

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 : Interest rate taken for each segment	2018-19 for the year ending as on 31.03.2019
1.Group Gratuity Cash Accumulation	Note 1
2.Group Superannuation Cash Accumulation**	Note 1
3.Group Leave Encashment	Note 1
4.Deposit Administration Scheme & Group Equalisation Account	Note 1
5.Group Saving Linked	Note 1
6.Group Insurance	NA
7.Group Mortgage Redemption Assurance	7.60%
8.Single Premium Group Insurance	7.60%
9.New Single Premium Group Insurance	7.60%
10.Voluntary Retirement Scheme	7.60%
11.Immediate Annuity Non ROC	7.60%
12.Immediate Annuity with ROC	7.60%
13.Group Superannuation Deferred Annuity	7.40%
14.Individual Deffered Annuity Plan	7.40%
15.Group Gratuity Pure Endowment	7.80%
16. Gratuity Plus	5.50%
17.LIC's Group Flexible Income Benefit Plan	7.60%
18.LIC's New Group Gratuity Cash Accumulation	Note 2
19.LIC's New Group Superannuation Cash Accumulation	Note 2
20.LIC's New Group Leave Encashment	Note 2
21.LIC's New OYRGTA Plan I	NA
22.LIC's New OYRGTA Plan II	NA
23.Group Credit Life Insurance	7.60%
24.PMJBY	NA
25. Social Security Schemes including PMJDY, Converged PMJBY & Converged AABY	NA
26. Riders	NA

**INCLUDES KRISHI SHRAMIK SAMAJIK SURAKSHA YOJANA SCHEME

II) Mortality Rates : the mortality rates used for each segment	2018-19 for the year ending as on 31.03.2019
1.Group Gratuity Cash Accumulation	valued under GI
2.Group Superannuation Cash Accumulation**	NA
3.Group Leave Encashment	valued under GI
4.Deposit Administration Scheme & Group Equalisation Account	NA
5.Group Saving Linked	Valued under GI
6.Group Insurance	Premium Basis using Unearned Premium Reserve Method
7.Group Mortgage Redemption Assurance	135% Indian Assured Lives Mortality (2006-08) Ult.
8.Single Premium Group Insurance	135% Indian Assured Lives Mortality (2006-08) Ult.
9.New Single Premium Group Insurance	135% Indian Assured Lives Mortality (2006-08) Ult.
10.Voluntary Retirement Scheme	LIC a(96-98) rated down by 6 Year
11.Immediate Annuity Non ROC	LIC a(96-98) rated down by 6 Year
12.Immediate Annuity with ROC	LIC a(96-98) rated down by 6 Year
13.Group Superannuation Deferred Annuity	135% Indian Assured Lives Mortality (2006-08) Ult.
14.Individual Deffered Annuity Plan	135% Indian Assured Lives Mortality (2006-08) Ult.
15.Group Gratuity Pure Endowment	135% Indian Assured Lives Mortality (2006-08) Ult.
16.Gratuity Plus	135% Indian Assured Lives Mortality (2006-08) Ult.
17.Group Flexible Income Benefit Plan	LIC a(96-98) rated down by 6 Year
18.LIC's New Group Gratuity Cash Accumulation	135% Indian Assured Lives Mortality (2006-08) Ult.
19.LIC's New Group Superannuation Cash Accumulation	NA
20.LIC's New Group Leave Encashment	135% Indian Assured Lives Mortality (2006-08) Ult.
21.LIC's New OYRGTA Plan I	Premium Basis using Unearned Premium Reserve Method
22.LIC's New OYRGTA Plan II	Premium Basis using Unearned Premium Reserve Method
23.Group Credit Life Insurance	135% Indian Assured Lives Mortality (2006-08) Ult.
24.PMJBY	Premium Basis using Unearned Premium Reserve Method + Premium Deficiency Reserve
25. Social Security Schemes including PMJDY, Converged PMJBY & Converged AABY	Premium Basis using Unearned Premium Reserve Method
26. Riders	Premium Basis using Unearned Premium Reserve Method

**INCLUDES KRISHI SHRAMIK SAMAJIK SURAKSHA YOJANA SCHEME

III) Expense :	2018-19 for the year ending as on 31.03.2019
1.Group Gratuity Cash Accumulation	note 1
2.Group Superannuation Cash Accumulation**	note 1
3.Group Leave Encashment	note 1
4.Deposit Administration Scheme & Group Equalisation Account	note 1
5.Group Saving Linked	note 1
6.Group Insurance	Premium Basis using Unearned Premium Reserve Method
7.Group Mortgage Redemption Assurance	Claim Expenses of Rs. 178 per life inflating at 3% pa. Admn Expenses of Rs. 143 per life inflating at 3% pa.
8.Single Premium Group Insurance	Claim Expenses of Rs. 178 per life inflating at 3% pa. Admn Expenses of Rs. 143 per life inflating at 3% pa.
9.New Single Premium Group Insurance	Claim Expenses of Rs. 178 per life inflating at 3% pa. Admn Expenses of Rs. 143 per life inflating at 3% pa.
10.Voluntary Retirement Scheme	Claim Expenses of Rs. 178 per life inflating at 3% pa. Admn Expenses of Rs. 186 per life inflating at 3% pa.
11.Immediate Annuity Non ROC	Admn Expenses of Rs. 186 per life inflating at 3% pa.
12.Immediate Annuity with ROC	Claim Expenses of Rs. 178 per life inflating at 3% pa. Admn Expenses of Rs. 186 per life inflating at 3% pa.
13.Group Superannuation Deferred Annuity	Admn Expenses of Rs. 321 per life inflating at 3% pa.
14.Individual Deffered Annuity Plan	Admn Expenses of Rs. 321 per life inflating at 3% pa.
15.Group Gratuity Pure Endowment	Admn Expenses of Rs. 286 per life inflating at 3% pa.
16.Gratuity Plus	Admn Expenses of Rs. 300 per life inflating at 3% pa.
17.Group Flexible Income Benefit Plan	Claim Expenses of Rs. 178 per life inflating at 3% pa. Admn Expenses of Rs. 186 per life inflating at 3% pa.
18.LIC's New Group Gratuity Cash Accumulation	Rs.26500 per policy inflating at 3% pa.
19.LIC's New Group Superannuation Cash Accumulation	Rs.32500 per policy inflating at 3% pa.
20.LIC's New Group Leave Encashment	Rs.27500 per policy inflating at 3% pa.
21.LIC's New OYRGTA Plan I	Premium Basis using Unearned Premium Reserve Method
22.LIC's New OYRGTA Plan II	Premium Basis using Unearned Premium Reserve Method
23.Group Cr�dit Life Insurance	Claim Expenses of Rs. 178 per life inflating at 3% pa. Admn Expenses of Rs. 143 per life inflating at 3% pa.
24.PMJBY	Premium Basis using Unearned Premium Reserve Method
25. Social Security Schemes including PMJDY, Converged PMJBY & Converged AABY	Premium Basis using Unearned Premium Reserve Method
26. Riders	Premium Basis using Unearned Premium Reserve Method
Note 1: The liability under these schemes has been taken as the fund value as at 31.03.2019.	
Note 2: The liability under these schemes has been taken as the fund value as at 31.03.2019 plus additional reserves for mortality and expenses are calculated using discount rate of 6.70%p.a	
**INCLUDES KRISHI SHRAMIK SAMAJIK SURAKSHA YOJANA SCHEME	