

Investment Report September, 2009



### Quarterly Market Round up for July-Sept 2009

India's economy grew a faster-than-expected 6.1% y-o-y in April-June, as government stimulus measures helped spur demand. Growth was slightly above a median forecast of 6%, but lower than 7.8% a year ago. Manufacturing sector expanded 3.4% y-o-y in April-June, while farm output grew 2.4%.

India's fiscal deficit for April-August was at Rs.1832 billion (\$37.9 billion), or 45.5% of the full-year target. In July, the government projected a fiscal deficit of Rs.4.01 trillion or 6.8% of GDP for 2009/10.

The current account swung into a deficit of \$5.81 billion April-June, from a surplus of \$4.75 billion in January-March, as the effects of global slowdown triggered a sharp decline in exports. The current account deficit was \$9.02 billion in the same quarter last year. The capital inflows through FDI and portfolio investments, however, helped cover the deficit with a marginal surplus in the balance of payments (BoP). The capital account surplus was \$5.92 billion, resulting in an overall BoP surplus of \$115 million in April-June, compared with a surplus of \$300 billion in Jan-March. Meanwhile, India's total external debt rose to \$227.7 billion at the end of June from \$224 billion as at the end of March.

India's industrial production (IP) rose by 6.8% y-o-y in July, riding on higher demand for goods such as cars and higher mining activity. Manufacturing production rose by 6.8% y-o-y in July; the main boost coming from consumer durables (+19.8%). IP for the month of June was revised up to 8.2% from 7.8% previously while that for the month of May, it was revised down to 2.2% from 2.7%. India's infrastructure sector output grew 7.1% y-o-y in August, higher than 2.5% in July. The infrastructure sector accounts for 26.7% of the industrial index.

Exports fell 19.4% y-o-y in August to \$14.29 billion as global slump hit demand for Indian goods while imports dropped by 32.4% to \$22.66 billion in August. Trade deficit almost halved to \$8.37 billion in August from \$15.79 billion a year earlier. In July, exports fell 28.4% y-o-y to \$13.62 billion compared to June's fall of 27.7% to \$12.8 billion. July imports dropped by 37.1% to \$19.62 billion compared to June's drop of 29.3% to \$18.98 billion. Meanwhile, for the April-June, trade deficit widened sharply to \$26 billion from \$14.6 billion in January-March, but narrowed from \$31.4 billion in the same quarter a year ago.

WPI annual rate entered the positive territory and stood at 0.83% y-o-y, as poor monsoons and supply shortage drove up food costs while demand also improved. A recent uptick in prices of base metals and manufactured goods hinted at resurgent demand-driven pressures that may compel the central bank to accelerate efforts to begin taming inflation. The rate same time last year was 12.42%. India's consumer price inflation rate (for industrial workers) remained in double digits at 11.72% y-o-y in August, marginally lower than July's annual rise of 11.89%.

Domestic benchmark indices breached key psychological levels and touched May 08 levels. Sensex ended above 17000-mark at 17126.84, up 18.17% for the quarter and over 100% since March '09 lows, while Nifty pierced 5000 mark and ended at 5083.95, up 18.48%. Sector-wise, auto gained 46.20% cheering the robust sales data from auto majors followed by realty, up 40.61% witnessing a sector revival. IT gained 39.05% hoping revival in demand across regions while metals gained 30.89% on increase in metal prices at the LME

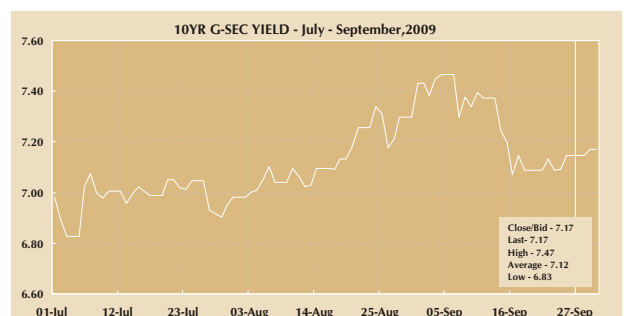
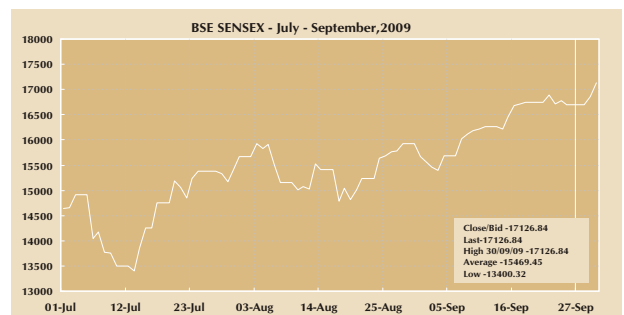
The market overcame the disappointment of the Union Budget, driven by increase in risk appetite of global investors that saw FII money pour in heavily into Indian markets. FIIs bought equities worth Rs. 34313 crore, taking the total to Rs.64,769 crore for the current fiscal. Risk appetite was built up across regions by corporate earnings and economic data – both of which beat expectations. Domestic companies also took an advantage of the upbeat mood and raised large sum of money through QIPs and IPO route that helped the recovery sentiment.

