L-42- Valuation Basis (Life Insurance)

Name of the Insurer: SBI LIFE INSURANCE COMPANY LIMITED

Valuation as at 31.12.2018

1) a. How the policy data needed for valuation is accessed.	Data is extracted as at the end of each month. Reasonablene checks are done to ensure the quality of data. After validition, the data is used for valuation.
b. How the valuation bases are supplied to the system	
1) Interest : Maximum and minimum interest rate taken for each segment	
i. Individual Business	
1. Life- Participating policies	5.95%
2. Pension- Participating policies	5.95%
3. Life- Non-participating policies (Including unitized non-pension policies)	5.65%
4. Pension- Non-participating policies (Including unitized pension policies)	5.65%
5. Annuities- Participating policies	NA
6. Annuities – Non-participating policies	6.00%
7. Annuities- Individual Pension plan	NA
8. Unit-Linked	Non Unit-Fund: 5.65%
9. Health Insurance	5.65%
ii. Group Business	
1. Annuities – Non-participating policies	6.00%
2. Other Group policies	5.65%
2) Mortality/Morbidity Rates : The mortality/morbidity rates used for each segment	**i. Individual Business**
	1. Life-participating policies (including VIP) 90% to 130% of IALM 2006-08 Ultimate depending on the product
	2. Pension-participating policies 80% of IALM 2006-08 Ultimate
	3. Life- Non-participating policies (Including VIP) 65% to 150% of IALM 2006-08 Ultimate depending on the product
	4. Pension- Non-participating policies 80% of IALM 2006-08 Ultimate
	5. Annuities – participating policies NA
	6. Annuities – Non-participating policies 80% of LIC a(96-98) Annuitant Rates; with 1% p.a. mortality improvement
	7. Annuities – Individual Pension Plan NA
	8. Unit-Linked 65% to 110% of IALM 2006-08 Ultimate
	9. Health Insurance 130% of the Reinsurance rates
	ii. Group Business
	1. Annuities – Non-participating policies 80% of LIC a(96-98) Annuitant Rates; with 1% p.a. mortality improvement
	2. Unit Linked 80% of IALM 2006-08 Ultimate
	3. Other Group policies 80% to 115% of IALM 2006-08 Ultimate depending on the product

3) Expenses :	
	i. Individual Business
	1. Life-participating policies (Including VIP) Single Premium / Fully paid-up (after PPT)/ Partly paid-up: 400 Regular Premium Policy (in force): 560 Inflation @ 5.50% p.a.
	2. Pension-participating policies Single Premium / Fully paid-up (after PPT)/ Partly paid-up: 400 Regular Premium Policy (in force): 560 Inflation @ 5.50% p.a.
	3. Life- Non-participating policies (Including VIP) Single Premium / Fully paid-up (after PPT)/ Partly paid-up: 75 to 450 depending on the product Regular Premium Policy (in force): 100 to 605 depending on the product Inflation @ 5.50% p.a.
	4. Pension- Non-participating policies Single Premium / Fully paid-up (after PPT)/ Partly paid-up: 450 Regular Premium Policy (in force): 580 Inflation @ 5.50% p.a.
	5. Annuities – participating policies NA
	6. Annuities – Non-participating policies Single Premium Policy: 505 Inflation @ 5.50% p.a.
	7. Annuities – Individual Pension Plan NA
	8. Unit-Linked Single Premium / Fully paid-up (after PPT)/ Partly paid-up: 525 Regular Premium Policy (in force): 700 Inflation @ 5.50% p.a.
	9. Health Insurance Regular Premium Policy: 560 Inflation @ 5.50% p.a.
	ii. Group Business
	1. Annuities – Non-participating policies Single Premium Policy: 505 Inflation @ 5.50% p.a.
	2. Other Group policies Single Premium / Fully paid-up (after PPT)/ Partly paid-up Per Life: Ranging from 12 to 225 based on the product Regular Premium Per Life: Ranging from 4 to 300 based on the product Inflation @ 5.50% p.a.

