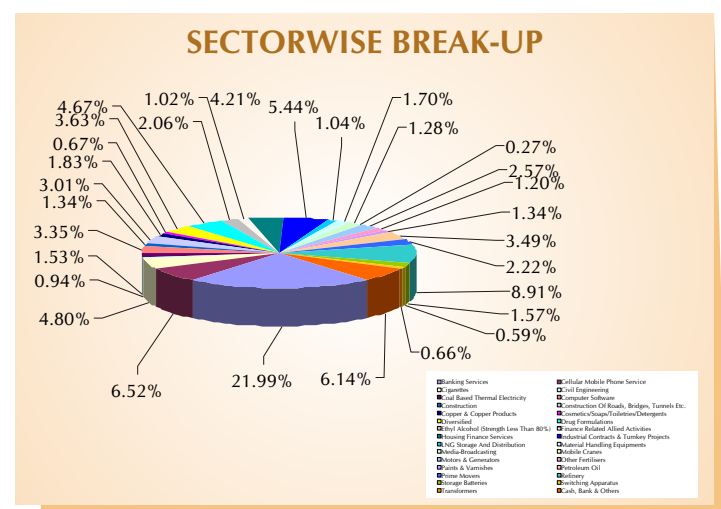
| PORTFOLIO | | |
|---|--|---------------|
| Instrument | Industry | % of NAV |
| Equity | | 93.86 |
| Action Construction Equipments Ltd | Mobile Cranes | 0.27 |
| Alstom Projects India Ltd | Industrial Contracts & Turnkey Projects | 1.10 |
| Areva T&D India Ltd | Switching Apparatus | 0.59 |
| Asian Paints (India) Ltd | Paints & Varnishes | 1.34 |
| Axis Bank Ltd | Banking Services | 3.14 |
| Bank Of Baroda Ltd | Banking Services | 1.85 |
| Bharat Heavy Electricals Ltd | Prime Movers | 2.22 |
| Bharti Airtel Ltd | Cellular Mobile Phone Service | 5.65 |
| Cesc Ltd | Coal Based Thermal Electricity | 1.53 |
| Crompton Greaves Ltd | Motors & Generators | 2.57 |
| Dishman Pharmaceuticals & Chemicals Ltd | Drug Formulations | 1.15 |
| Elecon Engineering Co Ltd | Material Handling Equipments | 0.72 |
| Emco Ltd | Transformers | 0.66 |
| Exide Industries Ltd | Storage Batteries | 1.57 |
| Glenmark Pharmaceuticals Ltd | Drug Formulations | 1.09 |
| Gujarat State Petronet Ltd | LNG Storage And Distribution | 1.04 |
| Hindustan Construction Co Ltd | Construction Of Roads, Bridges, Tunnels etc. | 0.26 |
| Hindustan Unilever Ltd | Cosmetics/Soaps/Toiletries/Detergents | 0.67 |
| HDFC Bank | Banking Services | 5.45 |
| HDFC Ltd | Housing Finance Services | 2.65 |
| ICICI Bank Ltd | Banking Services | 4.18 |
| Infosys Technologies Ltd | Computer Software | 3.35 |
| Infrastructure Dev Fin Co Ltd | Finance Related Allied Activities | 1.02 |
| ITC Ltd | Cigarettes | 4.80 |
| IvrcI Infrastructures & Projects Ltd | Construction Of Roads, Bridges, Tunnels etc. | 1.72 |
| Jaiprakash Associates Ltd | Construction Of Roads, Bridges, Tunnels etc. | 1.03 |
| Larsen And Toubro Ltd | Industrial Contracts & Turnkey Projects | 4.34 |
| LIC Housing Finance Ltd | Housing Finance Services | 1.56 |
| Mcnally Bharat Engineering Co Ltd | Material Handling Equipments | 0.97 |
| Oil & Natural Gas Corp Ltd | Petroleum Oil | 3.49 |
| Oriental Bank Of Commerce | Banking Services | 1.13 |
| Piramal Healthcare Limited | Drug Formulations | 0.78 |
| Punj Lloyd Ltd | Civil Engineering | 0.94 |
| Punjab National Bank | Banking Services | 1.02 |
| Reliance Communication Ltd | Cellular Mobile Phone Service | 0.87 |
| Reliance Industries Ltd | Refinery | 8.91 |
| Simplex Infrastructures Ltd | Construction | 1.34 |
| Sintex Industries Ltd | Diversified | 1.90 |
| State Bank Of India | Banking Services | 4.61 |
| Sterlite Industries (India) Ltd | Copper & Copper Products | 1.83 |
| Sun Pharmaceutical Industries Ltd | Drug Formulations | 1.65 |
| Tata Chemicals Ltd | Other Fertilisers | 1.20 |
| Union Bank Of India Ltd | Banking Services | 0.61 |
| United Spirits Ltd | Ethyl Alcohol (Strength Less Than 80%) | 2.06 |
| Volta Limited | Diversified | 1.73 |
| Zee News Ltd | Media-Broadcasting | 1.28 |
| Cash, Bank & Others | | 6.14 |
| Cash, Bank & Others | | 6.14 |
| Total | | 100.00 |