The budget fine print focused on increased public spending to sustain the economic revival and took steps to boost domestic investment and consumption. However, the budget was silent on widely anticipated reforms like disinvestments, oil price deregulation and FDI, to which the market reacted negatively. The government subsequently put forward plans of disinvestments and gained back the confidence of the market. Meanwhile, the Q1 corporate earnings came in as a pleasant surprise driven by the impact of cost cutting and inventory reduction. Further, optimism over Q2 corporate results lingered on investor sentiment and the draft tax code guidelines soothed sentiment too. Robust advance tax collections and IP data fuelled the momentum.

However, on the darker side, the fear of the inflationary pressure (augmented by drought conditions across numerous districts) started building up - an aspect acknowledged by policy makers. Investors worried that the RBI may soon reverse monetary policy accommodation. However, the government's assurance that it would keep the easy monetary policy until it sees a sustained recovery relieved the market players.

Rupee held to a broad range after recovering from record lows in the previous quarter. Rupee ended just half a percent weaker over the quarter, at 48.11/\$ from 47.91/\$. During March-April, it had neared 52/\$ for brief periods. Consistent FII inflows, mirroring the global risk-appetite of investors kept the rupee firmly supported. The rupee received strong support at 49.00/\$ on several occasions in Jul-Sept while it failed to pierce 46.50/\$.

With a year on from the Lehman debacle, Indian economy contained itself from the severe damage, thanks to the policy makers to have taken proactive steps in terms of providing timely monetary and fiscal stimulus to the economy. India, being domestic led-consumption economy, with its favourable demographic and high savings trend is hopeful to have a reasonably better growth as compared to its peers. However, liquidity will continue to remain the key driver for the market.



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# Pension Short-Term Fixed Income Fund

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**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

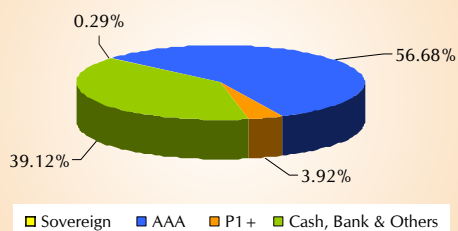
## PERFORMANCE - PENSION SHORT-TERM FIXED INCOME FUND

(NAV [in Rs.] & CRISIL Short Term Bond Index as on 30-Sep-09 is 12.1130 and 1591.8848 respectively)

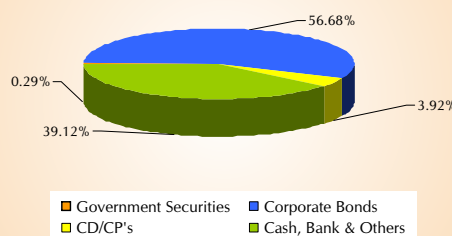
PERIOD	DATE	NAV	CRISIL Short-Term Bond Index	NAV Change	INDEX Change
Last 1 Month	31-Aug-09	12.0594	1583.3935	0.44%	0.54%
Last 3 Months	30-Jun-09	11.9870	1577.7392	1.05%	0.90%
Last 6 Months	31-Mar-09	11.5974	1541.8147	4.45%	3.25%
Last 1 Year	30-Sep-08	10.7701	1441.3512	12.47%	10.44%
Since Inception	3-Jul-06	10.0000	1242.3300	21.13%	28.14%

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

### RATING PROFILE



### ASSET ALLOCATION

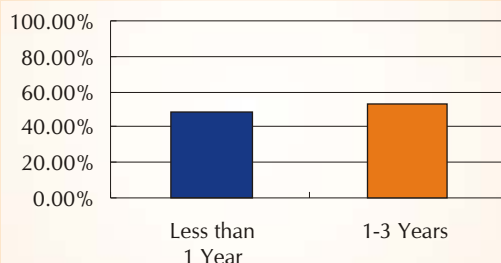


ASSET ALLOCATION	% to NAV
Government Securities	0.29
Corporate Bonds	56.68
CD/CP's	3.92
Cash, Bank & Others	39.12
<b>NET ASSETS</b>	<b>100.00</b>

RATING	% to NAV
Sovereign	0.29
AAA	56.68
P1 +	3.92
Cash, Bank & Others	39.12
<b>TOTAL</b>	<b>100.00</b>

PORTFOLIO		
Instrument	Rating	% of NAV
<b>Government Securities</b>		
9.39% GOI 2011	Sovereign	0.29
<b>Corporate Bonds</b>		
8.40% EXIM Bank 2010	AAA	4.63
7.20% HDFC 2010	AAA	1.37
6.84% HDFC 2011	AAA	9.06
9.45% LIC Housing 2012	AAA	10.98
6.90% PFC 2012	AAA	9.74
10.00% PFC 2012	AAA	9.51
9.68% IRFC 2012	AAA	3.32
7.40% Infrastructure 2012	AAA	8.06
<b>CD/CP's</b>		
Canara Bank 2010 - CD	P1 +	2.19
Axis Bank 2010 - CD	P1 +	1.73
<b>CASH BANK &amp; OTHERS</b>		
Cash, Bank & Others		39.12
<b>NET ASSETS</b>		<b>100.00</b>

### MATURITY PROFILE



# Pension Income Fund

Investment Report September, 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

