



[IRDA Registration No.135 dated 19th December 2007]

AGEAS Federal Life Insurance Co Ltd. Registered Office: 22nd floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel (E), Mumbai 400013, India. www.AGEASfederal.com
Corporate Identity Number (CIN) – U66010MH2007PLC16716

VALUATION BASIS (LIFE) - 2021-22

(a) How the policy data needed for valuation is accessed.

Separate data files for each product with policy/member level information required for valuation is provided by the IT Team in text format after extraction from the policy administration system. Data validations and checks are performed by the actuarial team on this data for ensure completeness, consistency and accuracy. Then data files compatible with the actuarial valuation software are prepared.

(b) How the valuation bases are supplied to the system.

The valuation bases are supplied to the system through various tables (internal) linked to the workspace of the actuarial valuation system.

(1) Interest: Maximum and minimum interest rate taken for each segment is illustrated below

(i) Individual Business	Maximum	Minimum
(i.1) Life- Participating policies	5.96%	5.18%
(i.2) Life- Non-participating Policies	8.73%	5.18%
(i.3) Annuities- Participating policies	NA	NA
(i.4) Annuities – Non-participating policies	6.11%	5.33%
(i.5) Annuities- Individual Pension Plan	5.65%	4.87%
(i.6) Unit Linked	4.58%	3.80%
(i.7) Health Insurance	5.28%	4.50%
(ii) Group Business		
(ii.1) Life- Participating policies	NA	NA
(ii.2) Life- Non-participating Policies	5.70%	4.92%
(ii.3) Annuities- Participating policies	NA	NA
(ii.4) Annuities – Non-participating policies	NA	NA
(ii.5) Annuities- Individual Pension Plan	NA	NA
(ii.6) Unit Linked	4.58%	4.58%
(ii.7) Health Insurance	NA	NA

(2) Mortality Rates: Maximum and minimum mortality rates taken for each segment is illustrated below

Expressed as a percentage of IALM 2012-14, unless otherwise stated

(i) Individual Business	Maximum	Minimum
(i.1) Life- Participating policies	258.50%	77.00%
(i.2) Life- Non-participating Policies	247.50%	28.60%
(i.3) Annuities- Participating policies	NA	NA
(i.4) Annuities – Non-participating policies*	90.00%	90.00%
(i.5) Annuities- Individual Pension Plan	77.00%	77.00%
(i.6) Unit Linked	77.00%	77.00%
(i.7) Health Insurance	138%	138%

Expressed as a percentage of Indian Individual Annuitant's Mortality Table (2012-15)

*Appropriate mortality improvement factor is applied.

(ii) Group Business

(ii.1) Life- Participating policies	NA	NA
(ii.2) Life- Non-participating Policies	167.20%	57.20%
(ii.3) Annuities- Participating policies	NA	NA
(ii.4) Annuities – Non-participating policies	NA	NA
(ii.5) Annuities- Individual Pension Plan	NA	NA
(ii.6) Unit Linked	77.00%	77.00%
(ii.7) Health Insurance	NA	NA

(3) Expenses: Maximum and minimum fixed maintenance expense as at June 30, 2021 taken for each segment is illustrated below. Expenses are inflated monthly at 5% per annum.

(i) Individual Business	Maximum	Minimum
(i.1) Life- Participating policies	737.0	515.9
(i.2) Life- Non-participating Policies	807.4	196.6
(i.3) Annuities- Participating policies	NA	NA
(i.4) Annuities – Non-participating policies	565.2	565.2
(i.5) Annuities- Individual Pension Plan	807.4	565.2
(i.6) Unit Linked	807.4	565.2
(i.7) Health Insurance	807.4	565.2
(ii) Group Business		
(ii.1) Life- Participating policies	NA	NA
(ii.2) Life- Non-participating Policies	807.4	565.2
(ii.3) Annuities- Participating policies	NA	NA
(ii.4) Annuities – Non-participating policies	NA	NA
(ii.5) Annuities- Individual Pension Plan	NA	NA
(ii.6) Unit Linked	0.28% of Fund	0.28% of Fund
(ii.7) Health Insurance	NA	NA

allowance of 0.17% for investment related expenses is made to above rates



[IRDA Registration No.135 dated 19th December 2007]

AGEAS Federal Life Insurance Co Ltd. Registered Office: 22nd floor, A Wing, Marathon Futurex, N. M. Joshi Marg, Lower Parel (E), Mumbai 400013, India. www.AGEASfederal.com
Corporate Identity Number (CIN) – U66010MH2007PLC16716

VALUATION BASIS (LIFE) - 2021-22

(4) Bonus Rates**(i) Individual Business**

For participating policies, the future reversionary bonus rates vary between 0.5% to 6.30% and terminal bonus rates vary between 0% to 19%.

(ii) Group Business

Not applicable.

(5) Policyholder's Reasonable Expectations

The Policyholder's Reasonable Expectation (PRE) is formed through several sources:

- a) Sales & marketing literature
- b) Policy illustrations
- c) Past performance/Company's practice
- d) Industry practice

The Company allows for this PRE while declaring bonus rates to its participating policyholders.

(6) Taxation and Shareholder's Transfers

Taxation (where applicable) of surplus and shareholder transfers have been treated as additional cashflows in determination of reserves.

(7) Basis of provisions for Incurred But Not Reported (IBNR)**(i) Individual Business**

Provision for Incurred But Not Reported (IBNR) claims is based on chain-ladder method approach.

(ii) Group Business

Provision for Incurred But Not Reported (IBNR) claims is equal to four twelfth of the annual premium of the in-force policies.

(8) Changes in Valuation Methods or Bases**(i) Individual Assurances**

1. Interest	No Change
2. Expenses	No Change
3. Inflation	No Change

(ii) Annuities

1. Interest	No Change
1a. Annuity in payment	No Change
1b. Annuity during deferred period	No Change
2. Expenses	No Change
3. Inflation	No Change

(iii) Unit Linked

1. Interest	No Change
2. Expenses	No Change
3. Inflation	No Change

(iv) Health

1. Interest	No Change
2. Expenses	No Change
3. Inflation	No Change

(v) Group

1. Interest	No Change
2. Expenses	No Change
3. Inflation	No Change

Notes Zero surrenders are assumed for the purpose of determination of reserves.