

Funds Available With Current Product Offerings - A Snapshot

(as on 29th April 2011)



A new look at life

IN THIS POLICY, THE INVESTMENT RISK IN INVESTMENT PORTFOLIO IS BORNE BY THE POLICYHOLDER.



Saravana Kumar
Chief Investment Officer

Message from CIO's Desk

The month of April 2011 saw the benchmark indices, the BSE Sensex and CNX Nifty ending lower by 1.62% and 1.44% respectively, even as the CNX Midcap index posted a gain of 2%.

The rising commodity prices ensured that the WPI inflation of March 2011 clocked 8.98% year on year, well above the consensus of 8.36% and much higher than the central bank's forecast of 8%, inflation averaging around 9.4% in FY2010-11. For the April 2010 - February 2011 period, IIP moderated to 7.8% as compared to 10% on year-on-year basis.

The markets will continue to be volatile on the back of elevated commodity prices leading to elevated inflation numbers as well as a fluid liquidity situation due to global uncertainties. The equity markets trade at fair value, at levels around the 5 year average PE levels and offer good value over a 3-5 year perspective.

Equity Funds

Life Large Cap Equity Fund

Fund Details

Investment Objective : The primary investment objective of the fund is to generate long-term capital appreciation from a portfolio that is invested pre-dominantly in equity and equity linked securities.

Fund Manager : Mr. Saravana Kumar

NAV as on 29 Apr, 11 : ₹11.36

Benchmark : S&P CNX Nifty-100%

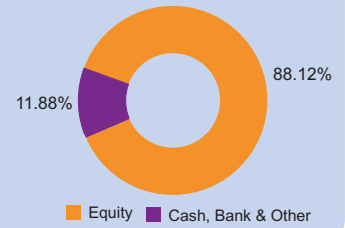
Corpus as on 29 Apr, 11 : ₹731.24 Crs.

Fund Performance

PERIOD	DATE	NAV	NSE Nifty 50 Index	NAV Change	INDEX Change
Last 1 Month	31-Mar-11	11.41	5833.75	-0.47%	-1.44%
Last 3 Months	31-Jan-11	10.94	5505.90	3.78%	4.42%
Last 6 Months	29-Oct-10	11.80	6017.70	-3.72%	-4.46%
Last 1 Year	30-Apr-10	10.23	5278.00	11.02%	8.93%
Last 3 Year	30-Apr-08	9.86	5165.90	4.82%	3.63%
Since Inception	07-Jan-08	10.00	6279.10	3.92%	-2.63%

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

Asset Allocation



Whole Life Mid-Cap Equity Fund

Fund Details

Investment Objective : The primary investment objective of the fund is to generate long-term capital appreciation from a portfolio that is invested pre-dominantly in Mid Cap Equity and Mid Cap Equity linked securities.

Fund Manager : Mr. Saravana Kumar

NAV as on 29 Apr, 11 : ₹13.88

Benchmark : NSE CNX Midcap Index - 100%

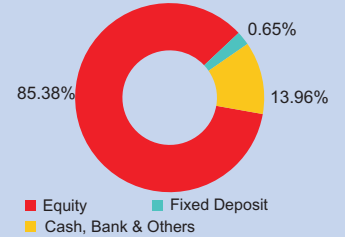
Corpus as on 29 Apr, 11 : ₹1534.42 Crs.

Fund Performance

PERIOD	DATE	NAV	NSE CNX Midcap Index	NAV Change	INDEX Change
Last 1 Month	31-Mar-11	13.63	8040.15	1.87%	2.00%
Last 3 Months	31-Jan-11	13.41	7922.50	3.49%	3.51%
Last 6 Months	29-Oct-10	15.22	9360.70	-8.80%	-12.39%
Last 1 Year	30-Apr-10	13.19	8061.10	5.21%	1.73%
Last 3 Years	30-Apr-08	12.66	7004.80	3.12%	5.40%
Since Inception	08-Jan-07	10.00	5156.45	7.91%	11.38%

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

Asset Allocation



Super Select Equity Fund

Fund Details

Investment Objective : The primary investment objective of the fund is to provide income distribution over a period of medium to long term while at all times emphasizing the importance of capital appreciation. The fund will invest significant amount in equity and equity linked instruments specifically excluding companies predominantly dealing in Gambling, Lotteries/Contests, Animal Produce, Liquor, Tobacco, Entertainment (Films, TV etc) Hotels, Banks and Financial Institutions.