4) Bonus Rates :	
	i. Individual Business
	1. Life-participating policies Refer Annexure A
	2. Pension-participating policies Refer Annexure A
	3. Life- Non-participating policies NA
	4. Pension- Non-participating policies NA
	5. Annuities – participating policies NA
	6. Annuities – Non-participating policies NA
	7. Annuities – Individual Pension Plan NA
	8. Unit Linked NA
	9. Health Insurance NA
	ii. Group Business
	1. Annuities – Non-participating policies NA
	2. Pension-participating policies Refer Annexure A
	3. Other Group policies NA

5) Policyholders Reasonable Expectations	Policyholders' Reasonable Expectation are being taken into account while arriving at discretionary benefits like reversionary bonuses. However the bonuses are declared after evaluating bonus earning capacity of each product further classified by mode of payment (Single/Regular Premium) and policy terms so that bonuses are equitable for groups of policyholders. Bonuses are smoothed and are based on pooled experience.
6) Taxation and Shareholder Transfers	As per tax laws
7) Basis of provisions for Incurred But Not Reported (IBNR)	Calculated using Modified Chain Ladder Method
8) Change in Valuation Methods or Bases	
i. Individuals Assurance	
1. Interest	Method - No change ; Bases Change - As above
2. Expenses	Method - No change ; Bases Change - As above
3. Inflation	Method - No change ; Bases Change - As above
ii. Annuitie	
1. Interest	
a. Annuity in payment	Method - No change ; Bases Change - As above
b. Annuity during deferred period	NA
c. Pension : All Plans	Method - No change ; Bases Change - As above
2. Expenses	Method - No change ; Bases Change - As above
3. Inflation	Method - No change ; Bases Change - As above
iii. Unit Linke	
1. Interest	Method - No change ; Bases Change - As above
2. Expenses	Method - No change ; Bases Change - As above
3. Inflation	Method - No change ; Bases Change - As above
iv. Healtl	
1. Interest	Method - No change ; Bases Change - As above
2. Expenses	Method - No change ; Bases Change - As above
3. Inflation	Method - No change ; Bases Change - As above
v. Grou	
1. Interest	Method - No change ; Bases Change - As above
2. Expenses	Method - No change ; Bases Change - As above
3. Inflation	Method - No change ; Bases Change - As above