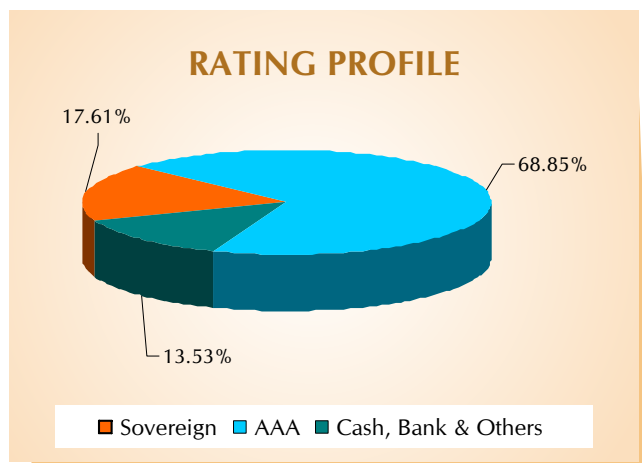
**Fund Manager:** Mr. Vivek Sood

## PERFORMANCE - PENSION INCOME FUND

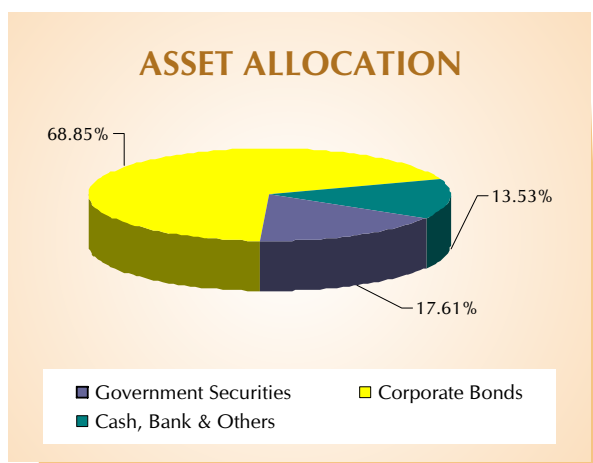
(NAV [in Rs.] & CRISIL Composite Bond Fund Index as on 30-Sep-09 is 13.6063 and 1543.6972 respectively)

PERIOD	DATE	NAV	CRISIL Composite Bond Fund Index	NAV Change	INDEX Change
Last 1 Month	31-Aug-09	13.5079	1530.9202	0.73%	0.83%
Last 3 Months	30-Jun-09	13.4790	1541.5516	0.94%	0.14%
Last 6 Months	31-Mar-09	12.9832	1505.3334	4.80%	2.55%
Last 1 Year	30-Sep-08	11.8655	1403.1488	14.67%	10.02%
Since Inception	2-Mar-04	10.0000	1193.2000	36.06%	29.37%

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

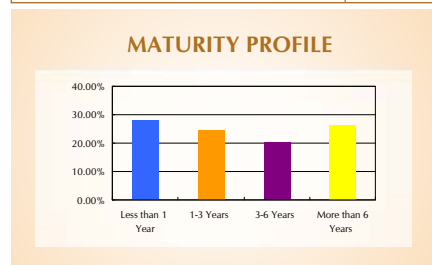


RATING	% to NAV	ASSET ALLOCATION	% to NAV
Sovereign	17.61	Government Securities	17.61
AAA	68.85	Corporate Bonds	68.85
Cash, Bank & Others	13.53	Cash, Bank & Others	13.53
<b>Total</b>	<b>100.00</b>	<b>Net Assets</b>	<b>100.00</b>



## PORTFOLIO

Instrument	Rating	% of NAV
<b>Government Securities</b>		
<b>17.61</b>		
9.39% GOI 2011	Sovereign	1.94
6.07% GOI 2014	Sovereign	2.73
7.38% GOI 2015	Sovereign	0.64
7.59% GOI 2016	Sovereign	4.79
7.46% GOI 2017	Sovereign	2.36
7.94% GOI 2021	Sovereign	3.58
8.28% GOI 2032	Sovereign	1.58
<b>Corporate Bonds</b>		
<b>68.85</b>		
9.15% LIC 2010	AAA	2.44
8.50% Exim Bank 2011	AAA	0.98
9.80% PFC 2012	AAA	3.48
9.85% RECL 2017	AAA	2.00
8.55% HDFC 2009	AAA	2.85
10.00% HDFC 2010	AAA	2.11
10.20% IDFC 2010	AAA	9.69
9.35% ILFS 2010	AAA	2.93
10.95% RECL 2011	AAA	2.53
9.20% L&T 2012	AAA	1.98
10.00% IDFC 2012	AAA	3.47
7.45% LIC Housing 2012	AAA	2.81
7.20% RECL 2012	AAA	2.79
9.80% ICICI Bank 2013	AAA	2.00
9.20% Power Grid 2013	AAA	1.97
9.45% REC 2013	AAA	1.98
10.75% RECL 2013	AAA	3.05
9.50% Exim Bank 2013	AAA	1.96
2.00% Tata Motors Ltd 2014	AAA	5.75
7.65% RECL 2016	AAA	2.51
11.00% PFC 2018	AAA	2.68
10.75% Reliance Industries 2018	AAA	4.23
National Housing Bank 2018	AAA	0.65
10.00% Tata Chemicals 2019	AAA	2.00
<b>CASH BANK &amp; OTHERS</b>		
<b>13.53</b>		
Cash, Bank & Others		13.53
<b>Net Assets</b>		<b>100.00</b>



# Pension Equity Fund

Investment Report September, 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-Sep-09 is 30.4295 and 17126.84 respectively)

PERIOD	DATE	NAV	BSE Sensex	NAV Change	INDEX Change
Last 1 Month	31-Aug-09	28.4279	15666.64	7.04%	9.32%
Last 3 Months	30-Jun-09	26.1718	14493.84	16.27%	18.17%
Last 6 Months	31-Mar-09	16.9416	9708.50	79.61%	76.41%
Last 1 Year	30-Sep-08	23.5470	12860.43	29.23%	33.17%
Since Inception	29-Mar-04	10.0000	5571.37	204.30%	207.41%

