

Funds Available With Current Product Offerings

- A Snapshot (as on 31st July 2012)

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 July 2012 saw the benchmark indices, BSE Sensex and CNX Nifty shed 1.11% and 0.95% respectively even as the Mid-cap index CNX Midcap lost 2.49% during the same period.

Equity Funds

Large Cap Equity Fund (ULIF 017 07/01/08 TLC 110)

Fund Details

Investment Objective : The primary investment objective of the Fund is to generate long term capital appreciation from a portfolio that is invested predominantly in equity and equity linked securities

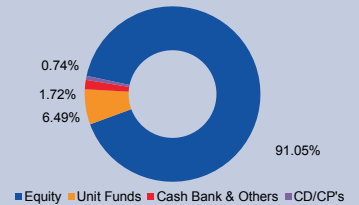
Fund Manager : Mr. Saravana Kumar
NAV as on 31 July, 12 : ₹10.5408
Benchmark : S&P CNX Nifty-100%
Corpus as on 31 July, 12 : ₹847.65 Crs.

Fund Performance

| PERIOD | DATE | NAV | S&P CNX Nifty | NAV Change | INDEX Change |
|-----------------|-----------|---------|---------------|------------|--------------|
| Last 6 Months | 31-Jan-12 | 10.2167 | 5199.25 | 3.17% | 0.57% |
| Last 1 Year | 29-Jul-11 | 10.9588 | 5482.00 | -3.81% | -4.62% |
| Last 2 Years | 30-Jul-10 | 10.6060 | 5367.60 | -0.31% | -1.30% |
| Last 3 Years | 31-Jul-09 | 8.8260 | 4636.45 | 6.10% | 4.09% |
| Last 4 Years | 31-Jul-08 | 8.2260 | 4332.95 | 6.39% | 4.81% |
| Since Inception | 07-Jan-08 | 10.0000 | 6279.10 | 1.16% | -3.93% |

Note : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

Asset Allocation



Whole Life Mid-Cap Equity Fund (ULIF 009 04/01/07 WLE 110)

Fund Details

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

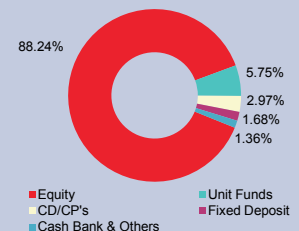
Fund Manager : Mr. Saravana Kumar
NAV as on 31 July, 12 : ₹13.4248
Benchmark : NSE CNX MIDCAP-100%
Corpus as on 31 July, 12 : ₹1791.09 Crs.

Fund Performance

| PERIOD | DATE | NAV | NSE CNX MIDCAP | NAV Change | INDEX Change |
|-----------------|-----------|---------|----------------|------------|--------------|
| Last 6 Months | 31-Jan-12 | 12.5780 | 7100.55 | 6.73% | 0.96% |
| Last 1 Year | 29-Jul-11 | 13.8498 | 8017.35 | -3.07% | -10.59% |
| Last 2 Years | 30-Jul-10 | 13.8923 | 8415.30 | -1.70% | -7.70% |
| Last 3 Years | 31-Jul-09 | 10.2840 | 5950.20 | 9.29% | 6.41% |
| Last 4 Years | 31-Jul-08 | 10.1280 | 5536.95 | 7.30% | 6.67% |
| Last 5 Years | 31-Jul-07 | 11.9100 | 6177.70 | 2.42% | 3.02% |
| Since Inception | 08-Jan-07 | 10.0000 | 5156.45 | 5.44% | 6.10% |

Note : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

Asset Allocation



Super Select Equity Fund (ULIF 035 16/10/09 TSS 110)

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

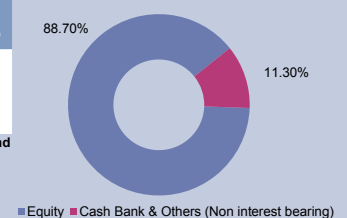
Fund Manager : Mr. Saravana Kumar
NAV as on 31 July, 12 : ₹11.1458
Benchmark : S & P India 500 Shariah Index - 100%
Corpus as on 31 July, 12 : ₹418.44Crs.