Name of the Insurer: SBI LIFE INSURANCE COMPANY LIMITED

Annexure A

Valuation as at 31.12.2018

Table A: Simple Reversionary, Interim and Terminal Bonus Rates

Sr. No.	Product Name	Premium Type	Policy Term (in years)	Reversionary Bonus Rate #	Interim Bonus Rate (Future Bonus Rate) #	Terminal Bonus Rate ##	Future Terminal Bonus
1	**Sudarshan Plan A UIN: 111N008V01**	Regular Premium	5-9	Run Off	Run Off	Run Off	Run Off
			10-14	2.00%	2.00%	30.00%	5.00%
			15 - 19	2.00%	2.00%	30.00%	5.00%
			20 - 24	1.75%	1.75%	5.00%	5.00%
			25 & above	1.55%	1.55%	5.00%	5.00%
		Single Premium	5-9	Run Off	Run Off	Run Off	Run Off
			10-14	3.00%	3.00%	30.00%	5.00%
			15 - 19	3.00%	3.00%	40.00%	5.00%
			20 - 24	2.50%	2.50%	5.00%	5.00%
			25 & above	2.25%	2.25%	5.00%	5.00%
2	**Sudarshan Plan B UIN: 111N008V01**	Regular Premium	5-9	Run Off	Run Off	Run Off	Run Off
			10-14	2.00%	2.00%	30.00%	5.00%
			15 - 19	2.00%	2.00%	30.00%	5.00%
			20 - 24	1.75%	1.75%	5.00%	5.00%
			25 & above	1.55%	1.55%	5.00%	5.00%
		Single Premium	5-9	Run Off	Run Off	Run Off	Run Off
			10-14	3.50%	3.50%	30.00%	5.00%
			15 - 19	3.50%	3.50%	40.00%	5.00%
			20 - 24	3.00%	3.00%	5.00%	5.00%
			25 & above	3.00%	3.00%	5.00%	5.00%
3	**Scholar UIN: 111N004V01**	Regular Premium	6-11	Run Off	Run Off	Run Off	Run Off
			12-16	3.25%	3.25%	30.00%	5.00%
			17 - 21	3.25%	3.25%	30.00%	5.00%
		Single Premium	6-11	Run Off	Run Off	Run Off	Run Off
			12-16	3.75%	3.75%	30.00%	5.00%
			17 - 21	3.75%	3.75%	30.00%	5.00%
4	**Scholar II UIN: 111N020V01**	Regular Premium	6-11	3.25%	3.25%	30.00%	5.00%
			12-16	3.25%	3.25%	30.00%	5.00%
			17 - 21	3.25%	3.25%	5.00%	5.00%
		Single Premium	6-11	4.25%	4.25%	30.00%	5.00%
			12-16	4.25%	4.25%	30.00%	5.00%
			17 - 21	4.25%	4.25%	5.00%	5.00%
5	**Money Back UIN: 111N019V01**	Regular Premium	10 (Plan-1)	2.00%	2.00%	30.00%	5.00%
			15 (Plan-2)	1.75%	1.75%	30.00%	5.00%
			20 (Plan-3)	1.75%	1.75%	5.00%	5.00%
			25 (Plan-4)	1.75%	1.75%	5.00%	5.00%
6	**Sanjeevan Supreme UIN: 111N016V01**	Regular Premium	15 (Plan-1)	4.00%	4.00%	30.00%	5.00%
			20 (Plan-2)	3.75%	3.75%	5.00%	5.00%
			20 (Plan-3)	3.75%	3.75%	5.00%	5.00%
			25 (Plan-4)	3.50%	3.50%	5.00%	5.00%
		Single Premium	15 (Plan-1)	4.25%	4.25%	30.00%	5.00%
			20 (Plan-2)	4.00%	4.00%	5.00%	5.00%
			20 (Plan-3)	4.00%	4.00%	5.00%	5.00%
			25 (Plan-4)	3.75%	3.75%	5.00%	5.00%
7	**Shubh Nivesh UIN: 111N055V01 Plan 1 - Endowment Option**	Regular Premium	5-9	3.25%	3.25%	45.00%	5.00%
			10-14	3.25%	3.25%	5.00%	5.00%
			15 - 19	3.25%	3.25%	5.00%	5.00%
			20 - 24	3.25%	3.25%	5.00%	5.00%
			25 & above	3.25%	3.25%	5.00%	5.00%
		Single Premium	5-9	3.50%	3.50%	45.00%	5.00%
			10-14	3.50%	3.50%	5.00%	5.00%
			15 - 19	3.50%	3.50%	5.00%	5.00%
			20 - 24	3.50%	3.50%	5.00%	5.00%
			25 & above	3.50%	3.50%	5.00%	5.00%
	Shubh Nivesh UIN: 111N055V01 Plan 2 - Whole Life Option	Regular Premium	5-9	3.50%	3.50%	45.00%	5.00%
			10-14	3.50%	3.50%	5.00%	5.00%
			15 - 19	3.50%	3.50%	5.00%	5.00%
			20 - 24	3.50%	3.50%	5.00%	5.00%
			25 & above	3.50%	3.50%	5.00%	5.00%
		Single Premium	5-9	3.50%	3.50%	45.00%	5.00%
			10-14	3.50%	3.50%	5.00%	5.00%
			15 - 19	3.50%	3.50%	5.00%	5.00%
			20 - 24	3.50%	3.50%	5.00%	5.00%
			25 & above	3.50%	3.50%	5.00%	5.00%
8	**Shubh Nivesh UIN: 111N055V02 Plan 1 - Endowment Option**	Regular Premium	7-9	3.00%	3.00%	5.00%	5.00%
			10-14	3.00%	3.00%	5.00%	5.00%
			15 - 19	3.00%	3.00%	5.00%	5.00%
			20 - 24	3.00%	3.00%	5.00%	5.00%
			25 & above	3.00%	3.00%	5.00%	5.00%
		Single Premium	5-9	3.00%	3.00%	30.00%	5.00%
			10-14	3.00%	3.00%	5.00%	5.00%
			15 - 19	3.00%	3.00%	5.00%	5.00%
			20 - 24	3.00%	3.00%	5.00%	5.00%
			25 & above	3.00%	3.00%	5.00%	5.00%

