

Funds Available With Current Product Offerings - A Snapshot

(as on 28th February 2011)

TATA
AIG
L I F E

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 was dominated by events in Middle East and North Africa, which pushed up crude oil to uncomfortable levels. Indian markets, concerned about the impact of rising crude oil prices on the economic growth, deficits and inflation, ended lower in February 2011.

The Union Budget was broadly well received by the market. The finance minister performed a delicate balancing act between the twin objectives of growth and fiscal discipline. The third quarter GDP numbers were robust at 8.2%, marginally below the consensus of 8.6%. The GDP growth was powered by the agricultural sector, which grew by 8.9% on a favourable base and a bountiful Kharif output.

The markets remain at fair value at less than 15 times FY 2012 earnings and present a favourable risk return ratio for a long term investor. Meanwhile, I take this opportunity to convey that our assets under management have crossed ₹11,598 crores as of Feb 28th 2011, an indication of the confidence shown by our esteemed policyholders in our fund performance.

Life Large Cap Equity Fund

Equity Funds

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 28 Feb, 11 : ₹10.57

Benchmark : S&P CNX Nifty-100%

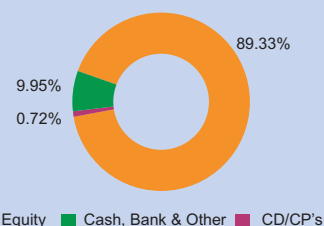
Corpus as on 28 Feb, 11 : 619.86 Crs.

Fund Performance

PERIOD	DATE	NAV	NSE Nifty 50 Index	NAV Change	INDEX Change
Last 1 Month	31-Jan-11	10.94	5505.90	-3.41%	-3.14%
Last 3 Months	30-Nov-10	11.62	5862.70	-9.01%	-9.03%
Last 6 Months	31-Aug-10	10.69	5402.40	-1.14%	-1.28%
Last 1 Year	26-Feb-10	9.55	4922.30	10.68%	8.35%
Last 3 Year	29-Feb-08	9.99	5223.50	1.92%	0.70%
Since Inception	07-Jan-08	10.00	6279.10	1.78%	-5.06%

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 28 Feb, 11 : ₹12.64

Benchmark : NSE CNX Midcap Index - 100%

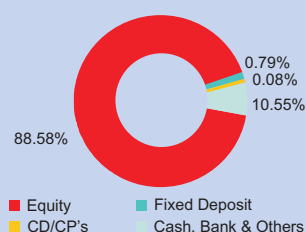
Corpus as on 28 Feb, 11 : 1312.15 Crs.

Fund Performance

PERIOD	DATE	NAV	NSE CNX Midcap Index	NAV Change	INDEX Change
Last 1 Month	31-Jan-11	13.41	7922.50	-5.76%	-6.97%
Last 3 Months	30-Nov-10	14.90	8907.50	-15.19%	-17.26%
Last 6 Months	31-Aug-10	14.17	8679.85	-10.80%	-15.09%
Last 1 Year	26-Feb-10	11.91	7167.25	6.08%	2.83%
Last 3 Years	29-Feb-08	13.40	7245.80	-1.93%	0.57%
Since Inception	08-Jan-07	10.00	5156.45	5.82%	9.01%

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 28 Feb, 11 : ₹11.00

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

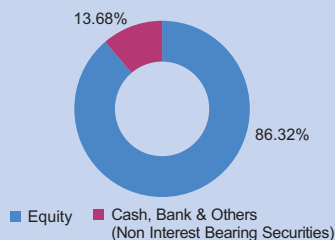
Corpus as on 28 Feb, 11 : 167.38 Crs.

Fund Performance

PERIOD	DATE	NAV	S & P India 500 Shariah Index	NAV Change	INDEX Change
Last 1 Month	31-Jan-11	11.5054	1294.22	-4.36%	-4.07%
Last 3 Months	30-Nov-10	11.9904	1364.02	-8.23%	-8.98%
Last 6 Months	31-Aug-10	11.2633	1287.72	-2.31%	-3.59%
Last 1 Year	26-Feb-10	10.0827	1206.40	9.13%	2.91%
Since Inception	16-Oct-09	10.0000	1217.76	7.23%	1.95%

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 28 Feb, 11 : ₹14.24

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

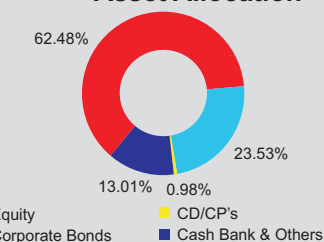
Corpus as on 28 Feb, 11 : 235.91 Crs.

Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	31-Jan-11	14.55	-2.15%	-1.83%
Last 3 Months	30-Nov-10	15.21	-6.39%	-5.56%
Last 6 Months	31-Aug-10	14.42	-1.24%	-0.09%
Last 1 Year	26-Feb-10	13.01	9.47%	7.18%
Last 3 Years	29-Feb-08	12.37	4.80%	2.42%
Since Inception	08-Jan-07	10.00	8.91%	7.06%

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 28 Feb, 11 : ₹12.92

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

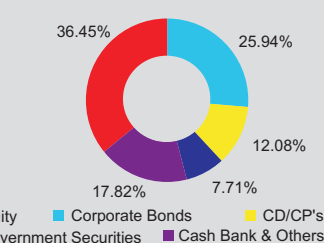
Corpus as on 28 Feb, 11 : 50.29 Crs.

Fund Performance

PERIOD	DATE	NAV	NAV Change	INDEX Change
Last 1 Month	31-Jan-11	13.06	-1.06%	-0.90%
Last 3 Months	30-Nov-10	13.33	-3.08%	-3.07%
Last 6 Months	31-Aug-10	12.86	0.46%	0.76%
Last 1 Year	26-Feb-10	12.04	7.37%	6.35%
Last 3 Years	29-Feb-08	10.99	5.57%	3.66%
Since Inception	08-Jan-07	10.00	6.39%	6.65%

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 Income Fund

Fixed Income Funds

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 28 Feb, 11 : ₹12.70

Benchmark : CRISIL Composite Bond Index -100%

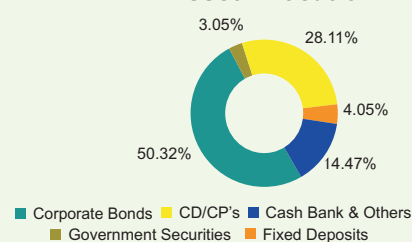
Corpus as on 28 Feb, 11 : 81.42 Crs.

Fund Performance

PERIOD	DATE	NAV	CRISIL Composite Bond Index	NAV Change	INDEX Change
Last 1 Month	31-Jan-11	12.65	1643.29	0.46%	0.60%
Last 3 Months	30-Nov-10	12.59	1638.39	0.92%	0.90%
Last 6 Months	31-Aug-10	12.39	1618.71	2.53%	2.13%
Last 1 Year	26-Feb-10	12.03	1574.18	5.58%	5.01%
Last 3 Years	29-Feb-08	10.23	1402.41	7.50%	5.64%
Since Inception	08-Jan-07	10.00	1298.79	5.95%	6.00%

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

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 28 Feb, 11 : ₹12.72

Benchmark : CRISIL Short Term Bond Index - 100%

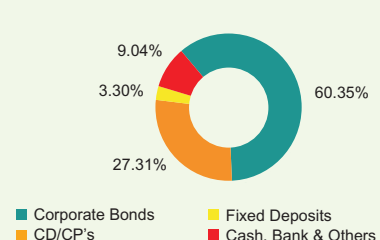
Corpus as on 28 Feb, 11 : 36.31 Crs.

Fund Performance

PERIOD	DATE	NAV	CRISIL Short Term Bond Index	NAV Change	INDEX Change
Last 1 Month	31-Jan-11	12.66	1693.26	0.44%	0.48%
Last 3 Months	30-Nov-10	12.62	1682.27	0.75%	1.14%
Last 6 Months	31-Aug-10	12.47	1662.57	1.97%	2.34%
Last 1 Year	26-Feb-10	12.13	1621.98	4.89%	4.90%
Last 3 Years	29-Feb-08	10.28	1394.91	7.36%	6.85%
Since Inception	08-Jan-07	10.00	1281.09	5.98%	7.09%

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 Indian equity markets reacted to the sticky inflation and global events in the Middle East and North Africa with concern, even as crude surged to over USD 100 per barrel. The benchmark indices, BSE Sensex and CNX Nifty lost ground in February 2011 even as the mid cap index, CNX Midcap corrected by almost 7%.

FII's remained negative on inflation and were net sellers with net outflow of USD 1 billion in February 2011. Domestic mutual funds on the other hand were net buyers with inflows of USD 250 million during the month.

The Union Budget FY 2012 was well received by the market as the finance minister delivered a workmanlike efficient budget in difficult circumstances, managing to rein in fiscal deficit and still fuelling the economic growth engine. The rollback of post-Lehman stimulus on excise and service tax was expected but market was pleasantly surprised with the broad status quo on the indirect tax landscape. The market took the lower than expected borrowing and fiscal deficit number in its stride and reacted positively to the overall budget as it was going into the budget with very little expectations.