Fund Performance

| PERIOD | DATE | NAV | S & P India 500 Shariah Index | NAV Change | INDEX Change |
|-----------------|-----------|---------|-------------------------------|------------|--------------|
| Last 6 Months | 31-Jan-12 | 10.9215 | 1214.33 | 2.05% | 0.12% |
| Last 1 Year | 29-Jul-11 | 11.6166 | 1275.35 | -4.05% | -4.67% |
| Last 2 Years | 30-Jul-10 | 11.1416 | 1298.75 | 0.02% | -3.24% |
| Since Inception | 16-Oct-09 | 10.0000 | 1217.76 | 3.96% | -0.06% |

Note : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

Asset Allocation



Balanced Funds

Whole Life Aggressive Growth Fund (ULIF 010 04/01/07 WLA 110)

Fund Details

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

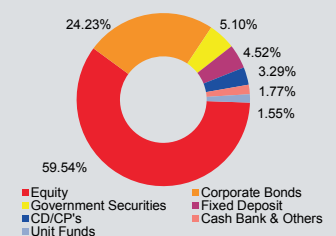
Fund Manager : Mr. Saravana Kumar
NAV as on 31 July, 12 : ₹14.6897
Benchmark : Nifty - 65%
CRISIL Composite Bond Index -35%
Corpus as on 31 July, 12 : ₹353.87 Crs.

Fund Performance

| PERIOD | DATE | NAV | NAV Change | INDEX Change |
|-----------------|-----------|---------|------------|--------------|
| Last 6 Months | 31-Jan-12 | 14.3389 | 2.45% | 1.82% |
| Last 1 Year | 29-Jul-11 | 14.7743 | -0.57% | 0.09% |
| Last 2 Years | 30-Jul-10 | 14.2751 | 1.44% | 1.63% |
| Last 3 Years | 31-Jul-09 | 12.2660 | 6.19% | 4.84% |
| Last 4 Years | 31-Jul-08 | 10.6660 | 8.33% | 5.77% |
| Last 5 Years | 31-Jul-07 | 11.2060 | 5.56% | 4.18% |
| Since Inception | 08-Jan-07 | 10.0000 | 7.16% | 5.71% |

Note : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

Asset Allocation



Whole Life Stable Growth Fund (ULIF 011 04/01/07 WLS 110)

Fund Details

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

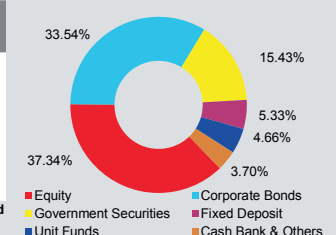
Fund Manager : Mr. Saravana Kumar
NAV as on 31 July, 12 : ₹13.7616
Benchmark : Nifty - 40%
CRISIL Composite Bond Index - 60%
Corpus as on 31 July, 12 : ₹75.07 Crs.

Fund Performance

| PERIOD | DATE | NAV | NAV Change | INDEX Change |
|-----------------|-----------|---------|------------|--------------|
| Last 6 Months | 31-Jan-12 | 13.3310 | 3.23% | 2.71% |
| Last 1 Year | 29-Jul-11 | 13.3625 | 2.99% | 3.45% |
| Last 2 Years | 30-Jul-10 | 12.7945 | 3.71% | 3.73% |
| Last 3 Years | 31-Jul-09 | 11.4930 | 6.19% | 5.37% |
| Last 4 Years | 31-Jul-08 | 10.0710 | 8.12% | 6.45% |
| Last 5 Years | 31-Jul-07 | 10.2940 | 5.98% | 5.08% |
| Since Inception | 08-Jan-07 | 10.0000 | 5.91% | 6.04% |

Note : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

Asset Allocation



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Fixed Income Funds

Whole Life Income Fund (ULIF 012 04/01/07 WLI 110)

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 maximizing the optimal balance between yield, safety and liquidity. The Fund will have no investments in equity or equity linked instruments at any point in time.

Fund Manager : Mr. Saravana Kumar

NAV as on 31 July, 12 : ₹14.4753

Benchmark : CRISIL Composite Bond Index -100%

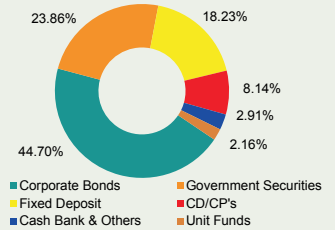
Corpus as on 31 July, 12 : ₹185.30 Crs.

