

**LIFE INSURANCE CORPORATION OF INDIA  
CENTRAL OFFICE**

Dept: Actuarial

“Yogakshema”  
Jeevan Bima Marg  
Mumbai – 400 021

Ref: CO/PD/298

5<sup>th</sup> January, 2026

To,  
All HODs of Central Office  
All Zonal Offices  
All Divisional Offices  
All P&GS Units  
All Branch Offices and Satellite Offices  
Audit & Inspection Depts, MDC, ZTCs, STCs

**Re: INTRODUCTION OF LIC's JEEVAN UTSAV SINGLE PREMIUM (Plan No- 883)**

**1. INTRODUCTION:**

It has been decided to introduce **LIC's Jeevan Utsav Single Premium (Plan No. 883)** with effect from **12.01.2026**.

The Unique Identification Number (UIN) for LIC's Jeevan Utsav Single Premium is **512N392V01**. This number has to be quoted in all relevant documents furnished to the Policyholders and other users (public, distribution channels etc.).

LIC's Jeevan Utsav Single Premium is a Non-Par, Non-Linked, Individual, Savings, Whole Life Insurance plan. It is a Single Premium plan with accrual of Guaranteed Additions during Guaranteed Addition Period. Proposer can choose Guaranteed Addition Period from 7 years to 17 years. Further, the proposer can also choose one of the following Survival Benefit Options at inception:

- **Option I - Regular Income Benefit**
- **Option II - Flexi Income Benefit**

However, the policyholder can change the Survival Benefit Option (i.e. from Option I - Regular Income Benefit to Option II - Flexi Income Benefit or vice versa) during the Guaranteed Addition Period. The benefits shall vary as per the Survival Benefit Option chosen.

This Plan can be purchased Offline through Licensed Agents, Corporate Agents, Brokers, Insurance Marketing Firms (IMFs) as well as Online directly through Corporation's website [www.licindia.in](http://www.licindia.in). However, it is not available for sale through Point of Sales Persons-Life Insurance (POSP-LI) / Common Public Service Centers – Special Purpose Vehicle (CPSC-SPV).

The benefits and other details of the plan are given below:



LIC's Jeevan Utsav Single Premium (Plan No: 883)

## 2. ELIGIBILITY CONDITIONS AND RESTRICTIONS FOR BASE PLAN:

i.	Guaranteed Addition Period (in years)	7 years to 17 years							
ii.	Minimum Age at Entry	<div>Guaranteed Addition Period (in years)</div> <div>7 8 9 10 11 12 13 14 15 16 17</div>	<div>Minimum Age at Entry (Completed)</div> <div>10 years 9 years 8 years 7 years 6 years 5 years 4 years 3 years 2 years 1 year 30 days</div>						
iii.	Maximum Age at Entry	65 years (nearer birthday)							
iv.	Minimum age on due date of First Regular Income Benefit/ Flexi Income Benefit	18 Years (Completed)							
v.	Premium Paying Term	Single Premium							
vi.	Age at maturity	100 years (nearer birthday)							
vii.	Policy Term	(100 - Age at Entry) years							
viii.	Minimum Basic Sum Assured	Rs 5,00,000/-							
ix.	Maximum Basic Sum Assured	No Limit. However, the maximum Basic Sum Assured allowed to each individual will be subject to underwriting decision as per the Board Approved Underwriting Policy.							
x.	Basic Sum Assured Multiples	<div>The Basic Sum Assured shall be in the following multiples:</div> <table><tr><td>Basic Sum Assured Range</td><td>Basic Sum Assured Multiple</td></tr><tr><td>Rs 5,00,000 to Rs 24,50,000</td><td>Rs 25,000</td></tr><tr><td>Above Rs 24,50,000</td><td>Rs 50,000</td></tr></table>		Basic Sum Assured Range	Basic Sum Assured Multiple	Rs 5,00,000 to Rs 24,50,000	Rs 25,000	Above Rs 24,50,000	Rs 50,000
Basic Sum Assured Range	Basic Sum Assured Multiple								
Rs 5,00,000 to Rs 24,50,000	Rs 25,000								
Above Rs 24,50,000	Rs 50,000								

### Note:

- Age at Entry** of Life assured is to be taken as Age Nearer Birthday (nbd) except for Minimum Age at Entry which shall be taken as shown under Para 2.ii above. The period between Date of Birth and Date of Issuance of policy should not be less than 30 days.
- Date of commencement of risk:** In case the age at entry of the Life Assured is less than 8 years, the risk under this plan will commence either 2 years from the date of commencement of policy or from the policy anniversary coinciding with or immediately following the attainment of 8 years of age, whichever is earlier. For those aged 8 years or more, risk will commence immediately from the date of issuance of policy.