Fund Manager : Mr. Saravana Kumar

NAV as on 29 Apr, 11 : ₹11.75

Benchmark : S & P India 500 Shariah Index - 100%

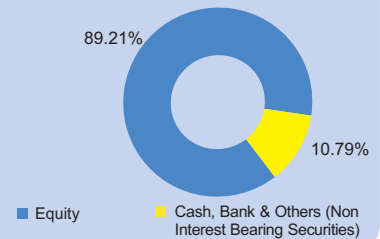
Corpus as on 29 Apr, 11 : ₹236.96 Crs.

Fund Performance

PERIOD	DATE	NAV	S & P India 500 Shariah Index	NAV Change	INDEX Change
Last 1 Month	31-Mar-11	11.73	1340.15	0.11%	-1.34%
Last 3 Months	31-Jan-11	11.51	1294.22	2.11%	2.16%
Last 6 Months	29-Oct-10	12.09	1408.93	-2.83%	-6.15%
Last 1 Year	30-Apr-10	10.62	1280.91	10.65%	3.23%
Since Inception	16-Oct-09	10.00	1217.76	11.07%	8.58%

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

Asset Allocation



Whole Life Aggressive Growth Fund **Balanced Funds**

Fund Details

Investment Objective : The primary investment objective of the Fund is to maximize the returns with medium to high risk.

Fund Manager : Mr. Saravana Kumar

NAV as on 29 Apr, 11 : ₹15.03

Benchmark : Nifty - 65%
CRISIL Composite Bond Index - 35%

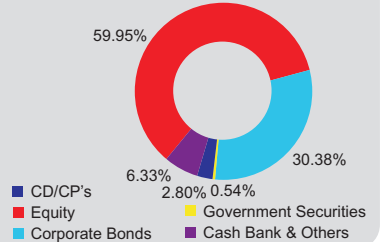
Corpus as on 29 Apr, 11 : ₹273.46 Crs.

Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	31-Mar-11	15.06	-0.17%	-0.82%
Last 3 Months	31-Jan-11	14.55	3.29%	3.51%
Last 6 Months	29-Oct-10	15.40	-2.39%	-1.98%
Last 1 Year	30-Apr-10	13.81	8.86%	7.39%
Last 3 Years	30-Apr-08	12.15	7.36%	4.43%
Since Inception	08-Jan-07	10.00	9.93%	8.11%

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

Asset Allocation



Whole Life Stable Growth Fund

Fund Details

Investment Objective : The primary investment objective of the Fund is provide reasonable returns with low to medium risk.

Fund Manager : Mr. Saravana Kumar

NAV as on 29 Apr, 11 : ₹13.41

Benchmark : Nifty - 40%
CRISIL Composite Bond Index - 60%

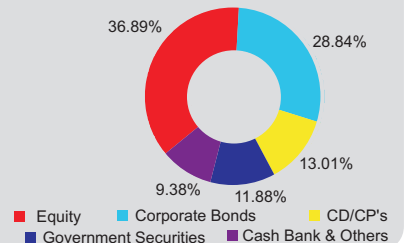
Corpus as on 29 Apr, 11 : ₹57.23 Crs.

Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	31-Mar-11	13.39	0.12%	-0.37%
Last 3 Months	31-Jan-11	13.06	2.65%	2.85%
Last 6 Months	29-Oct-10	13.40	0.05%	-0.21%
Last 1 Year	30-Apr-10	12.54	6.95%	6.29%
Last 3 Years	30-Apr-08	10.86	7.28%	5.01%
Since Inception	08-Jan-07	10.00	7.05%	7.32%

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

Asset Allocation



Fixed Income Funds

Whole Life Income Fund

Fund Details

Investment Objective : The primary investment objective of the fund is 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. The Fund will have no investments in equity or equity-linked instruments at any point of time.

Fund Manager : Mr. Saravana Kumar

NAV as on 29 Apr, 11 : ₹12.90

Benchmark : CRISIL Composite Bond Index -100%

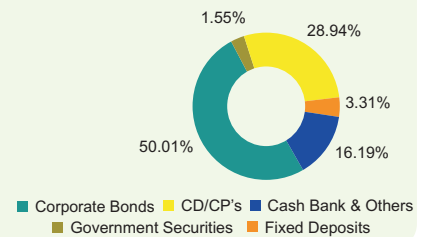
Corpus as on 29 Apr, 11 : ₹99.55 Crs.