Fund Performance

| PERIOD | DATE | NAV | Crisil Composite Bond Fund Index | NAV Change | INDEX Change |
|-----------------|-----------|---------|----------------------------------|------------|--------------|
| Last 6 Months | 31-Jan-12 | 13.8558 | 1776.42 | 4.47% | 4.14% |
| Last 1 Year | 29-Jul-11 | 13.1511 | 1699.88 | 10.07% | 8.83% |
| Last 2 Years | 30-Jul-10 | 12.3580 | 1613.57 | 8.23% | 7.08% |
| Last 3 Years | 31-Jul-09 | 11.6830 | 1543.10 | 7.40% | 6.23% |
| Last 4 Years | 31-Jul-08 | 10.2660 | 1382.84 | 8.97% | 7.55% |
| Last 5 Years | 31-Jul-07 | 10.0020 | 1349.23 | 7.67% | 6.52% |
| Since Inception | 08-Jan-07 | 10.0000 | 1298.79 | 6.87% | 6.56% |

Note : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

Asset Allocation



Whole Life Short Term Fixed Income Fund (ULIF 013 04/01/07 WLF 110)

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 31 July, 12 : ₹14.4325

Benchmark : CRISIL Short Term Bond Index -100%

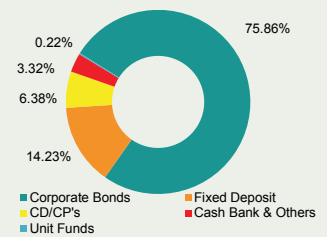
Corpus as on 31 July, 12 : ₹92.56 Crs.

Fund Performance

| PERIOD | DATE | NAV | CRISIL Short-Term Bond Index | NAV Change | INDEX Change |
|-----------------|-----------|---------|------------------------------|------------|--------------|
| Last 6 Months | 31-Jan-12 | 13.7834 | 1835.31 | 4.71% | 4.47% |
| Last 1 Year | 29-Jul-11 | 13.2342 | 1760.21 | 9.05% | 8.93% |
| Last 2 Years | 30-Jul-10 | 12.4217 | 1655.29 | 7.79% | 7.62% |
| Last 3 Years | 31-Jul-09 | 11.7820 | 1585.10 | 7.00% | 6.55% |
| Last 4 Years | 31-Jul-08 | 10.4040 | 1422.08 | 8.53% | 7.76% |
| Last 5 Years | 31-Jul-07 | 10.0040 | 1343.89 | 7.61% | 7.37% |
| Since Inception | 08-Jan-07 | 10.0000 | 1281.09 | 6.82% | 7.52% |

Note : The investment income and prices may go down as well as up. "Since Inception" and returns above "1 Year" are calculated as per CAGR.

Asset Allocation



Equity Outlook

The month of July 2012 saw the benchmark indices, BSE Sensex and CNX Nifty shed 1.11% and 0.95% respectively even as the Mid-cap index CNX Midcap lost 2.49% during the same period. MSCI India lost 0.7% in US dollar terms over the month and underperformed the MSCI EM index, which had notched up gains of 1.6% in the same period.

The FIIs were net buyers of Indian equity over the month of July 2012 to the tune of around USD 1.85 billion and have invested USD 10.3 billion in Indian equities, calendar year to date. The DIIs sold USD 952 million over the month with insurance companies and domestic mutual funds being net sellers to the tune of USD 617 million and USD 335 million respectively. The insurance companies and mutual funds have sold USD 3.3 billion and USD 1.6 billion respectively, this calendar year to date.

First quarter earnings season has been a mixed bag so far reflecting the reduced pricing power of corporate India on the back of the moderating demand in the economy. The EBITDA margins contracted on a year on year basis with the net profit margins under pressure due to higher borrowing costs. However, there are early indications of exporters benefiting from the INR depreciation. Consensus earnings estimates for the broad market (MSCI India) were revised down marginally over the month to an estimated earnings growth of 13% and 14% for FY13 (E) and FY14 (E) respectively.

The equity markets have been waiting for some policy actions from the government such as increasing diesel and urea prices, clearing key investment projects and increasing FDI in Retail and Aviation. These actions on the policy front are crucial for the fiscal situation and balance of payments position to improve.

