

a. How the policy data needed for valuation is accessed:
 The IT department provides the data required for performing the valuation. IT extracts the data from the Policy Administration System by means of a query. Fields that are necessary for the purpose of valuation are extracted. Validation checks are performed on the data received from the Policy administration system with that received from other departments like finance and operations. The download contains details of both base policies and riders. The data is then converted in to the requisite format, used for valuation purpose, using a Data Conversion System (DCS) package. The actuarial valuation process is done by means of the actuarial

b. How the valuation bases are supplied to the system:
 The valuation parameters are classified as:
 Global: These are common across businesses and do not vary according to product, e.g., tax on surplus, inflation, etc.
 Input: These are product-specific, e.g., expenses, commission, etc.
 The non-variants are classified as constants and the individual modal points are generated using DCS package after validation checks. These model points are fed into the Prophet System for generating the valuation output.

Type	Category of business	Interest Rate		Mortality Rate		Morbidity Rate		Fixed Expenses		Variable Expenses		Inflation Rate		Withdrawal rates		Future Bonus Rates (Assumption)		
		As at September 2022 for the year 2022-23	As at September 2021 for the year 2021-22	As at September 2022 for the year 2022-23	As at September 2021 for the year 2021-22	As at September 2022 for the year 2022-23	As at September 2021 for the year 2021-22	As at September 2022 for the year 2022-23	As at September 2021 for the year 2021-22	As at September 2022 for the year 2022-23	As at September 2021 for the year 2021-22	As at September 2022 for the year 2022-23	As at September 2021 for the year 2021-22	As at September 2022 for the year 2022-23	As at September 2021 for the year 2021-22	As at September 2022 for the year 2022-23	As at September 2021 for the year 2021-22	
Par	Non-Linked -VIP																	
	Life	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	General Annuity	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Pension	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Health	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Non-Linked -Others																	
	Life	6.50%	6.50%	100% to 148.50%	100% to 148.50%	NA	NA	600.30 to 919.04	577.20 to 883.69	0.275% to 0.66%	0.275% to 0.66%	4% p.a	4% p.a	5% to 10% in first year and 0 to 5% in second year	5% to 10% in first year and 0 to 5% in second year	1.55% to 3.30% compound reversionary bonus	1.55% to 3.30% compound reversionary bonus	
	General Annuity	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Pension	6.50%	6.50%	100% to 148.50%	100% to 148.50%	NA	NA	0	0	3.30%	3.30%	4% p.a	4% p.a	5% to 10% in first year and 0 to 5% in second year	5% to 10% in first year and 0 to 5% in second year	7% simple reversionary bonus	7% simple reversionary bonus	
	Health	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Linked -VIP																	
	Life	4.50%	4.50%	100%	100%	NA	NA	919.04	883.69	0%	0%	4% p.a	4% p.a	NA	NA	NA	NA	
General Annuity	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Pension	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Health	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Linked -Others																		
Life	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
General Annuity	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Pension	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Health	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Non-Par	Non-Linked -VIP																	
	Life	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	General Annuity	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Pension	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Health	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
	Non-Linked -Others																	
	Life	6.00% to 7.65%	6.00% to 7.65%	27.39% to 148.50%	27.39% to 148.50%	NA	NA	312.04 to 919.04	300.56 to 883.69	0.11% to 0.61%	0.11% to 0.61%	4% pa	4% pa	10% for 1st year and 5% in 2nd Year and 0% thereafter	10% for 1st year and 5% in 2nd Year and 0% thereafter	NA	NA	
	General Annuity	6%	6%	63% to 90%	63% to 70%	NA	NA	424.00 to 424.00	407.68 to 407.68	0%	0%	4% pa	4% pa	NA	NA	NA	NA	
	Pension	4.5% to 7.5%	4.5% to 7.5%	63% to 70%	63% to 70%	NA	NA	919.33	883.97	0%	0%	4% pa	4% pa	0%	0%	NA	NA	
	Health	6%	6%	54.90 % to 100%	54.90 % to 100%	110% to 192.50% of CIBT 93 rates	110% to 192.50% of CIBT 93 rates	630.56	606.32	0%	0%	4% pa	4% pa	NA	NA	NA	NA	
	Linked -VIP																	
	Life	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
General Annuity	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Pension	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Health	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Linked -Others																		
Life	6%	6%	100%	100%	NA	NA	569.69 to 884.99	547.78 to 850.95	0% to 0.026%	0% to 0.026%	4% pa	4% pa	0%	0%	NA	NA		
General Annuity	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Pension	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Health	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Group	Group Business	6%	6%	107.13% to 224.40%	107.13% to 224.40%	NA	NA	18.98 to 96.96	18.25 to 92.56	NA	NA	4% pa	4% pa	NA	NA	NA	NA	

- The percentages shown above refer to the adjustments made to the base tables. The base table used for Non-participating annuity products was "Mortality for Annuitants - LIC (a) (1996-98) Ultimate Rates" and for all other assurance products both Indian Assured Lives Mortality (2012 -2014) (modified) UR.
- The morbidity assumption used in valuation varies from 110% to 192.5% of CIBT 93 rates and 100% of K_r factor (proportion of K_r deaths out of total deaths at age x in any year).
- In addition to this in respect of Unit Linked policies, additional expenses varying from 0.3% to 0.8% to unit balance based on type of fund was also allowed. In respect of traditional paid up policies, expenses @40% of that of inforce policy expense was allowed for in the valuation as at 00 January 1900. In case of Individual Pension Plan where premium discontinued beyond a year, expense @ 75% of inforce policy expense has been used for valuation as on 00 January 1900.
- Bonus Rates : Each year bonus rates are declared on 31st of March post annual actuarial valuation in accordance with section 49 of Insurance Act,1938 and IRDA (Distribution of Surplus) Regulations, 2002.
- Policymakers Reasonable Expectations
- Taxation and Shareholder Transfers
- Basics of provisions for Incurred But Not Reported (IBNR)
- Change in Valuation Methods or Bases (comparison to valuation bases as at 00 January 1900)

I. Individuals Assurance

1. Interest	Participating	Dec-21	
		Min	Max
3. Initiation	Non participating	No Change	No Change
		No Change	No Change
No change other than allowing for implied inflation			
No Change			
II. Annuities			
1. Interest	a. Annuity in payment	No Change	No Change
		No Change	No Change
2. Expenses	b. Annuity during deferred period	No Change	No Change
		No Change	No Change
3. Initiation	c. Pension : All Plans	No Change	No Change
		No Change	No Change
No change other than allowing for implied inflation			
No Change			
III. Unit Linked			
1. Interest	a. Annuity in payment	No Change	No Change
		No Change	No Change
2. Expenses	b. Annuity during deferred period	No Change	No Change
		No Change	No Change
3. Initiation	c. Pension : All Plans	No Change	No Change
		No Change	No Change
No change other than allowing for implied inflation			
No Change			
IV. Health			
1. Interest	a. Annuity in payment	No Change	No Change
		No Change	No Change
2. Expenses	b. Annuity during deferred period	No Change	No Change
		No Change	No Change
3. Initiation	c. Pension : All Plans	No Change	No Change
		No Change	No Change
No change other than allowing for implied inflation			
No Change			
V. Group			
1. Interest	a. Annuity in payment	No Change	No Change
		No Change	No Change
2. Expenses	b. Annuity during deferred period	No Change	No Change
		No Change	No Change
3. Initiation	c. Pension : All Plans	No Change	No Change
		No Change	No Change
No change other than allowing for implied inflation			
No Change			