Fund Performance

PERIOD	DATE	NAV	CRISIL Composite Bond Index	NAV Change	INDEX Change
Last 1 Month	31-Mar-11	12.83	1667.12	0.54%	0.35%
Last 3 Months	31-Jan-11	12.65	1643.29	2.00%	1.80%
Last 6 Months	29-Oct-10	12.48	1630.21	3.31%	2.62%
Last 1 Year	30-Apr-10	12.31	1600.53	4.79%	4.52%
Last 3 Years	30-Apr-08	10.38	1407.74	7.52%	5.92%
Since Inception	08-Jan-07	10.00	1298.79	6.09%	6.05%

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

Asset Allocation



Whole Life Short Term Fixed Income Fund

Fund Details

Investment Objective : The primary investment objective of the fund is to generate stable returns by investing in fixed income securities having shorter maturity periods. Under normal circumstances, the average maturity of the Fund may be in the range of 1-3 years.

Fund Manager : Mr. Saravana Kumar

NAV as on 29 Apr, 11 : ₹12.95

Benchmark : CRISIL Short Term Bond Index -100%

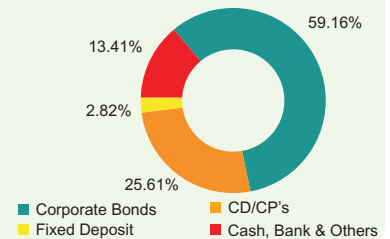
Corpus as on 29 Apr, 11 : ₹42.51 Crs.

Fund Performance

PERIOD	DATE	NAV	CRISIL Short Term Bond Index	NAV Change	INDEX Change
Last 1 Month	31-Mar-11	12.83	1716.04	0.96%	0.53%
Last 3 Months	31-Jan-11	12.66	1693.26	2.27%	1.88%
Last 6 Months	29-Oct-10	12.55	1675.18	3.17%	2.98%
Last 1 Year	30-Apr-10	12.37	1643.38	4.67%	4.98%
Last 3 Years	30-Apr-08	10.42	1415.08	7.50%	6.83%
Since Inception	08-Jan-07	10.00	1281.09	6.19%	7.15%

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

Asset Allocation



Equity Outlook

The equity markets, as represented by Benchmark indices put up a lack luster show in April 2011 even as the Mid cap index posted modest gains. The BSE Sensex lost 1.62% and the CNX Nifty closed the month lower by 1.44% with the CNX Midcap index putting on 2% gains.

As the fourth quarter earnings season is on in full swing, the consensus FY 2011 Sensex EPS growth indicates approx. 24% rise in earnings as compared to FY 2010. The EPS is expected to grow by around 18% in FY 2012, year on year. The sensex, at current levels would trade at a ratio of around 14.5 times FY 2012 earnings, at around the five year averages of 1 year forward price earnings levels.

Indian market is still trading at a 35% premium compared to emerging markets, but below the five year rolling averages. There appears to be a divergence in the valuations of the benchmark index, BSE Sensex, when we compare with indices such as BSE Small Cap index, which is trading at a 32% discount as compared to the BSE Sensex. With a possible 15% earnings growth expected, the small cap index is available at single-digit forward multiples, providing a reasonable valuation comfort.

On the flip side, elevated and sticky oil prices do pose a risk to the sustainability of profit margins for India Inc as well as raise their borrowing costs, as the RBI continues effecting hikes in the policy rates to combat global commodities led inflation.

Though there has been a moderation in industrial growth on the back of transmission effects of RBIs continuous monetary tightening, there is some good news from the robust farm production numbers. There is a clear indication that the robust rural demand witnessed in the Kharif harvest season in October 2010 has extended into the summer season.

The sustained rural demand on the back of surging farm incomes can drive domestic consumption demand in the near term, offsetting the negative impact of hardening of interest rates on domestic consumption. Rural demand could buffer the economy from any sudden external shock, such as sharp spikes in global commodity prices. The sustainability of rural demand could extend to medium term, if the monsoons are normal as per the initial forecast of the Indian Meteorological Department (IMD).

The surging rural incomes creates huge demand in a gamut of product categories- consumer durables, fast moving consumer goods, farm equipments, telecom and farm inputs. Rural infrastructure creation, through government funding in irrigation, roads, rural housing, rural electrification and rural tele-connectivity throws up sizable opportunities for corporate India.

We maintain our view that the markets are reasonably priced at current levels and offer an attractive entry point to an investor, with a 3-5 year time-frame.