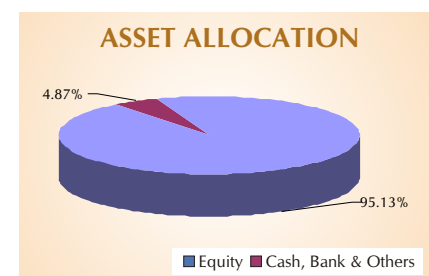
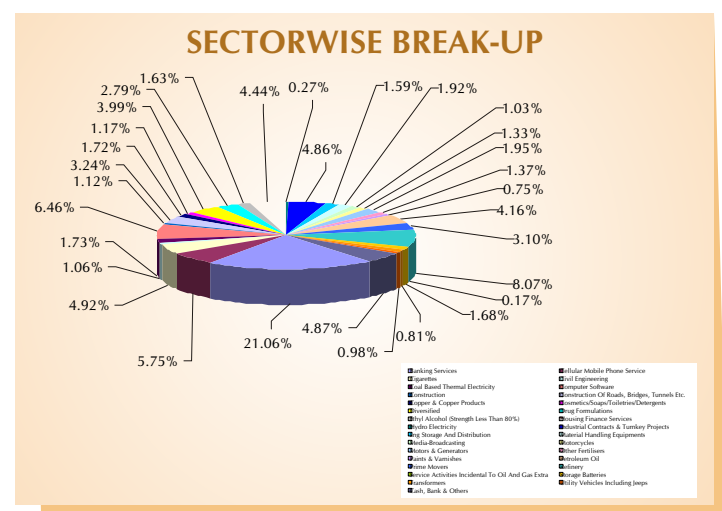
Note: The investment income and prices may go down as well as up.

PORTFOLIO		
Instrument	Industry	% of NAV
<b>Equity</b>		<b>95.13</b>
Alstom Projects India Ltd	Industrial Contracts & Turnkey Projects	0.74
Asian Paints (India) Ltd	Paints & Varnishes	0.75
Axis Bank Ltd	Banking Services	3.06
Bajaj Auto Ltd - New Shs	Motorcycles	1.33
Bank Of Baroda	Banking Services	1.98
Bharat Heavy Electricals Ltd	Prime Movers	3.10
Bharti Airtel Ltd	Cellular Mobile Phone Service	4.93
Cesc Ltd	Coal Based Thermal Electricity	1.73
Crompton Greaves Ltd	Motors & Generators	1.95
Dishman Pharmaceuticals & Chemicals Ltd	Drug Formulations	0.68
Elecon Engineering Co Ltd	Material Handling Equipments	0.80
Emco Ltd	Transformers	0.81
Exide Industries Ltd	Storage Batteries	1.68
Glenmark Pharmaceuticals Ltd	Drug Formulations	0.74
Gujarat State Petronet Ltd	Lng Storage And Distribution	1.59
Hindustan Unilever Ltd	Cosmetics/Soaps/Toiletries/Detergents	1.17
HDFC Bank	Banking Services	4.95
HDFC Ltd	Housing Finance Services	3.41
ICICI Bank Ltd	Banking Services	5.64
Infosys Technologies Ltd	Computer Software	5.12
ITC Ltd	Cigarettes	4.92
IvrcI Infrastructures & Projects Ltd	Construction Of Roads, Bridges, Tunnels Etc.	1.92
Jaiprakash Associates Ltd	Construction Of Roads, Bridges, Tunnels Etc.	1.32
Larsen And Toubro Ltd	Industrial Contracts & Turnkey Projects	4.13
LIC Housing Finance Ltd	Housing Finance Services	1.03
Mahindra And Mahindra Ltd	Utility Vehicles Including Jeeps	0.98
McNally Bharat Engineering Co Ltd	Material Handling Equipments	1.12
NHPC Ltd	Hydro Electricity	0.27
Oil & Natural Gas Corp Ltd	Petroleum Oil	4.16
Oil India Ltd	Service Activities Incidental To Oil And Gas Extra	0.17
Oriental Bank Of Commerce	Banking Services	0.79
Piramal Healthcare Limited	Drug Formulations	0.43
Punj Lloyd Ltd	Civil Engineering	1.06
Reliance Communication Ltd	Cellular Mobile Phone Service	0.82
Reliance Industries Ltd	Refinery	8.07
Simplex Infrastructures Ltd	Construction	1.12
Sintex Industries Ltd	Diversified	2.38
State Bank Of India	Banking Services	4.63
Sterlite Industries (India) Ltd	Copper & Copper Products	1.72
Sun Pharmaceutical Industries Ltd	Drug Formulations	0.94
Tata Chemicals Ltd	Other Fertilisers	1.37
United Spirits Ltd	Ethyl Alcohol (Strength Less Than 80%)	1.63
Vollas Limited	Diversified	1.61
Wipro Ltd	Computer Software	1.34
Zee News Ltd	Media-Broadcasting	1.03
<b>CASH BANK &amp; OTHERS</b>		<b>4.87</b>
Cash, Bank & Others		4.87
<b>Total</b>		<b>100.00</b>

ASSET ALLOCATION	% to NAV
Equity	95.13
Cash, Bank & Others	4.87
<b>Net Asset</b>	<b>100.00</b>