| ASSET ALLOCATION | % to NAV |
|---------------------|---------------|
| Equity | 93.86 |
| Cash, Bank & Others | 6.14 |
| Net Asset | 100.00 |

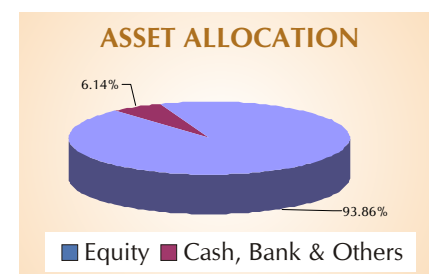
SECTOR STRATEGY

| Sector | % to NAV | Sector | % to NAV |
|--|----------|---------------------|---------------|
| Banking Services | 21.99 | Media-Broadcasting | 1.28 |
| Cellular Mobile Phone Service | 6.52 | Mobile Cranes | 0.27 |
| Cigarettes | 4.80 | Motors & Generators | 2.57 |
| Civil Engineering | 0.94 | Other Fertilisers | 1.20 |
| Coal Based Thermal Electricity | 1.53 | Paints & Varnishes | 1.34 |
| Computer Software | 3.35 | Petroleum Oil | 3.49 |
| Construction | 1.34 | Prime Movers | 2.22 |
| Construction Of Roads, Bridges, Tunnels Etc. | 3.01 | Refinery | 8.91 |
| Copper & Copper Product's | 1.83 | Storage Batteries | 1.57 |
| Cosmetics/Soaps/Toiletries/Detergents | 0.67 | Switching Apparatus | 0.59 |
| Diversified | 3.63 | Transformers | 0.66 |
| Drug Formulations | 4.67 | Cash, Bank & Others | 6.14 |
| Ethyl Alcohol (Strength Less Than 80%) | 2.06 | Total | 100.00 |
| Finance Related Allied Activities | 1.02 | | |
| Housing Finance Services | 4.21 | | |
| Industrial Contracts & Turnkey Projects | 5.44 | | |
| LNG Storage And Distribution | 1.04 | | |
| Material Handling Equipments | 1.70 | | |

SECTORWISE BREAK-UP



ASSET ALLOCATION



Pension Liquid Fund

Investment Report June, 2009

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

NAV Calculation: Daily

Fund Manager: Mr. Vivek Sood

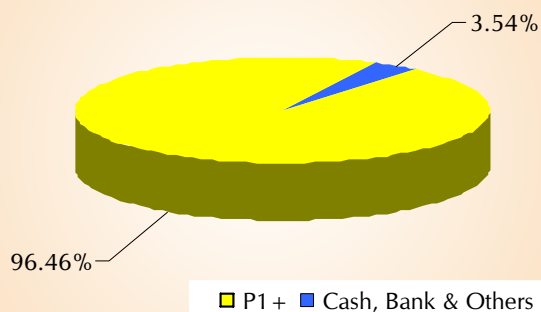
PERFORMANCE - PENSION LIQUID FUND

(NAV [in Rs.] & CRISIL Liquid Fund Index as on 30-Jun-09 is 13.6710 and 1525.51 respectively)

| PERIOD | DATE | NAV | CRISIL Liquid Fund Index | NAV Change | INDEX Change |
|-----------------|-----------|---------|--------------------------|------------|--------------|
| Last 1 Month | 29-May-09 | 13.5850 | 1521.72 | 0.63% | 0.25% |
| Last 3 Months | 31-Mar-09 | 13.4249 | 1504.63 | 1.83% | 1.39% |
| Last 6 Months | 31-Dec-08 | 13.1721 | 1474.26 | 3.79% | 3.48% |
| Last 1 Year | 30-Jun-08 | 12.6538 | 1407.36 | 8.04% | 8.40% |
| Since inception | 25-May-04 | 10.0000 | 1113.63 | 36.71% | 36.99% |