The budget permitted the SEBI registered mutual funds to accept subscription from foreign investors who meet KYC requirements for equity schemes as well as raised the FII limit for investment in corporate bonds issued in infrastructure sector by USD 20 billion to USD 25 billion. Overall limit for FII investment in corporate bonds has thus been increased to USD 40 billion.

The economic Survey for 2010-11, tabled in parliament by finance minister has pegged the economic growth at 8.6% for the current fiscal. The Indian economy is poised to register a growth of around 9% in 2011-12, despite risks of global events like volatility in commodity prices, according to the survey.

Final data on January 2011 trade indicate that exports continued to post healthy growth, rising 32.4% year on year vs. 36.4% last month. Moreover, growth in imports, which posted an 11% contraction in December 2010, also appears to have normalized to 13.1% year on year in January 2011. As a result, the trade deficit came in at the trend rate of USD 8 billion from USD 2.6 billion in December 2010.

A robust agricultural growth on the back of the Kharif output and an acceptable level of growth in services have offset the tepid manufacturing growth in the third quarter of FY 2011 resulting in a GDP growth of 8.2%. We could expect the manufacturing growth to increase going forward and the IIP numbers to trend up as the high base effect wanes off, pegging the FY 2011 GDP at close to 8.6%. The GDP growth could be powered by the domestic consumption theme, which had accounted for more than 60% of the GDP in the third quarter of FY 2011.

Given the broad comfort in sustaining an 8% plus growth rate into FY 2012, we believe that the markets are fairly valued at less than 15 times FY 2012 earnings and offer an attractive entry point for a long term investor. While there could be volatility created by the sharp spikes in oil prices due to the crisis in the near term, the overall trajectory of Indian growth would not be derailed.

Debt Outlook

The benchmark 10 year Government security rallied by around 14 bps in February to closed the month at 8.00%. The debt markets were enthused by the lower net borrowing number in the budget of Rs.3.43 lakh crores as well as an aggressive fiscal deficit target of 4.60% for FY 2012. The finance minister had also delivered a fiscal deficit number of 5.1% in FY 2011, an improvement over the target of 5.5%.

A lower borrowing number would not crowd the corporate out of the debt market and could keep a lid on the interest rates. Some sections of the market believe that there is a risk of slippage on the borrowing as the subsidies for food, fertilizer and crude seem to be under-provided in the budget. Nevertheless, the G-sec market rallied post budget, as the overall budget displayed fiscal prudence in ample measure.

The corporate bond yields were under pressure through February 2011 on the back of a tight liquidity environment, the negative liquidity ranging between ₹70,000 crore and ₹1 lakh crore. The 10 year Corporate AAA bond was trading at over 9% during February 2011 with the spreads widening from 80 bps to 100 bps during the month.

We would expect the tight liquidity to continue into March 2011, though a higher year end government spending could provide additional liquidity in the system. The advance tax outflow in March 2011 could offset the positive liquidity effects of government spending and keep the interest rates elevated, especially in the short term. Short term CD breached 10% in February 2011 and is expected to remain in double digit in the near term due to the liquidity pressure.

Deposit growth has picked up in the recent fortnight to 16.9% year on year compared to 15.9% in the preceding fortnight. It still lags the credit growth by a margin. The credit to deposit ratio stands at 75.1% and the incremental credit to deposit ratio, which hit a high of 128% in December 2010 has been trending downwards and currently stands at 98%.

The inflation has remained sticky and clocked 8.23% for January 2011. It is widely expected that the RBI would increase the policy rates by 25 bps on March 17th 2011. High base effect and lowering food inflation could lower the headline inflation close to the RBI estimate of 7% by March 2011. The spike in crude oil can be a spoiler for the lower trajectory for inflation going forward and could deteriorate the current account deficit through higher import bill and the fiscal deficit through ballooning subsidy bill due to under-recoveries absorbed by the government.

The 10 year Government security has rallied to 8% in the month of February 2011 but would face significant pressure on the upside unless crude oil cools off to a meaningful extent. The 10 year Government security is expected to be in a range of 7.95% - 8.15%, with risk on the upside in the near term.

Funds Available With Current Product Offerings - A Snapshot

(as on 28th February 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. This material belongs to Tata AIG Life Insurance Company Ltd. Any unauthorised use, reprint or circulation is prohibited.
7. Please know the associated risks and the applicable charges from your Insurance agent or the intermediary or policy document of the Insurer.
8. 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.
9. 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.
10. ULIP products are different from traditional Life Insurance products and are subject to risk factors.
11. 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/Adv/2011/Mar/549