	Shubh Nivesh **UIN: 111N055V02** **Plan 2 - Whole Life Option**	Regular Premium	15 - 19	3.00%	3.00%	5.00%	5.00%
			20 - 24	3.00%	3.00%	5.00%	5.00%
			25 & above	3.00%	3.00%	5.00%	5.00%
		Single Premium	15 - 19	3.00%	3.00%	5.00%	5.00%
			20 - 24	3.00%	3.00%	5.00%	5.00%
			25 & above	3.00%	3.00%	5.00%	5.00%
9	**Shubh Nivesh** **UIN: 111N055V03** **Plan 1 - Endowment Option**	Regular Premium	7-9	3.00%	3.00%	5.00%	5.00%
			10-14	3.00%	3.00%	5.00%	5.00%
			15 - 19	3.00%	3.00%	5.00%	5.00%
			20 - 24	3.00%	3.00%	5.00%	5.00%
			25 & above	3.00%	3.00%	5.00%	5.00%
		Single Premium	5-9	3.00%	3.00%	5.00%	5.00%
			10-14	3.00%	3.00%	5.00%	5.00%
			15 - 19	3.00%	3.00%	5.00%	5.00%
			20 - 24	3.00%	3.00%	5.00%	5.00%
			25 & above	3.00%	3.00%	5.00%	5.00%
	Shubh Nivesh **UIN: 111N055V03** **Plan 2 - Whole Life Option**	Regular Premium	15 - 19	3.00%	3.00%	5.00%	5.00%
			20 - 24	3.00%	3.00%	5.00%	5.00%
			25 & above	3.00%	3.00%	5.00%	5.00%
		Single Premium	15 - 19	3.00%	3.00%	5.00%	5.00%
			20 - 24	3.00%	3.00%	5.00%	5.00%
			25 & above	3.00%	3.00%	5.00%	5.00%
10	**Sanjeevan** **UIN: 111N001V01**	Single Premium	20 (Plan 1)	1.50%	1.50%	5.00%	5.00%
			15 (Plan 2)	1.50%	1.50%	30.00%	5.00%
			10 (Plan 3)	Run Off	Run Off	Run Off	Run Off
11	**Young Sanjeevan** **UIN: 111N002V01**	Single Premium	All	Run Off	Run Off	Run Off	Run Off
12	**Saral Life** **UIN: 111N071V01**	Regular Premium	10 (Plan-1)	3.25%	3.25%	5.00%	5.00%
			15 (Plan-2)	3.25%	3.25%	5.00%	5.00%
			20 (Plan-3)	3.25%	3.25%	5.00%	5.00%
			25 (Plan-4)	3.25%	3.25%	5.00%	5.00%
13	**Smart Money Back Insurance** **UIN: 111N082V01**	Regular Premium	12 (Plan-1)	3.25%	3.25%	5.00%	5.00%
			15 (Plan-2)	3.25%	3.25%	5.00%	5.00%
			20 (Plan-3)	3.25%	3.25%	5.00%	5.00%
			25 (Plan-4)	3.25%	3.25%	5.00%	5.00%
14	**Smart Income Protect** **UIN: 111N085V01**	Regular Premium	5 (Plan-1)	3.25%	3.25%	30.00%	5.00%
			10 (Plan-2)	3.25%	3.25%	5.00%	5.00%
			15 (Plan-3)	3.25%	3.25%	5.00%	5.00%
15	**Smart Income Protect** **UIN: 111N085V02**	Regular Premium	7 (Plan-1)	2.85%	2.85%	5.00%	5.00%
			12 (Plan-2)	2.85%	2.85%	5.00%	5.00%
			15 (Plan-3)	2.85%	2.85%	5.00%	5.00%
16	**Smart Income Protect** **UIN: 111N085V03**	Regular Premium	7 (Plan-1)	2.85%	2.85%	5.00%	5.00%
			12 (Plan-2)	2.85%	2.85%	5.00%	5.00%