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

RATING PROFILE

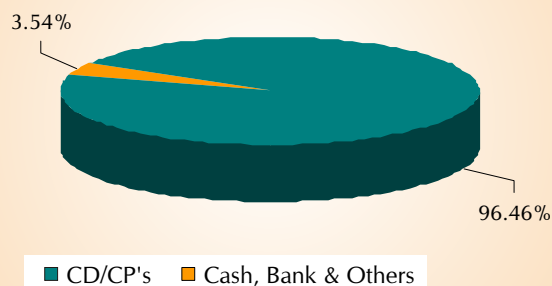


PORTFOLIO

| Instrument | Rating | % of NAV |
|--------------------------------|--------|---------------|
| CD/CP's | | 96.46 |
| Corporation Bank 2010 - CD | P1+ | 36.75 |
| Canara Bank 2010 - CD | P1+ | 25.65 |
| Axis Bank 2009 - CP | P1+ | 2.07 |
| PFC Ltd 2009 - CP | P1+ | 32.00 |
| Cash, Bank & Others | | 3.54 |
| Cash, Bank & Others | | 3.54 |
| Net Assets | | 100.00 |

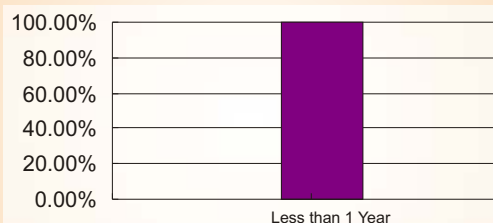
| RATING | % to NAV |
|---------------------|---------------|
| P1+ | 96.46 |
| Cash, Bank & Others | 3.54 |
| Total | 100.00 |

ASSET ALLOCATION



| ASSET ALLOCATION | % to NAV |
|---------------------|---------------|
| CD/CP's | 96.46 |
| Cash, Bank & Others | 3.54 |
| Net Assets | 100.00 |

MATURITY PROFILE



Pension Balanced Fund

Investment Report June, 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. Vivek Sood

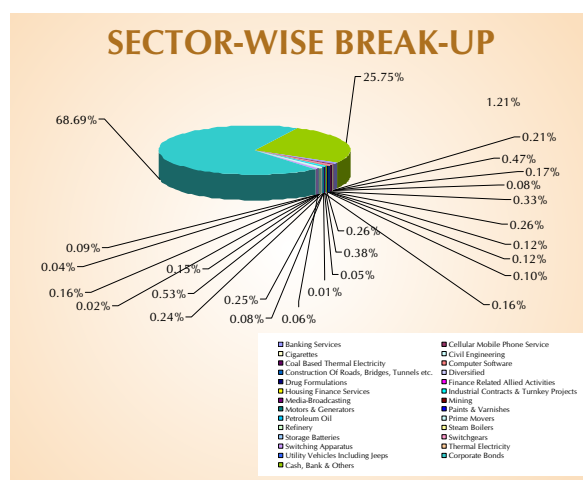
PERFORMANCE - PENSION BALANCED FUND (NAV [in Rs.] as on 30-Jun-09 is 11.3381)

| PERIOD | DATE | NAV | NAV Change | INDEX Change |
|-----------------|-----------|---------|------------|--------------|
| Last 1 Month | 29-May-09 | 11.2188 | 1.06% | 0.05% |
| Last 3 Months | 31-Mar-09 | 10.7789 | 5.19% | 6.37% |
| Last 6 Months | 31-Dec-08 | 10.5865 | 7.10% | 6.17% |
| Last 1 Year | 30-Jun-08 | 9.9681 | 13.74% | 10.70% |
| Since Inception | 17-Aug-07 | 10.0000 | 13.38% | 14.02% |

| ASSET ALLOCATION | % to NAV |
|---------------------|---------------|
| Equity | 5.56 |
| Corporate Bonds | 68.69 |
| Cash, Bank & Others | 25.75 |
| Net Assets | 100.00 |

