

Name of the Insurer: Life Insurance Corporation of India
Registration No. : 512

Date: 31.03.2023

Indian Embedded Value as at March 31, 2023

1 ASSUMPTIONS

LINE OF BUSINESS	Mortality*	Maintenance Expenses	Discontinuance
Participating	43% - 109%	526-1051	0% - 40%
Non Participating**	24% - 172%	142-1081	0 % - 48%
Pension/Annuity	43% - 109%	260-1261	0% - 42%
Linked	43% - 109%	580-1325	0 % - 19%
Group***	Funded Schemes: NIL Protection: 100% IALM12-14	Funded Schemes: 2 -20 bps of Fund under Management Protection: 225 per life p.a.	Funded Schemes: 15% Protection: NIL

* Above assumptions are as a % of IALM 12-14 except for Pension/annuity where it is a % of IIAM 12-15.

** Includes Savings, Protection and Health

*** Includes funded schemes and protection

REFERENCE RATES (ONE YEAR FORWARD RATES) USED FOR VIF IN % TERMS:

YEAR	RATE
1	7.19%
5	7.44%
10	7.51%
15	7.60%
20	7.66%
25	7.68%
30	7.69%

2 Relevant Actuarial / Professional guidance followed

The Embedded Value (EV) results have been prepared based on the Indian Embedded Value (IEV) methodology and principles as set out in Actuarial Practice Standard 10(version 1.02) (APS10) issued by the Institute of Actuaries of India (IAI).As APS10 is applicable for the limited purpose of an Initial Public Offering (IPO), compliance with APS10 is limited to the methodology and principles used to develop the EV Results presented in this report. The EV methodology is broadly in line with the Market Consistent Embedded Value (MCEV).

The methodology, assumptions and the results of Embedded Value have been reviewed by M/s Milliman Advisors LLP.

3 Analysis of changes / movement in EV :

Particulars	Embedded Value (Rs. Lakhs)	
	31/Mar/23	31/Mar/22
Opening EV	54,149,225	9,560,536
Opening Adjustment	-	37,417,155
Adjustment Opening EV	54,149,225	46,977,691
Value added by new business during the period	915,575	761,909
Expected return on existing business	4,157,732	2,271,948
Variance in operating experience		
Persistency	457,831	14,635
Mortality / morbidity	38,337	(52,673)
Expenses	(100,919)	19,467
Newly modeled plans		1,429,862
Change in operating assumptions	205,971	(524,281)
Other operating variance	213,758	1,657,097
EV operating earnings (EVOP)	5,888,286	5,577,964
Economic variances	(1,708,740)	573,388
Other non-operating variances/ Change in economic assumptions	(9,629)	1,020,163
Total EV earnings	4,169,917	7,171,515
Capital contributions / Dividend payouts	(94,875)	-
Closing adjustments	-	-
Closing EV	58,224,267	54,149,205
Components of EV		
Free Surplus	3,640,299	1,052,655
Required Capital	971,200	-
VIF	53,612,768	53,096,550
Embedded Value	58,224,267	54,149,205