			15 (Plan-3)	2.85%	2.85%	5.00%	5.00%
17	**Saral Pension** **UIN: 111N088V01**	Regular Premium	All	3.25%	3.25%	5.00%	5.00%
		Single Premium	All	3.25%	3.25%	15.00%	5.00%
18	**Saral Pension** **UIN: 111N088V02**	Regular Premium	All	3.00%	3.00%	5.00%	5.00%
		Single Premium	All	3.25%	3.25%	15.00%	5.00%
19	**Smart Money Back Gold** **UIN: 111N096V01**	Regular Premium	12 (Plan-1)	2.50%	2.50%	5.00%	5.00%
			15 (Plan-2)	2.50%	2.50%	5.00%	5.00%
			20 (Plan-3)	2.50%	2.50%	5.00%	5.00%
			25 (Plan-4)	2.50%	2.50%	5.00%	5.00%
20	**Smart Money Back Gold** **UIN: 111N096V02**	Regular Premium	12 (Plan-1)	2.50%	2.50%	5.00%	5.00%
			15 (Plan-2)	2.50%	2.50%	5.00%	5.00%
			20 (Plan-3)	2.50%	2.50%	5.00%	5.00%
			25 (Plan-4)	2.50%	2.50%	5.00%	5.00%
21	**Smart Champ Insurance** **UIN: 111N098V01**	Regular Premium	8-11	2.75%	2.75%	5.00%	5.00%
			12-16	2.75%	2.75%	5.00%	5.00%
			17 - 21	2.75%	2.75%	5.00%	5.00%
		Single Premium	8-11	3.25%	3.25%	5.00%	5.00%
			12-16	3.25%	3.25%	5.00%	5.00%
			17 - 21	3.25%	3.25%	5.00%	5.00%
22	**Smart Champ Insurance** **UIN: 111N098V02**	Regular Premium	8-11	2.75%	2.75%	5.00%	5.00%
			12-16	2.75%	2.75%	5.00%	5.00%
			17 - 21	2.75%	2.75%	5.00%	5.00%
		Single Premium	8-11	3.25%	3.25%	5.00%	5.00%
			12-16	3.25%	3.25%	5.00%	5.00%
			17 - 21	3.25%	3.25%	5.00%	5.00%
23	**Smart Money Planner** **UIN: 111N101V01**	Regular Premium	15 (Plan-1)	3.25%	3.25%	5.00%	5.00%
			20 (Plan-2)	3.25%	3.25%	5.00%	5.00%
			20 (Plan-3)	3.25%	3.25%	5.00%	5.00%
			25 (Plan-4)	3.25%	3.25%	5.00%	5.00%
		Single Premium	15 (Plan-1)	3.25%	3.25%	5.00%	5.00%
			20 (Plan-2)	3.25%	3.25%	5.00%	5.00%
			20 (Plan-3)	3.25%	3.25%	5.00%	5.00%
			25 (Plan-4)	3.25%	3.25%	5.00%	5.00%
24	**Smart Money Planner** **UIN: 111N101V02**	Regular Premium	15 (Plan-1)	3.25%	3.25%	5.00%	5.00%
			20 (Plan-2)	3.25%	3.25%	5.00%	5.00%
			20 (Plan-3)	3.25%	3.25%	5.00%	5.00%
			25 (Plan-4)	3.25%	3.25%	5.00%	5.00%
		Single Premium	15 (Plan-1)	3.25%	3.25%	5.00%	5.00%
			20 (Plan-2)	3.25%	3.25%	5.00%	5.00%
			20 (Plan-3)	3.25%	3.25%	5.00%	5.00%
			25 (Plan-4)	3.25%	3.25%	5.00%	5.00%
25	**Smart Humsafar** **UIN: 111N103V01**	Regular Premium	10 - 14	2.75%	2.75%	5.00%	5.00%
			15 - 19	2.75%	2.75%	5.00%	5.00%
			20 - 24	2.75%	2.75%	5.00%	5.00%
			25 & above	2.75%	2.75%	5.00%	5.00%