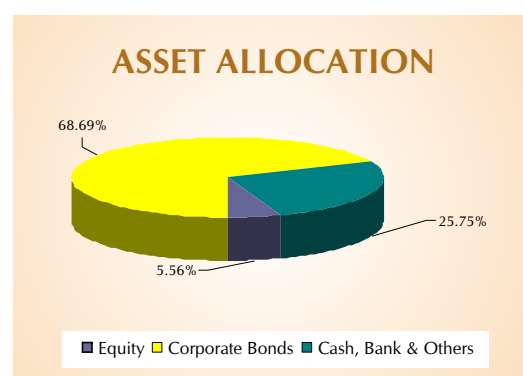
Note: The investment income and prices may go down as well as up.

| PORTFOLIO | | |
|--------------------------------------|---|---------------|
| Instrument | Rating | % of NAV |
| Equity | | 5.56 |
| ABB Ltd | Switchgears | 0.06 |
| Areva T&D India Ltd | Switching Apparatus | 0.15 |
| Asian Paints (India) Ltd | Paints & Varnishes | 0.08 |
| Axis Bank Ltd | Banking Services | 0.18 |
| Bank Of Baroda Ltd | Banking Services | 0.10 |
| Bharat Heavy Electricals Ltd | Prime Movers | 0.24 |
| Bharti Airtel Ltd | Cellular Mobile Phone Service | 0.37 |
| Cesc Ltd | Coal Based Thermal Electricity | 0.08 |
| Crompton Greaves Ltd | Motors & Generators | 0.16 |
| Exide Industries Ltd | Storage Batteries | 0.15 |
| Gujarat Nre Coke Ltd | Mining | 0.01 |
| Hindustan Construction Co Ltd | Construction Of Roads, Bridges, Tunnels Etc. | 0.01 |
| HDFC Bank | Banking Services | 0.28 |
| HDFC Ltd | Housing Finance Services | 0.26 |
| ICICI Bank Ltd | Banking Services | 0.29 |
| Infosys Technologies Ltd | Computer Software | 0.33 |
| Infrastructure Dev Fin Co Ltd | Finance Related Allied Activities | 0.10 |
| ITC Ltd | Cigarettes | 0.21 |
| IvrcI Infrastructures & Projects Ltd | Construction of Roads, Bridges, Tunnels, etc. | 0.11 |
| Jaiprakash Associates Ltd | Construction of Roads, Bridges, Tunnels, etc. | 0.13 |
| Larsen And Toubro Ltd | Industrial Contracts & Turnkey Projects | 0.38 |
| Mahindra And Mahindra Ltd | Utility Vehicles Including Jeeps | 0.09 |
| NTPC Ltd | Thermal Electricity | 0.04 |
| Oil & Natural Gas Corp Ltd | Petroleum Oil | 0.25 |
| Oriental Bank Of Commerce | Banking Services | 0.04 |
| Punj Lloyd Ltd | Civil Engineering | 0.17 |
| Punjab National Bank | Banking Services | 0.06 |
| Reliance Communication Ltd | Cellular Mobile Phone Service | 0.10 |
| Reliance Industries Ltd | Refinery | 0.47 |
| Reliance Petroleum Ltd | Refinery | 0.06 |
| Siemens India Ltd | Switching Apparatus | 0.02 |
| Sintex Industries Ltd | Diversified | 0.12 |
| State Bank Of India | Banking Services | 0.26 |
| Sun Pharmaceutical Industries Ltd | Drug Formulations | 0.12 |
| Television Eighteen India Ltd | Media-Broadcasting | 0.01 |
| Thermax Limited | Steam Boilers | 0.02 |
| Zee News Ltd | Media-Broadcasting | 0.04 |
| Corporate Bonds | | 68.69 |
| 9.80% PFC 2012 | AAA | 5.87 |
| 9.68% IRFC 2010 | AAA | 1.13 |
| 9.20% HDFC 2012 | AAA | 28.64 |
| 10.00% PFC 2012 | AAA | 1.17 |
| 8.83% IRFC 2012 | AAA | 2.30 |
| 9.20% Power Grid 2015 | AAA | 22.87 |
| 8.95% IDFC 2018 | AAA | 6.71 |
| Cash, Bank & Others | | 25.75 |
| Cash, Bank & Others | | 25.75 |
| Net Assets | | 100.00 |