## SECTOR STRATEGY

Sector	% to NAV	Sector	% to NAV
Banking Services	21.06	Media-Broadcasting	1.03
Cellular Mobile Phone Service	5.75	Motorcycles	1.33
Cigarettes	4.92	Motors & Generators	1.95
Civil Engineering	1.06	Other Varnishes	1.37
Coal Based Thermal Electricity	1.73	Paints & Varnishes	0.75
Computer Software	6.46	Petroleum Oil	4.16
Construction	1.12	Prime Movers	3.10
Construction Of Roads, Bridges, Tunnels Etc.	3.24	Refinery	8.07
Copper & Copper Products	1.72	Service Activities Incidental To Oil And Gas Extra	0.17
Cosmetics/Soaps/Toiletries/Detergents	1.17	Storage Batteries	1.68
Diversified	3.99	Transformers	0.81
Drug Formulations	2.79	Utility Vehicles Including Jeeps	0.98
Ethyl Alcohol (Strength Less Than 80%)	1.63	Cash, Bank & Others	4.87
Housing Finance Services	4.44	<b>Total</b>	<b>100.00</b>
Hydro Electricity	0.27		
Industrial Contracts & Turnkey Projects	4.86		
Lng Storage And Distribution	1.59		
Material Handling Equipments	1.92		



# Pension Liquid Fund

Investment Report September, 2009

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

**NAV Calculation:** Daily

**Fund Manager:** Mr. Vivek Sood

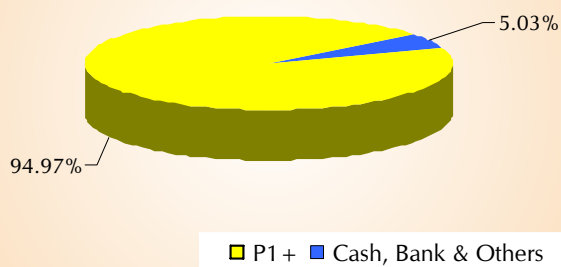
## PERFORMANCE - PENSION LIQUID FUND

(NAV [in Rs.] & CRISIL Liquid Fund Index as on 30-Sep-09 is 13.9225 and 1535.67 respectively)

PERIOD	DATE	NAV	CRISIL Liquid Fund Index	NAV Change	INDEX Change
Last 1 Month	31-Aug-09	13.8448	1532.04	0.56%	0.24%
Last 3 Months	30-Jun-09	13.6710	1525.51	1.84%	0.67%
Last 6 Months	31-Mar-09	13.4249	1504.63	3.71%	2.06%
Last 1 Year	30-Sep-08	12.9122	1437.57	7.82%	6.82%
Since inception	25-May-04	10.0000	1113.63	39.23%	37.90%

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

### RATING PROFILE

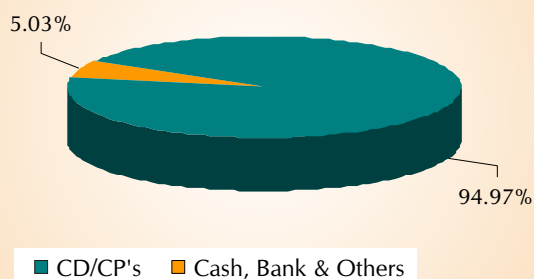


### PORTFOLIO

Instrument	Rating	% of NAV
<b>CD/CP's</b>		<b>94.97</b>
Corporation Bank 2010 - CD	P1+	31.54
Canara Bank 2010 - CD	P1+	22.05
Axis Bank 2009 - CD	P1+	13.60
PFC Ltd 2009 - CP	P1+	27.78
<b>CASH BANK &amp; OTHERS</b>		<b>5.03</b>
Cash, Bank & Others		5.03
<b>Net Assets</b>		<b>100.00</b>

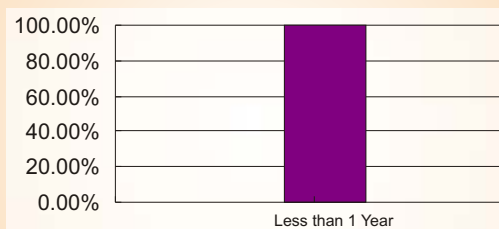
RATING	% to NAV
P1+	94.97
Cash, Bank & Others	5.03
<b>Total</b>	<b>100.00</b>

### ASSET ALLOCATION



ASSET ALLOCATION	% to NAV
CD/CP's	94.97
Cash, Bank & Others	5.03
<b>Net Assets</b>	<b>100.00</b>

### MATURITY PROFILE



# Pension Balanced Fund

Investment Report September, 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

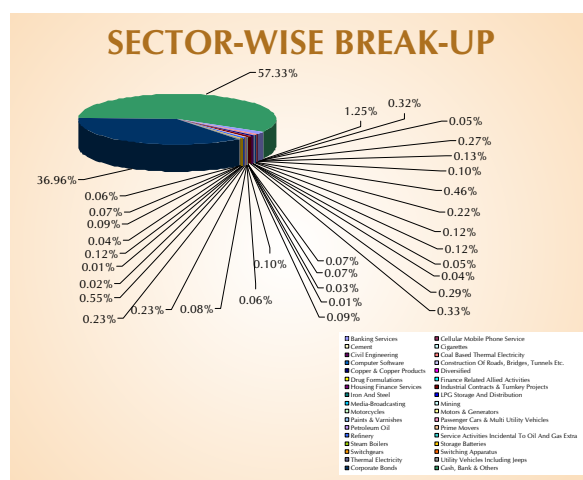
**PERFORMANCE - PENSION BALANCED FUND (NAV [in Rs.] as on 30-Sep-09 is 11.5073)**