26	**Smart Humsafar UIN: 111N103V02**	Regular Premium	10 - 14	2.75%	2.75%	5.00%	5.00%
			15 - 19	2.75%	2.75%	5.00%	5.00%
			20 - 24	2.75%	2.75%	5.00%	5.00%
			25 & above	2.75%	2.75%	5.00%	5.00%
27	**Smart Woman Advantage UIN: 111N106V01**	Regular Premium	10	2.75%	2.75%	5.00%	5.00%
			15	2.75%	2.75%	5.00%	5.00%
28	**Smart Bachat UIN: 111N108V01**	Regular Premium	10 - 14	2.50%	2.50%	5.00%	5.00%
			15 - 19	2.75%	2.75%	5.00%	5.00%
			20 - 24	2.75%	2.75%	5.00%	5.00%
			25	2.75%	2.75%	5.00%	5.00%

Bonus Rates as a percentage of Sum Assured.
The rate of Terminal Bonus is a percentage of the total amount of bonuses (Reversionary plus Interim).
The future Bonus rates are assumed as per the Interim bonus rates.
The future bonus rates and future terminal bonus rates are only assumptions and in no way indicate the actual bonus rates that the Company would declare in future.

Table B1 - Pension Products

Sr. No.	Product Name	Premium Type	Policy Term (in years)	Regular Accumulating Bonus Rate *	Interim Bonus Rate *	Terminal Bonus Rate *	Future Terminal Bonus Rate *
1	Life Long Pension Plan - Individual (UIN: 111N011V01)	Regular Premium	All	7.25%	7.00%	7.50%	7.50%
		Single Premium	All	7.25%	7.00%	7.50%	7.50%
2	Life Long Pension Plan - Group (UIN: 111N012V01)	Regular Premium	All	7.25%	7.00%	7.50%	7.50%
		Single Premium	All	7.25%	7.00%	7.50%	7.50%

Table B2 - VIP Products

Sr. No.	Product Name	Premium Type	Policy Term (in years)	A. Min. Guaranteed Bonus Interest Rate	B. Regular Bonus interest Rate*	C. Interim Bonus Interest Rate *	Terminal Bonus Rate
1	Flexi Smart Plus - Individual (UIN: 111N093V01)	Regular Premium	All	1.00%	6.50%	6.25%	2.25%

Note: Bonus type B and C are in addition to A.
* Regular Accumulating & Interim Bonus Rates are a percentage applied on opening fund and other cashflows during the year.
For Life Long Pension products, terminal bonus rate is to be applied on the total allocated bonus. For Flexi Smart Plus, terminus bonus rate is to be applied on total fund value.
Future bonus rates and terminal bonus rates are only assumptions and in no way indicate the actual bonus rates that the Company would declare in future.