SECTOR STRATEGY

| Sector | % of NAV | Sector | % to NAV |
|---|----------|----------------------------------|---------------|
| Banking Services | 1.21% | Paints & Varnishes | 0.08% |
| Cellular Mobile Phone Service | 0.47% | Petroleum Oil | 0.25% |
| Cigarettes | 0.21% | Prime Movers | 0.24% |
| Civil Engineering | 0.17% | Refinery | 0.53% |
| Coal Based Thermal Electricity | 0.08% | Steam Boilers | 0.02% |
| Computer Software | 0.33% | Storage Batteries | 0.15% |
| Construction Of Roads, Bridges, Tunnels, etc. | 0.26% | Switchgears | 0.06% |
| Diversified | 0.12% | Switching Apparatus | 0.16% |
| Drug Formulations | 0.12% | Thermal Electricity | 0.04% |
| Finance Related Allied Activities | 0.10% | Utility Vehicles Including Jeeps | 0.09% |
| Housing Finance Services | 0.26% | Corporate Bonds | 68.69% |
| Industrial Contracts & Turnkey Projects | 0.38% | Cash, Bank & Others | 25.75% |
| Media-Broadcasting | 0.05% | Total | 100.00 |
| Mining | 0.01% | | |
| Motors & Generators | 0.16% | | |



Pension Bond Fund

Investment Report June, 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. Vivek Sood

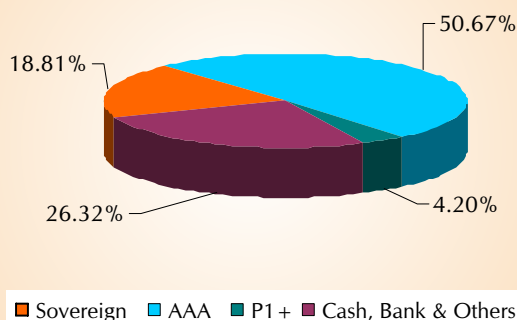
PERFORMANCE - PENSION BOND FUND

(NAV [in Rs.] & CRISIL Composite Bond Fund Index as on 30-Jun-09 is 11.5005 and 1541.5516 respectively)

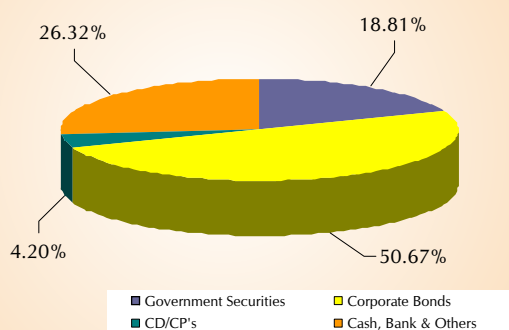
| PERIOD | DATE | NAV | CRISIL Composite Bond Fund Index | NAV Change | INDEX Change |
|-----------------|-----------|---------|----------------------------------|------------|--------------|
| Last 1 Month | 29-May-09 | 11.3707 | 1534.6982 | 1.14% | 0.45% |
| Last 3 Months | 31-Mar-09 | 11.0594 | 1505.3334 | 3.99% | 2.41% |
| Last 6 Months | 31-Dec-08 | 11.2140 | 1513.4928 | 2.55% | 1.85% |
| Last 1 Year | 30-Jun-08 | 10.2247 | 1386.2790 | 12.48% | 11.20% |
| Since Inception | 17-Aug-07 | 10.0000 | 1339.5321 | 15.01% | 15.08% |

