

**L-42- Valuation Basis (Group Business )**  
**Chapter on Valuation Basis**

**a. How the policy data needed for valuation is accessed.**

The data is extracted by the branch offices using the extraction software programs given by the Central Office. The extracted data is submitted by the branches to Central Offices through the Zonal Offices.

**b. How the valuation bases are supplied to the system**

This is done by making changes in the software programs directly at Central Office.

I) Interest Rate		2021-22: Qtr ending 30.09.2021		2020-21: Qtr ending 30.09.2020	
		Maximum	Minimum	Maximum	Minimum
<b>Par</b>	<b>Non-Linked -VIP</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Non-Linked -Others</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Linked -VIP</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Linked-Others</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
<b>Non-Par</b>	<b>Non-Linked -VIP</b>				
	Life	6.7% p.a.	5.3% p.a.	6.7% p.a.	6.25% p.a.
	General Annuity	Not Applicable			
	Pension	6.4% p.a.	6.4% p.a.	6.7% p.a.	6.7% p.a.
	Health	Not Applicable			
	<b>Non-Linked -Others</b>				
	Life	7.4% p.a.	7.4% p.a.	7.8% p.a.	7.6% p.a.
	General Annuity	Not Applicable			
	Pension	7.1% p.a.	6.7% p.a.	7.6% p.a.	7.4% p.a.
	Health	Not Applicable			
	<b>Linked -VIP</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Linked -Others</b>				
	Life	5.5% p.a.	5.5% p.a.	5.5% p.a.	5.5% p.a.
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			

II) Mortality Rate		2021-22: Qtr ending 30.09.2021	2020-21: Qtr ending 30.09.2020
<b>Par</b>	<b>Non-Linked -VIP</b>		
	Life	Not Applicable	
	General Annuity	Not Applicable	
	Pension	Not Applicable	
	Health	Not Applicable	
	<b>Non-Linked -Others</b>		
	Life	Not Applicable	
	General Annuity	Not Applicable	
	Pension	Not Applicable	
	Health	Not Applicable	
	<b>Linked -VIP</b>		
	Life	Not Applicable	
	General Annuity	Not Applicable	
	Pension	Not Applicable	
	Health	Not Applicable	
	<b>Linked-Others</b>		
Life	Not Applicable		
General Annuity	Not Applicable		
Pension	Not Applicable		
Health	Not Applicable		
<b>Non-Par</b>	<b>Non-Linked -VIP</b>		
	Life	145 % IALM (2012-14) Ult.	145 % IALM (2012-14) Ult.
	General Annuity	Not Applicable	
	Pension	145 % IALM (2012-14) Ult.	145 % IALM (2012-14) Ult.
	Health	Not Applicable	
	<b>Non-Linked -Others</b>		
	Life	145 % IALM (2012-14) Ult.	145 % IALM (2012-14) Ult.
	General Annuity	Not Applicable	
	Pension	IIAM (2012-15) Rated down by 3 years	LIC (96-98) rated down by 6 years
	Health	Not Applicable	
	<b>Linked -VIP</b>		
	Life	Not Applicable	
	General Annuity	Not Applicable	
	Pension	Not Applicable	
	Health	Not Applicable	
	<b>Linked -Others</b>		
Life	145 % IALM (2012-14) Ult.	145 % IALM (2012-14) Ult.	
General Annuity	Not Applicable		
Pension	Not Applicable		
Health	Not Applicable		

<b>III) Morbidity Rate</b>		Not Applicable			
<b>IV) Fixed Expenses</b>		<b>2021-22: Qtr ending 30.09.2021</b>		<b>2020-21: Qtr ending 30.09.2020</b>	
		<b>Maximum</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Minimum</b>
<b>Par</b>	<b>Non-Linked -VIP</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Non-Linked -Others</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Linked -VIP</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Linked-Others</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
Pension	Not Applicable				
Health	Not Applicable				
<b>Non-Par</b>	<b>Non-Linked -VIP</b>				
	Life	32000 (per policy)	31000 (per policy)	29000 (per policy)	27500 (per policy)
	General Annuity	Not Applicable			
	Pension	37000 (per policy)	37000 (per policy)	34000 (per policy)	34000 (per policy)
	Health	Not Applicable			
	<b>Non-Linked -Others</b>				
	Life	320 (per life)	157 (per life)	300 (per life)	148 (per life)
	General Annuity	Not Applicable			
	Pension	352 (per life)	205 (per life)	330 (per life)	191 (per life)
	Health	Not Applicable			
	<b>Linked -VIP</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Linked -Others</b>				
	Life	375 (per life)	375 (per life)	335 (per life)	335 (per life)
	General Annuity	Not Applicable			
Pension	Not Applicable				
Health	Not Applicable				

<b>V) Variable Expenses</b>		Not Applicable			
<b>VI) Inflation</b>		<b>2021-22: Qtr ending 30.09.2021</b>		<b>2020-21: Qtr ending 30.09.2020</b>	
		<b>Maximum</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Minimum</b>
<b>Par</b>	<b>Non-Linked -VIP</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Non-Linked -Others</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Linked -VIP</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Linked-Others</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
<b>Non-Par</b>	<b>Non-Linked -VIP</b>				
	Life	3%	3%	3%	3%
	General Annuity	Not Applicable			
	Pension	3%	3%	3%	3%
	Health	Not Applicable			
	<b>Non-Linked -Others</b>				
	Life	3%	3%	3%	3%
	General Annuity	Not Applicable			
	Pension	3%	3%	3%	3%
	Health	Not Applicable			
	<b>Linked -VIP</b>				
	Life	Not Applicable			
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
	<b>Linked -Others</b>				
	Life	3%	3%	3%	3%
	General Annuity	Not Applicable			
	Pension	Not Applicable			
	Health	Not Applicable			
<b>VII) Withdrawl Rates</b>		Not Applicable			
<b>VIII) Future Bonus Rates (Assumption)</b>		Not Applicable			

<b>Change in Valuation Methods or Bases (as compared to previous quarter)</b>		
<b>Non-Par</b>	<b>Non-Linked -Others - Pension</b>	
	Interest Rate	Interest Rate for Valuation changed from 6.80 % to 6.70 %
	Mortality Rate	Mortality Rate for Valuation changed from LIC (96-98) rated down by 6 years to IIAM (2012-15) Rated down by 3 years
	<b>Non-Linked -Others - Life</b>	
	Interest Rate	Interest Rate for Valuation changed from 7.6 % to 7.4 %
	<b>Linked -VIP - Life</b>	
Interest Rate	Minimum Interest Rate for Valuation changed from 6.25% to 5.3%	