- c) **Date of issuance of policy** is a date when a proposal after underwriting is accepted as a policy and the contract gets effected.
- d) **Date of Vesting under the plan (Applicable only if the Life Assured is below 18 years on the date of commencement of policy)**: If the Life Assured is alive on the vesting date and if a request in writing for surrendering the policy has not been received by Corporation before such vesting date from the person entitled to the policy moneys, the policy shall automatically vest in the Life Assured on such vesting date i.e. on the policy anniversary coinciding with or immediately following the completion of 18 years of age and shall on such vesting be deemed to be a contract between the Corporation and Life Assured. The Life Assured shall become the absolute owner of the policy and proposer or his estate shall cease to have any right or interest therein.

### 3. BENEFITS UNDER THE BASE PLAN:

The benefits payable under a Base policy are as under:

#### A. **Death Benefit:**

On death of the Life Assured after the date of commencement of risk, Death Benefit equal to “**Sum Assured on Death**” along with accrued Guaranteed Additions shall be payable.

Where “Sum Assured on Death” is defined as the higher of:

- Basic Sum Assured; or
- 1.25 times of Tabular Single Premium.

“**Tabular Single Premium**” is the premium for the chosen Basic Sum Assured based on age of the life assured and Guaranteed Addition Period, before allowing for rebate or any underwriting extra and does not include any taxes and Rider Premium, if any.

Under Option II - Flexi Income Benefit, in addition to above any accumulated value of Flexi Income Benefit(s) due and not withdrawn shall also be payable.

However, in case of minor Life Assured, whose age at entry is below 8 years, on death of the Life Assured before the date of commencement of Risk (as specified in Para 2 above), the death benefit payable shall be Return of Single Premium paid (excluding taxes, any extra premium and rider premium(s), if any), without interest.

#### B. **Survival Benefit:**

Survival Benefit in the form of Regular Income Benefit or Flexi Income Benefit as per the Survival Benefit Option chosen shall be as under:

##### i. **Option I - Regular Income Benefit**

On survival of Life Assured, Regular Income Benefit equal to 10% of Basic Sum Assured shall be payable at the end of each policy year starting from the year as specified in **Table-1** below. These Regular Income Benefit payments shall continue till the Life Assured survives or till the policy anniversary prior to the date of maturity, whichever is earlier.

Table- 1	
Guaranteed Addition Period	Regular Income Benefit / Flexi Income Benefit Start Year
7 years	8 <sup>th</sup> policy year
8 years	9 <sup>th</sup> policy year
9 years	10 <sup>th</sup> policy year
10 years	11 <sup>th</sup> policy year
11 years	12 <sup>th</sup> policy year
12 years	13 <sup>th</sup> policy year
13 years	14 <sup>th</sup> policy year
14 years	15 <sup>th</sup> policy year
15 years	16 <sup>th</sup> policy year
16 years	17 <sup>th</sup> policy year
17 years	18 <sup>th</sup> policy year

**ii. Option II - Flexi Income Benefit**

On survival of Life Assured, the policyholder shall be eligible for Flexi Income Benefit equal to 10% of Basic Sum Assured at the end of each policy year starting from the year as specified in **Table-1** above. These Flexi Income Benefits shall continue till the Life Assured survives or till the policy anniversary prior to the date of maturity, whichever is earlier.

Each Flexi Income Benefit shall be deferred and accumulated at the accumulation rate of 5.5% p.a. compounding yearly for completed months from its due date till the date of withdrawal or surrender or death or maturity, whichever is earlier. Fraction of months will be ignored for the purpose of calculation of accumulated value.