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

RATING PROFILE



ASSET ALLOCATION



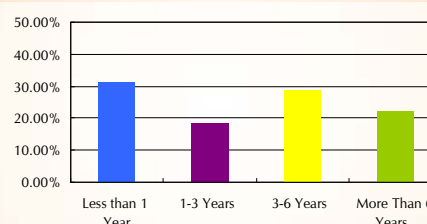
PORTFOLIO

| Instrument | Rating | % of NAV |
|-------------------------------------|-----------|---------------|
| Government Securities | | 18.81 |
| 7.00% GOI 2012 | Sovereign | 2.24 |
| 7.59% GOI 2016 | Sovereign | 7.59 |
| 7.46% GOI 2017 | Sovereign | 3.01 |
| 8.24% GOI 2027 | Sovereign | 2.68 |
| 6.83% GOI 2039 | Sovereign | 3.28 |
| Corporate Bonds | | 50.67 |
| 8.80% IDFC 2009 | AAA | 1.47 |
| 9.05% IDFC 2010 | AAA | 2.70 |
| 11.75% Rural Electric Corp Ltd 2011 | AAA | 3.23 |
| 9.45% LIC Housing 2012 | AAA | 1.84 |
| 9.20% Larsen & Toubro 2012 | AAA | 1.53 |
| 6.98% IRFC 2012 | AAA | 2.04 |
| 10.00% PFC 2012 | AAA | 7.52 |
| 9.80% ICICI Bank 2013 | AAA | 3.15 |
| 9.50% HDFC 2013 | AAA | 6.52 |
| 9.20% Power Grid 2013 | AAA | 4.60 |
| 9.50% Exim Bank 2013 | AAA | 4.63 |
| 2.00% Tata Motors Ltd 2014 | AAA | 7.43 |
| 10.75% Reliance Industries 2018 | AAA | 1.66 |
| National Housing Bank 2018 | AAA | 2.34 |
| CD/CP's | | 4.20 |
| Corporation Bank 2010 - CD | P1+ | 4.20 |
| Cash, Bank & Others | | 26.32 |
| Cash, Bank & Others | | 26.32 |
| Net Assets | | 100.00 |

| RATING | % to NAV |
|---------------------|---------------|
| Sovereign | 18.81 |
| AAA | 50.67 |
| P1+ | 4.20 |
| Cash, Bank & Others | 26.32 |
| Total | 100.00 |

| ASSET ALLOCATION | % to NAV |
|-----------------------|---------------|
| Government Securities | 18.81 |
| Corporate Bonds | 50.67 |
| CD/CP's | 4.20 |
| Cash, Bank & Others | 26.32 |
| Net Assets | 100.00 |

MATURITY PROFILE



Pension Growth Fund

Investment Report June, 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

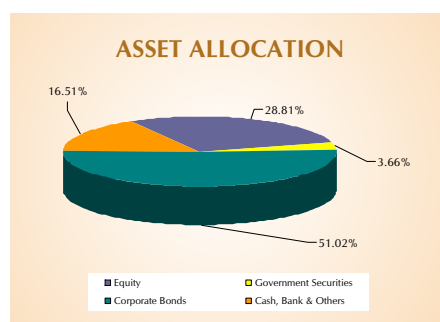
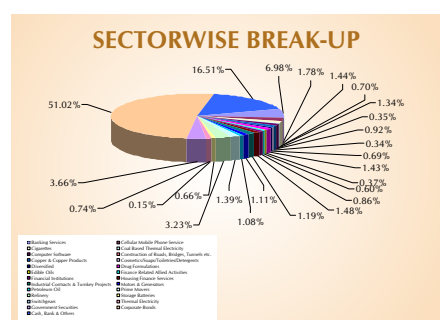
Fund Manager: Mr. Vivek Sood

PERFORMANCE - PENSION GROWTH FUND (NAV [in Rs.] as on 30-Jun-09 is 11.1096)

| PERIOD | DATE | NAV | NAV Change | INDEX Change |
|-----------------|-----------|---------|------------|--------------|
| Last 1 Month | 29-May-09 | 11.1279 | -0.16% | -0.75% |
| Last 3 Months | 31-Mar-09 | 9.8840 | 12.40% | 14.30% |
| Last 6 Months | 31-Dec-08 | 9.7892 | 13.49% | 14.80% |
| Last 1 Year | 30-Jun-08 | 9.9796 | 11.32% | 9.70% |
| Since Inception | 17-Aug-07 | 10.0000 | 11.10% | 11.89% |

| ASSET ALLOCATION | % to NAV |
|-----------------------|---------------|
| Equity | 28.81 |
| Government Securities | 3.66 |
| Corporate Bonds | 51.02 |
| Cash, Bank & Others | 16.51 |
| Net Assets | 100.00 |