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	31-Aug-09	11.4007	0.94%	1.66%
Last 3 Months	30-Jun-09	11.3381	1.49%	1.97%
Last 6 Months	31-Mar-09	10.7789	6.76%	9.12%
Last 1 Year	30-Sep-08	10.0479	14.52%	11.98%
Since Inception	17-Aug-07	10.0000	15.07%	16.09%

ASSET ALLOCATION	% to NAV
Equity	5.71
Corporate Bonds	36.96
Cash, Bank & Others	57.33
<b>Net Assets</b>	<b>100.00</b>

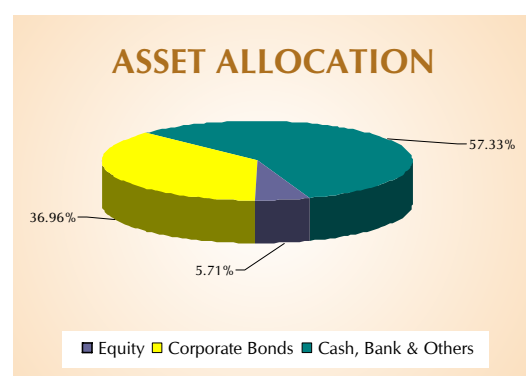
Note: The investment income and prices may go down as well as up.

PORTFOLIO		
Instrument	Rating	% of NAV
<b>Equity</b>		<b>5.71</b>
ABB Ltd	Switchgears	0.04
Areva T&D India Ltd	Switching Apparatus	0.08
Asian Paints (India) Ltd	Paints & Varnishes	0.06
Axis Bank Ltd	Banking Services	0.20
Bank Of Baroda	Banking Services	0.06
Bharat Heavy Electricals Ltd	Prime Movers	0.23
Bharti Airtel Ltd	Cellular Mobile Phone Service	0.26
Cesc Ltd	Coal Based Thermal Electricity	0.10
Crompton Greaves Ltd	Motors & Generators	0.10
Exide Industries Ltd	Storage Batteries	0.12
GAIL India Ltd	LPG Storage And Distribution	0.07
Grasim Industries Ltd	Cement	0.05
Gujarat Nre Coke Ltd	Mining	0.01
Hero Honda Motors Ltd	Motorcycles	0.09
Hindustan Construction Co Ltd	Construction Of Roads, Bridges, Tunnels Etc.	0.01
HDFC Bank	Banking Services	0.27
HDFC Ltd	Housing Finance Services	0.29
ICICI Bank Ltd	Banking Services	0.36
Infosys Technologies Ltd	Computer Software	0.38
Infrastructure Dev Fin Co Ltd	Finance Related Allied Activities	0.04
ITC Ltd	Cigarettes	0.27
Ivrc Infrastructure & Projects Ltd	Construction Of Roads, Bridges, Tunnels Etc.	0.10
Jaiprakash Associates Ltd	Construction Of Roads, Bridges, Tunnels Etc.	0.11
Jindal Steel & Power Ltd	Iron And Steel	0.07
Larsen And Toubro Ltd	Industrial Contracts & Turnkey Projects	0.33
Mahindra And Mahindra Ltd	Utility Vehicles Including Jeeps	0.07
Maruti Suzuki India Ltd	Passenger Cars & Multi Utility Vehicles	0.08
NTPC Ltd	Thermal Electricity	0.06
Oil & Natural Gas Corp Ltd	Petroleum Oil	0.23
Oil India Ltd	Service Activities Incidental To Oil And Gas Extra	0.02
Oriental Bank Of Commerce	Banking Services	0.03
Punjab National Bank	Banking Services	0.13
Punjab National Bank	Banking Services	0.04
Reliance Communication Ltd	Cellular Mobile Phone Service	0.06
Reliance Industries Ltd	Refinery	0.55
Siemens India Ltd	Switching Apparatus	0.01
Sintex Industries Ltd	Diversified	0.12
State Bank Of India	Banking Services	0.29
Sterlite Industries (India) Ltd	Copper & Copper Products	0.12
Sun Pharmaceutical Industries Ltd	Drug Formulations	0.05
Television Eighteen India Ltd	Media-Broadcasting	0.01
Thermax Limited	Steam Boilers	0.01
Wipro Ltd	Computer Software	0.08
Zee News Ltd	Media-Broadcasting	0.02
<b>Corporate Bonds</b>		<b>36.96</b>
9.80% PFC 2012	AAA	3.47
9.68% IRFC 2010	AAA	0.68
9.20% HDFC 2012	AAA	17.24
10.00% PFC 2012	AAA	0.69
8.83% IRFC 2012	AAA	1.36
9.20% Power Grid 2015	AAA	13.52
<b>CASH BANK &amp; OTHERS</b>		<b>57.33</b>
Cash, Bank & Others		57.33
<b>Net Assets</b>		<b>100.00</b>



