

Form L-44 Embedded Value

(Annual Disclosure)

Name of the Insurer: Life Insurance Corporation of India**Date: 31.03.2025**

Registration No. : 512

Indian Embedded Value as at March 31, 2025**1 ASSUMPTIONS**

LINE OF BUSINESS	Mortality*	Maintenance Expenses	Discontinuance
Participating	29% - 102%	537-1149	0% - 40%
Non Participating**	17% - 172%	172-1307	0 % - 93%
Pension/Annuity***	29% - 102%	187-1149	0% - 42%
Linked	29% - 102%	688-1411	0 % - 50%
Group****	Funded Schemes: NIL Protection: 1. OYRGTA: Loss Ratio 90% 2. More than one year term assurance: 100% IALM12-14	Funded Schemes: 2 -20 bps of Fund under Management Protection: 260 per life p.a.	Funded Schemes: 13% 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 both Par and Non-Par Pension/Annuity

**** Includes funded schemes and protection

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

YEAR	RATE
1	6.60%
5	6.67%
10	7.14%
15	7.38%
20	7.47%
25	7.49%
30	7.50%

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 BDO.

3 Analysis of changes / movement in EV :

Particulars	Embedded Value (Rs. Lakhs)	
	31/Mar/25	31/Mar/24
Opening EV	7,27,34,433	5,82,24,267
Opening Adjustment		
Adjustment Opening EV	7,27,34,433	5,82,24,267
Value added by new business during the period	10,01,126	9,58,271
Expected return on existing business	70,09,270	52,19,789
Variance in operating experience		
Persistency	(1,08,101)	69,244
Mortality / morbidity	(2,645)	30,546
Expenses	66,419	(2,13,993)
Change in operating assumptions	1,84,842	4,82,919
Other operating variance	1,11,125	1,51,140
EV operating earnings (EVOP)	82,62,037	66,97,915
Economic variances	(17,20,866)	1,09,83,318
Other non-operating variances/ Change in economic assumptions	(12,08,550)	(14,36,907)
Total EV earnings	53,32,621	1,62,44,326
Future charge to SH fund*	-	(12,91,410)
Capital contributions / Dividend payouts	(3,79,500)	(4,42,750)
Closing EV	7,76,87,554	7,27,34,433
Components of EV		
Free Surplus	71,53,466	40,58,383
Required Capital	48,72,343	28,85,878
VIF	6,56,61,744	6,57,90,171
Embedded Value	7,76,87,554	7,27,34,433

* Future charge of INR 12914 crores to Shareholders' fund over a period of three years starting from FY 2024-25, towards excess of expenses over allowable limits as per regulatory approval