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



| SECTOR STRATEGY | % to NAV |
|---|---------------|
| Banking Services | 6.98% |
| Cellular Mobile Phone Service | 1.78% |
| Cigarettes | 1.44% |
| Coal Based Thermal Electricity | 0.70% |
| Computer Software | 1.34% |
| Construction of Roads, Bridges, Tunnels, etc. | 0.35% |
| Copper & Copper Products | 0.92% |
| Cosmetics/Soaps/Toiletries/Detergents | 0.34% |
| Diversified | 0.69% |
| Drug Formulations | 1.43% |
| Edible Oils | 0.37% |
| Finance Related Allied Activities | 0.60% |
| Financial Institutions | 0.86% |
| Housing Finance Services | 1.48% |
| Industrial Contracts & Turnkey Projects | 1.19% |
| Motors & Generators | 1.11% |
| Petroleum Oil | 1.08% |
| Prime Movers | 1.39% |
| Refinery | 3.23% |
| Storage Batteries | 0.66% |
| Switchgears | 0.15% |
| Thermal Electricity | 0.74% |
| Government Securities | 3.66% |
| Corporate Bonds | 51.02% |
| Cash, Bank & Others | 16.51% |
| Total | 100.00 |

PORTFOLIO

| Instrument | Rating | % of NAV |
|---|---|---------------|
| Equity | | 28.81 |
| ABB Ltd | Switchgears | 0.15 |
| Axis Bank Ltd | Banking Services | 1.05 |
| Bharat Heavy Electricals Ltd | Prime Movers | 1.39 |
| Bharti Airtel Ltd | Cellular Mobile Phone Service | 1.42 |
| Cesc Ltd | Coal Based Thermal Electricity | 0.70 |
| Crompton Greaves Ltd | Motors & Generators | 1.11 |
| Dishman Pharmaceuticals & Chemicals Ltd | Drug Formulations | 0.47 |
| Exide Industries Ltd | Storage Batteries | 0.66 |
| Glenmark Pharmaceuticals Ltd | Drug Formulations | 0.41 |
| Hindustan Unilever Ltd | Cosmetics/Soaps/Toiletries/Detergents | 0.34 |
| HDFC Bank | Banking Services | 1.88 |
| HDFC Ltd | Housing Finance Services | 1.48 |
| ICICI Bank Ltd | Banking Services | 1.50 |
| Infosys Technologies Ltd | Computer Software | 1.34 |
| Infrastructure Dev Fin Co Ltd | Finance Related Allied Activities | 0.60 |
| ITC Ltd | Cigarettes | 1.44 |
| Ivrcil Infrastructures & Projects Ltd | Construction of Roads, Bridges, Tunnels, etc. | 0.35 |
| Larsen and Toubro Ltd | Industrial Contracts & Turnkey Projects | 1.19 |
| Marico Ltd | Edible Oils | 0.37 |
| NTPC Ltd | Thermal Electricity | 0.74 |
| Oil & Natural Gas Corp Ltd | Petroleum Oil | 1.08 |
| Oriental Bank Of Commerce | Banking Services | 0.68 |
| Power Finance Corp Ltd | Financial Institutions | 0.86 |
| Punjab National Bank | Banking Services | 0.43 |
| Reliance Communications Ltd | Cellular Mobile Phone Service | 0.37 |
| Reliance Industries Ltd | Refinery | 2.68 |
| Reliance Petroleum Ltd | Refinery | 0.55 |
| Sintex Industries Ltd | Diversified | 0.69 |
| State Bank Of India | Banking Services | 1.43 |
| Sterlite Industries (India) Ltd | Copper & Copper Products | 0.92 |
| Sun Pharmaceutical Industries Ltd | Drug Formulations | 0.55 |
| Government Securities | | 3.66 |
| 9.39% GOI 2011 | Sovereign | 3.66 |
| Corporate Bonds | | 51.02 |
| 8.40% Exim Bank 2010 | AAA | 12.86 |
| 7.20% HDFC 2010 | AAA | 38.16 |
| Cash, Bank & Others | | 16.51 |
| Cash, Bank & Others | | 16.51 |
| Net Assets | | 100.00 |

Disclaimer

Investment Report June, 2009

Disclaimer:

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

Tata AIG Life Insurance Company Ltd. (Tata AIG Life) (Regn. No. 110)
Registered and Corporate Office: Peninsula Towers, 6th Floor, Peninsula Corporate Park,
Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.
Visit us at www.tata-aig-life.com or call toll-free on 1800-11-9966.
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