## SECTOR STRATEGY

Sector	% to NAV	Sector	% to NAV
Banking Services	1.25	Mining	0.01
Cellular Mobile Phone Service	0.32	Motorcycles	0.09
Cement	0.05	Motors & Generators	0.10
Cigarettes	0.27	Paints & Varnishes	0.06
Civil Engineering	0.13	Passenger Cars & Multi Utility Vehicles	0.08
Coal Based Thermal Electricity	0.10	Petroleum Oil	0.23
Computer Software	0.46	Prime Movers	0.23
Construction Of Roads, Bridges, Tunnels Etc.	0.22	Refinery	0.55
Copper & Copper Products	0.12	Service Activities Incidental To Oil And Gas Extra	0.02
Diversified	0.12	Steam Boilers	0.01
Drug Formulations	0.05	Storage Batteries	0.12
Finance Related Allied Activities	0.04	Switchgears	0.04
Housing Finance Services	0.29	Switching Apparatus	0.09
Industrial Contracts & Turnkey Projects	0.33	Thermal Electricity	0.06
Iron And Steel	0.07	Utility Vehicles Including Jeeps	0.07
LPG Storage And Distribution	0.07	Corporate Bonds	36.96
Media-Broadcasting	0.03	Cash, Bank & Others	57.33
		<b>Total</b>	<b>100.00</b>



# Pension Bond Fund

Investment Report September, 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

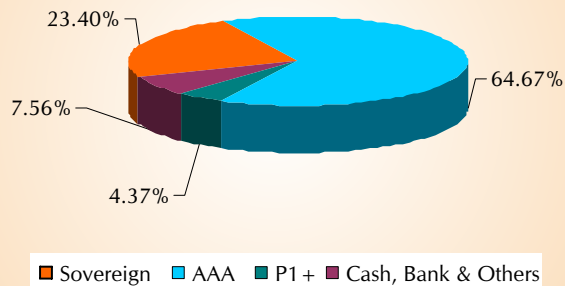
## PERFORMANCE - PENSION BOND FUND

(NAV [in Rs.] & CRISIL Composite Bond Fund Index as on 30-Sep-09 is 11.5844 and 1543.6972 respectively)

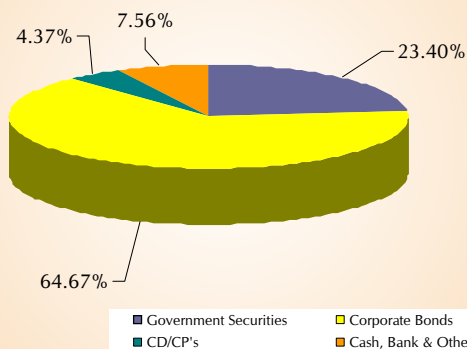
PERIOD	DATE	NAV	CRISIL Composite Bond Fund Index	NAV Change	INDEX Change
Last 1 Month	31-Aug-09	11.5028	1530.9202	0.71%	0.83%
Last 3 Months	30-Jun-09	11.5005	1541.5516	0.73%	0.14%
Last 6 Months	31-Mar-09	11.0594	1505.3334	4.75%	2.55%
Last 1 Year	30-Sep-08	10.3277	1403.1488	12.17%	10.02%
Since Inception	17-Aug-07	10.0000	1339.5321	15.84%	15.24%

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

## RATING PROFILE



## ASSET ALLOCATION



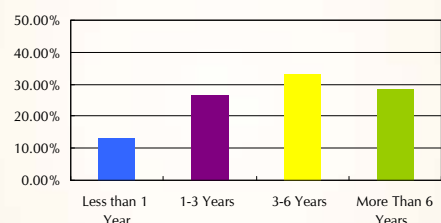
RATING	% to NAV
Sovereign	23.40
AAA	64.67
P1+	4.37
Cash, Bank & Others	7.56
<b>Total</b>	<b>100.00</b>

ASSET ALLOCATION	% to NAV
Government Securities	23.40
Corporate Bonds	64.67
CD/CP's	4.37
Cash, Bank & Others	7.56
<b>Net Assets</b>	<b>100.00</b>

## PORTFOLIO

Instrument	Rating	% of NAV
<b>Government Securities</b>		<b>23.40</b>
7.00% GOI 2012	Sovereign	2.25
6.07% GOI 2014	Sovereign	4.31
7.59% GOI 2016	Sovereign	7.57
7.46% GOI 2017	Sovereign	2.99
7.94% GOI 2021	Sovereign	3.78
8.28% GOI 2032	Sovereign	2.49
<b>Corporate Bonds</b>		<b>64.67</b>
8.80% IDFC 2009	AAA	1.50
9.05% IDFC 2010	AAA	2.77
11.75% Rural Electric Corp Ltd 2011	AAA	3.27
9.45% LIC Housing 2012	AAA	1.89
9.20% Larsen & Toubro 2012	AAA	1.57
6.98% IRFC 2012	AAA	2.06
10.00% PFC 2012	AAA	7.55
7.45% LIC Housing 2012	AAA	5.93
9.80% ICICI Bank 2013	AAA	3.16
9.50% HDFC 2013	AAA	6.58
9.20% Power Grid 2013	AAA	4.67
9.50% Exim Bank 2013	AAA	4.64
2.00% Tata Motors Ltd 2014	AAA	7.57
7.65% RECL 2016	AAA	4.26
10.75% Reliance Industries 2018	AAA	1.67
National Housing Bank 2018	AAA	2.40
10.00% Tata Chemicals 2019	AAA	3.16
<b>CD/CP's</b>		<b>4.37</b>
Corporation Bank 2010 - CD	P1 +	4.37
<b>Cash, Bank &amp; Others</b>		<b>7.56</b>
Cash, Bank & Others		7.56
<b>Net Assets</b>		<b>100.00</b>

## MATURITY PROFILE





# Pension Growth Fund

Investment Report September, 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