While the impact of weak monsoons on growth may not be substantial, food inflation could spike up due to lower agriproduction. Cumulative rainfall deficit is at around 20% below normal for the months of June and July raising the possibility of a moderation in rural consumption, which to some extent can be offset by increased government spends on rural employment generation schemes and higher minimum support prices of Kharif crops.

Going forward, some credible fiscal consolidation efforts by the government and a modest decline in interest rates by RBI in response to the same, can offer some positive trigger for the equity markets. However, the possibility of fiscal slippage due to weak monsoons and higher subsidy bill can weigh on the Indian market in the near term. In the medium term, the lower policy interest rates, high savings rates, competitive exports and import substitution from the INR depreciation can help in putting a floor on the GDP growth.

The market has largely priced in the weak macro-fundamentals and does offer comfort of reasonable valuations at around 13 times one year forward price earnings. That said, the government's policy stance over the next few months would be crucial in determining market direction as the window for reforms has narrowed considerably given a packed state elections calendar in 2013.

We believe that the Indian equities offer an attractive entry point for a long term investor with a 3-5 year view.

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Debt Outlook

The month of July 2012 saw the erstwhile benchmark 10 year Government security (G-sec) trading flat, opening at 8.38% levels and closing the month at around 8.36% levels post the RBI first quarter monetary policy. The new 10 year G-sec hardened by around 11 bps during the month to close around 8.25% levels.

The G-sec market had built up some gains during the month on a lesser than consensus June WPI inflation number but once the RBI kept the policy rates on hold even as it unexpectedly decreased the statutory liquidity ratio (SLR) by 100 bps in its first quarter monetary policy, the G-sec market gave up most of the monthly gains. The corporate bond yield eased by around 10 basis points during the month to close the month of July 2012 at 9.20-9.30% levels. As a consequence, the corporate bond spread over the new benchmark 10 year G-sec stood at 85-95 Bps.

On the liquidity front, the Liquidity Adjustment Facility -LAF continued to be the primary mode of liquidity injection, maintaining an average shortfall of around Rs.0.3-0.5 trillion during the month of July 2012, well within the RBIs comfort zone of 1% of the NDTL (Net demand and time liabilities).

On the GDP growth front the RBI revised the projected GDP growth for 2012-13 downwards from 7.3 % to 6.5% on the back of a deficient and uneven monsoon, weak industrial activity, reduced global growth & trade volume and a slowdown in the services sector growth. On the inflation front, the RBI increased the baseline projection of WPI inflation for March 2013 of 6.5 % to 7% due the adverse impact on food inflation on account of a deficient monsoon, high levels of suppressed inflation in the system and a possible increase in imported inflation due to INR depreciation.

The RBI clarified that keeping in view the slowdown in growth, they had front loaded the policy rate reduction in April 2012 with an unexpected cut of 50 basis points in the repo rate. Subsequent developments suggested that even as growth moderated, inflation remained sticky, which was the main reason for the RBI to pause in the mid-quarter review of June 2012, even in the face of slowing growth.

The RBI guided that the primary focus of monetary policy remained inflation control in order to secure a sustainable growth path over the medium-term. They conceded that monetary actions over the past two years may have contributed to the growth slowdown, an unavoidable consequence of their fight against persistent inflation. The RBI opined that in the current circumstances, lowering policy rates would only aggravate inflationary impulses without necessarily stimulating growth. The RBI assured that as and when the multiple constraints to growth are addressed, they would stand ready to act appropriately.

The RBIs decision to cut the statutory liquidity ratio (SLR) by 100 bps is broadly in line with their objective of maintaining adequate liquidity for the productive sectors. The immediate impact of the SLR cut will be limited as the credit pick up in the economy has been only modest of late but nevertheless, the RBI wanted to signal the shift in the direction of liquidity flow in the medium term.

The RBI expects the policy actions to anchor inflation expectations based on the commitment of monetary policy to inflation control as well as maintain liquidity to facilitate smooth flow of credit to productive sectors to support growth. Going forward, we could see rate cuts from the RBI only as a response to credible steps taken for fiscal consolidation and not solely on the basis of moderating economic activity.

Considering the measures taken by RBI on the liquidity front which may lead to a receding possibility of OMOs in the near term as well as a busy government borrowing calendar over the next four weeks, we could expect the new 10 year benchmark G-sec to be under pressure and trade in a range of 8.10-8.35% in the near term.

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