Policyholder on written request can withdraw once in a policy year, a maximum of 75% of balance accumulated value of Flexi Income Benefit(s) (which has not already been withdrawn). The balance amount after withdrawal shall continue to accumulate as mentioned above.

The balance of accumulated Flexi Income Benefit(s) due and not withdrawn (if any) shall be payable on death or maturity or surrender, whichever is earlier.

The Policyholder can change the Survival Benefit Option i.e. from Option I (Regular Income Benefit) to Option II (Flexi Income Benefit) or vice versa during the Guaranteed Addition Period.

**C. Maturity Benefit:**

On the life assured surviving to the end of the policy term, "**Sum Assured on Maturity**" along with accrued Guaranteed Additions shall be payable.

Where "Sum Assured on Maturity" is defined as the higher of:

- Basic Sum Assured or
- 1.25 times of Tabular Single Premium.

Under Option II - Flexi Income Benefit, in addition to above, any accumulated value of Flexi Income Benefit(s) due and not withdrawn shall also be payable.



#### **D. Guaranteed Additions:**

The Guaranteed Additions shall accrue at the rate of Rs. 40 per thousand Basic Sum Assured at the end of each policy year during the Guaranteed Addition Period. Guaranteed Addition shall not accrue after the end of Guaranteed Addition Period.

On death of Life Assured during the Guaranteed Addition Period, the Guaranteed Addition in the year of death shall be payable for full policy year.

#### **4. OPTIONAL RIDER BENEFIT:**

The following two optional riders shall be available under this plan (both under Option I & II) by payment of additional premium subject to the eligibility as detailed below:

##### **i. LIC's Accidental Death and Disability Benefit Rider (UIN: 512B209V02):**

LIC's Accidental Death and Disability Benefit Rider is available as an optional rider by payment of additional premium at inception. The benefit cover under this Rider shall be available upto the policy anniversary on which the age nearer birthday of Life Assured is 70 years.

If this Rider is opted for, an amount equal to the Accident Benefit Sum Assured is payable on death due to accident within 180 days from the date of accident. In case of accidental permanent disability (within 180 days from the date of accident), an amount equal to the Accident Benefit Sum Assured will be paid in equal monthly instalments spread over 10 years. If the policy becomes a claim by way of death or maturity before the expiry of the said period of 10 years, the disability benefit instalments which have not fallen due will be paid along with the claim amount.

Beyond the specific details as mentioned in this Circular in respect of this Rider, any additional details like refund to be made in respect of this Rider on surrender of base policy, requirements of claim, definition of disability etc., may be referred from the Rider Circular Ref: CO/PD/226 dated 30<sup>th</sup> September, 2024

##### **Eligibility conditions and restrictions:**

a)	Minimum Entry Age	18 years (completed)
b)	Maximum Entry Age	Same as Base Policy.
c)	Rider Term	70 minus Age at entry
d)	Maximum Cover ceasing Age	70 years (nearer birthday)
e)	Minimum Accident Benefit Sum Assured	Rs. 10,000/-
f)	Maximum Accident Benefit Sum Assured	An amount equal to the <b>Basic Sum Assured</b> under the Base Policy subject to the maximum of Rs.100 lakhs overall limit taking all existing policies (excluding additional limit of Rs.100 lakhs under policies taken under LIC's Jeevan Shiromani) of the Life Assured under individual as well as group policies including policies with inbuilt accident benefit taken with Life Insurance Corporation of India and the Accident Benefit Sum Assured under the new proposal into consideration.

		Even considering the additional Accident Benefit Sum Assured limit of Rs. 100 lakhs above this, allowed under LIC's Jeevan Shiromani only, the maximum Accident Benefit cover offered to an individual in any case including the policies taken under LIC's Jeevan Shiromani will not exceed Rs. 200 lakh.
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The Accident Benefit Sum Assured shall be in multiples of Rs. 5,000/- only.

