



A new look at life

Tata AIG Life - First insurance company to launch Micro Insurance

~Full Range of Products and dedicated Offices ~

- First major Micro Insurance initiatives venture by an Indian insurance company
- Launches three new Micro Insurance products and five Micro Insurance branches
- Adopts a tailor made rural communication strategy to reach out to the rural community

Mumbai, August 8, 2006: In a major boost to its rural initiative program, Tata AIG Life Insurance Company Limited (Tata AIG Life) today announced the launch of three new Micro Insurance (MI) products as well as five Micro Insurance Sales Offices (MISO) across the country.

The MI products have been tailor made to suit the requirements of the rural population with special emphasis on product simplicity and ease of documentation. The MI product portfolio includes:

Micro Insurance product Range

- **Navkalyan Yojana** - This is a five year micro insurance protection plan that provides financial protection to the policyholder's family. This plan offers good protection at reasonable rates. The policy also has the option to add an Accidental Death benefit rider, which provides additional benefit less than or equal to sum assured (as chosen at the outset) in case of unfortunate death of the policyholder due to accident.
- **Sampoorn Bima Yojana** - A micro insurance policy in which the policy holder pays premium for 10 years and get cover for 15-years. Upon survival till maturity the policy returns 100% of the premiums paid by the policy holder during the term of coverage.
- **Ayushman Yojana** - A single premium 10-year micro insurance protection plan with the benefit of payment at the beginning of the policy term. The unique feature of the policy is that the policy holder gets back his premium with 25% addition on survival to the end of the policy term.

Micro Insurance Sales Offices

To make further inroads on insurance awareness and distribution in rural India, Tata AIG Life has also launched five new Micro Insurance Sales Offices (MISOS)

Andhra Pradesh	- Kodad and Chitoor
Uttar Pradesh	- Joanpur
Rajasthan	- Jhalawar
Kerala	- Kannur

Armed with modern equipments and facilities the MISO's will reach out and specifically cater to the rural masses and provide insurance protection at affordable rates. The rural community will be serviced by a specially trained rural team which is already in place considering the demographics of the rural population. The product information brochures, application forms, training material as well as policy holder contracts will be made available in nine vernacular languages and the processing requirements have also been simplified.

Speaking on the occasion **Mr. Sunil Mehta, Country Head & Chief Executive, AIG Inc.**, said, "AIG was the first major international insurer to offer micro insurance 11 years ago starting with its efforts in Uganda and is committed to being the world's leader in providing appropriate insurance to the Rural poor. AIG has embarked a strategy, which will deliver products and services in align with the demand of the rural community in over 50 countries. AIG is already present with its micro insurance operations in India, South Africa, Brazil, Honduras, Uganda, Ecuador and Guatemala. AIG's commitment to Rural society is long term permanent part of its Corporate strategy"

Mr. Trevor Bull, Managing Director, Tata AIG Life Insurance said, "We believe rural India holds tremendous potential for growth and is hugely untapped in terms of life insurance. With the launch of these products, we have become the first company to foray in the micro insurance segment. This initiative will enable us to expand our product suite and offer our insurance services to a larger cross section of society. We have simplified our products, distribution processes and operations and are certain of realizing our vision of being able to offer protection to every socio economic segment of India be it Urban or Rural"

The contribution from Rural business today has reached a landmark size of 23% of Tata AIG Life's monthly sale. The company has tied up with various NGO's, Rural Agents and Community Groups leading to creation of growing number of employment opportunities for women and enabling them to be the supplementary income earner in their households.

To create awareness about the launch, Tata AIG Life has created special films aimed at increasing awareness of the importance of insurance in the rural community. This awareness program is reinforced with the help of our existing Moffices (Mobile Vans), Paintings and Posters depicting and spreading the desired message across the villages.

Tata AIG Life, the first life insurance company in India to launch specific micro insurance products, is committed to anticipating consumer needs and delivering innovative solutions addressing the needs of the rural population, especially those who have had none or very little access to organised financial services.

About Tata AIG Life Insurance Company Ltd.

Tata AIG Life Insurance Company Limited (Tata AIG Life) is a joint venture company, formed by the Tata Group and American International Group, Inc. (AIG). Tata AIG Life combines the Tata Group's pre-eminent leadership position in India and AIG's global presence as the world's leading international insurance and financial services organization. The Tata Group holds 74 per cent stake in the insurance venture with AIG holding the

balance 26 per cent. Tata AIG Life provides insurance solutions to individuals and corporates. Tata AIG Life Insurance Company was licensed to operate in India on February 12, 2001 and started operations on April 1, 2001.

The Tata Group

The Tata Group is one of India's largest and most respected business conglomerates, with revenues in 2004-05 of \$17.8 billion (Rs. 799,118 million), the equivalent of about 2.8 per cent of the country's GDP. Tata companies together employ some 215,000 people. The Group's 32 publicly listed enterprises - among them standout names such as Tata Steel, Tata Consultancy Services, Tata Motors and Tata Tea - have a combined market capitalisation that is the highest among Indian business houses in the private sector, and a shareholder base of over 2 million. The Tata Group has operations in more than 40 countries across six continents, and its companies export products and services to 140 nations.

American International Group, Inc. (AIG)

American International Group, Inc. (AIG), world leaders in insurance and financial services, is the leading international insurance organization with operations in more than 130 countries and jurisdictions. AIG companies serve commercial, institutional and individual customers through the most extensive worldwide property-casualty and life insurance networks of any insurer. In addition, AIG companies are leading providers of retirement services, financial services and asset management around the world. AIG's common stock is listed in the U.S. on the New York Stock Exchange, as well as the stock exchanges in London, Paris, Switzerland and Tokyo.