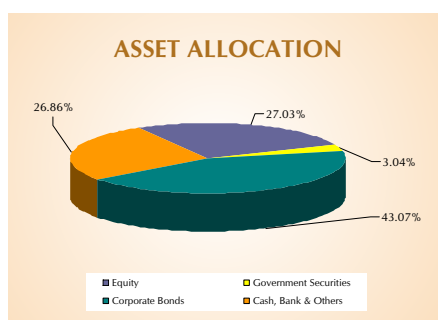
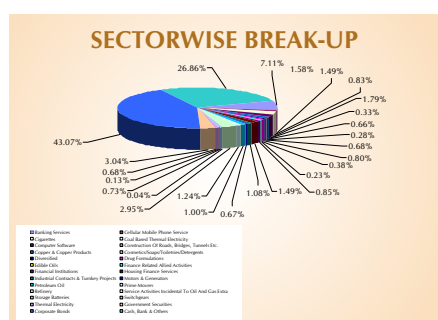
**Fund Manager:** Mr. Vivek Sood

**PERFORMANCE - PENSION GROWTH FUND (NAV [in Rs.] as on 30-Sep-09 is 11.6783)**

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	31-Aug-09	11.3991	2.45%	3.30%
Last 3 Months	30-Jun-09	11.1096	5.12%	5.64%
Last 6 Months	31-Mar-09	9.8840	18.15%	22.27%
Last 1 Year	30-Sep-08	9.9641	17.20%	15.91%
Since Inception	17-Aug-07	10.0000	16.78%	17.80%

ASSET ALLOCATION	% to NAV
Equity	27.03
Government Securities	3.04
Corporate Bonds	43.07
Cash, Bank & Others	26.86
<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	7.11
Cellular Mobile Phone Service	1.58
Cigarettes	1.49
Coal Based Thermal Electricity	0.83
Computer Software	1.79
Construction Of Roads, Bridges, Tunnels Etc.	0.33
Copper & Copper Products	0.66
Cosmetics/Soaps/Toiletries/Detergents	0.28
Diversified	0.68
Drug Formulations	0.80
Edible Oils	0.38
Finance Related Allied Activities	0.23
Financial Institutions	0.85
Housing Finance Services	1.49
Industrial Contracts & Turnkey Projects	1.08
Motors & Generators	0.67
Petroleum Oil	1.00
Prime Movers	1.24
Refinery	2.95
Service Activities Incidental To Oil And Gas Extra	0.04
Storage Batteries	0.73
Switchgears	0.13
Thermal Electricity	0.68
Government Securities	3.04
Corporate Bonds	43.07
Cash, Bank & Others	26.86
<b>Total</b>	<b>100.00</b>

## PORTFOLIO

Instrument	Rating	% of NAV
<b>Equity</b>		<b>27.03</b>
ABB Ltd	Switchgears	0.13
Axis Bank Ltd	Banking Services	1.05
Bharat Heavy Electricals Ltd	Prime Movers	1.24
Bharti Airtel Ltd	Cellular Mobile Phone Service	1.25
Cesc Ltd	Coal Based Thermal Electricity	0.83
Crompton Greaves Ltd	Motors & Generators	0.67
Dishman Pharmaceuticals & Chemicals Ltd	Drug Formulations	0.33
Exide Industries Ltd	Storage Batteries	0.73
Glenmark Pharmaceuticals Ltd	Drug Formulations	0.18
Hindustan Unilever Ltd	Cosmetics/Soaps/Toiletries/Detergents	0.28
HDFC Bank	Banking Services	1.76
HDFC Ltd	Housing Finance Services	1.49
ICICI Bank Ltd	Banking Services	1.59
Infosys Technologies Ltd	Computer Software	1.47
Infrastructure Dev Fin Co Ltd	Finance Related Allied Activities	0.23
ITC Ltd	Cigarettes	1.49
Ivrcil Infrastructures & Projects Ltd	Construction Of Roads, Bridges, Tunnels Etc.	0.33
Larsen And Toubro Ltd	Industrial Contracts & Turnkey Projects	1.08
Marico Ltd	Edible Oils	0.38
NTPC Ltd	Thermal Electricity	0.68
Oil & Natural Gas Corp Ltd	Petroleum Oil	1.00
Oil India Ltd	Service Activities Incidental To Oil And Gas Extra	0.04
Oriental Bank Of Commerce	Banking Services	0.76
Power Finance Corp Ltd	Financial Institutions	0.85
Punjab National Bank	Banking Services	0.42
Reliance Communication Ltd	Cellular Mobile Phone Service	0.33
Reliance Industries Ltd	Refinery	2.95
Sintex Industries Ltd	Diversified	0.68
State Bank Of India	Banking Services	1.52
Sterlite Industries (India) Ltd	Copper & Copper Products	0.66
Sun Pharmaceutical Industries Ltd	Drug Formulations	0.30
Wipro Ltd	Computer Software	0.32
<b>Government Securities</b>		<b>3.04</b>
9.39% GOI 2011	Sovereign	3.04
<b>Corporate Bonds</b>		<b>43.07</b>
8.40% Exim Bank 2010	AAA	10.88
7.20% HDFC 2010	AAA	32.19
<b>CASH BANK &amp; OTHERS</b>		<b>26.86</b>
Cash, Bank & Others		26.86
<b>Net Assets</b>		<b>100.00</b>

# Disclaimer

Investment Report September, 2009

## Disclaimer:

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