Debt Outlook

The benchmark 10 year Government security (G-sec) has been under pressure, threatening to break out on the upside in April 2011, starting the month at 7.98% and hardening by 15 bps during the month. This can be largely attributed to stubbornly high and rising headline inflation number for March 2011, which clearly has established that the inflationary pressures in the system have become more generalized. This was reflected by a surge in the non-food manufacturing inflation, which breached the 7% mark. The commodity price rise has been largely passed on to the end customer through the manufacturing chain as the demand has been strong, giving the manufacturers the pricing power in many segments.

The spreads between the corporate bond and the 10 year G-sec was flat at 100 bps for the month, though it spiked up briefly during the month to 115 bps, when there was the new 10 year G-sec issuance. The yield curve of the G-sec as well as the corporate bonds flattened, albeit marginally, during the month. The government issued fresh bonds worth ₹36,000 crores in April 2011. Additionally, the government also issued the Cash management bills to the tune of ₹20,000 crores, to meet the temporary cash requirement of less than 90 days duration.

The government's borrowing calendar for the H1 FY 2012 was released, wherein, the borrowings was pegged at ₹2,50,000 crores (approx. USD 56.2 billion) out of the total year's borrowings of ₹4,17,000 crores (approx.USD 93.7 billion). The first quarter of FY 2012 will see the government borrowing to the tune of ₹1,20,000 crores. (approx. USD 27 billion).

The month started on a positive liquidity mode due to the lagged effects of government spending in March 2011, but became volatile, ending the month in a negative liquidity mode of around ₹50,000 crores.

There was some cheer for the market as Indian Meteorological Department -IMD's long range forecast for the 2011 south-west monsoon season (June to September) was for a normal rainfall, 96-104% of Long Period Average (LPA). IMD stated that quantitatively, monsoon season rainfall is likely to be 98% of the LPA with a model error of ± 5%. The LPA of the season rainfall over the country as a whole for the period 1951-2000 is 89 cm.

India has two major crop sowing time zones, namely, Kharif (summer) crops, whose sowing starts in mid-July, largely rice, account for around half of total food grain production and is monsoon-dependant. Rabi (winter) crops, primarily wheat, are sown around November, is also affected by monsoon-dependant ground water level. A good monsoon would further moderate food inflation even as FY 2011 advance estimates indicated a record food grain harvest.

Debt markets are slowly bracing themselves for a much higher government borrowing in the second half of FY 2012, as the government's share of under-recoveries in diesel, kerosene and LPG could be almost three times the budgeted figure. The excess borrowings in the second half would add to the pressure on the 10 year G-sec as well as the corporate would feel the pinch of the rising borrowing costs due to crowding out effects. With the long delayed but inevitable petrol and diesel hikes round the corner, the headline inflation will continue to be in the elevated zone offsetting the moderating food inflation, resulting in the continuation of monetary tightening stance of the RBI.

The RBI increased the policy rate on May 3rd 2011, by 50 bps and could further effect a rate hike of 25-50 bps by the end of H1 FY 2012. There is a valid apprehension among many market watchers that any further rate hikes could have an adverse impact on growth, as the borrowing costs for the industry become unviable, slowing down the investment growth.

With these strong headwinds, the 10 year G-sec could trade in a range of 8.10-8.25% in the near term, with a possibility of breaching the upper end of the range.

Funds Available With Current Product Offerings - A Snapshot

(as on 29th April 2011)

TATA
AIG
L I F E

A new look at life

Disclaimer

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).
3. All investments made by the Company are subject to market risks. The Company does not guarantee any assured returns. The investment income and price may go down as well as up depending on several factors influencing the market.
4. Every effort is made to ensure that all information contained in this publication is accurate at the date of publication, but no responsibility or liability in respect of any error or omission is accepted by the Company.
5. Tax benefits are as per the Income Tax Act, 1961 and are subject to amendments made therein from time to time.
6. Please know the associated risks and the applicable charges from your Insurance agent or the intermediary or policy document of the Insurer.
7. Various funds offered under this contract are the names of funds and do not, in any way, indicate the quality of the plans, their future prospects & returns.
8. Premium paid in ULIPs are subject to Investment risks associated with capital markets & the NAV of the units may go up or down based on the performance of the fund and factors influencing capital markets & the insured is responsible for his/her decision.
9. ULIP products are different from traditional Life Insurance products and are subject to risk factors.
10. Whilst every care has been taken in the preparation of this document, it is subject to correction and markets may not perform in a similar fashion based on factors influencing the capital and debt markets; hence this review note does not individually confer any legal rights or duties.

Insurance is the subject matter of the solicitation.

Unique Reference Number: L&C/Advt/2011/May/041