**Note: The overall limit of Accident Benefit Sum Assured shall be inclusive of Sum Assured under all the Accident Benefit Riders i.e. the LIC's Accidental Death and Disability Benefit Rider, LIC's Accident Benefit Rider, LIC's Group Accident Benefit Rider and LIC's Linked Accidental Death Benefit Rider.**

**ii. LIC's New Term Assurance Rider (UIN: 512B210V02):**

LIC's New Term Assurance Rider is available as an optional rider at the inception of the policy by payment of additional premium. The benefit cover under this rider shall be available for a term of 35 years or till the policy anniversary on which the age nearer birthday of the Life assured is 75 years, whichever is earlier. Thereafter the cover shall cease.

If this rider is opted for, an amount equal to Term Rider Sum Assured on Death shall be payable on death of the Life Assured during Rider Term, provided the Rider Cover is in-force.

Beyond the specific details as mentioned in this circular in respect of this Rider, any additional details like refund to be made in respect of this Rider on surrender of Base plan etc., may be referred from the Rider circular Ref: CO/PD/227 dated 30<sup>th</sup> September, 2024.

**Eligibility conditions and restrictions:**

a)	Minimum Entry Age	18 years (completed)
b)	Maximum Entry Age	60 years (nearer birthday)
c)	Maximum Rider Term	35 years or (75 minus Age at entry) years, whichever is lower.
d)	Maximum cover ceasing Age	75 years (nbd)
e)	Minimum Term Assurance Rider Sum Assured	1,00,000/-
f)	Maximum Term Assurance Rider Sum Assured	An amount equal to the <b>Basic Sum Assured</b> under the Base policy subject to maximum of Rs.25 lakhs overall limit taking all Term Assurance Rider Sum Assured under all existing policies of the Life Assured including the new proposal into consideration.

The Term Assurance Rider Sum Assured shall be in multiples of Rs. 5,000/- only.

**Note:**

- The premiums under these life insurance riders put together shall not exceed 30% of premiums under the base plan.
- Any benefit arising under each of the riders shall not exceed Basic Sum Assured under the Base policy.

## 5. OPTIONS AVAILABLE UNDER BASE PLAN:

### I. Option to take death benefit in instalments:

This is an option to receive Death Benefit in instalments over the chosen period of 5 or 10 or 15 years instead of lump sum amount. This option can be exercised by the Policyholder during minority of the Life Assured or by Life Assured aged 18 years and above during his/her lifetime; for full or part of Death benefits payable under the policy. The amount opted by the Policyholder/ Life Assured (i.e. Net Claim Amount) can be either in absolute value or as a percentage of the total claim proceeds payable.

The instalments shall be paid in advance at yearly or half-yearly or quarterly or monthly intervals, as opted for, subject to minimum instalment amount for different modes of payments being as under:

Mode of Instalment payment	Minimum instalment amount
Monthly	Rs. 5,000/-
Quarterly	Rs. 15,000/-
Half-Yearly	Rs. 25,000/-
Yearly	Rs. 50,000/-

If the Net Claim Amount is less than the required amount to provide the minimum instalment amount as per the option exercised by the Policyholder/Life assured, the claim proceeds shall be paid in lumpsum only.

The interest rates applicable for arriving at the instalment payments under this option shall be as fixed by the Corporation from time to time.

For exercising option to take Death Benefit in instalments, the Policyholder during minority of the Life Assured or the Life Assured, if major, can exercise this option during his/her lifetime while in currency of the policy, specifying the period of Instalment payment and net claim amount for which the option is to be exercised. The death claim amount shall then be paid to the nominee as per the option exercised by the Policyholder/Life Assured and no alteration whatsoever shall be allowed to be made by the nominee.

Any further instructions including applicable interest rates shall be issued by Actuarial Department, Central Office.

### II. Settlement Option (for Maturity benefit):

This is an option to receive Maturity Benefit in instalments over the chosen period of 5 or 10 or 15 years instead of lump sum amount. This option can be exercised by the Policyholder during minority of the Life Assured or by Life Assured aged 18 years and above, for full or part of Maturity proceeds payable under the policy. The amount opted by the Policyholder/Life Assured (i.e. Net Claim Amount) can be either in absolute value or as a percentage of the total claim proceeds payable.

The instalments shall be paid in advance at yearly or half-yearly or quarterly or monthly intervals, as opted for subject to minimum instalment amount for different mode of payments being as under:



Mode of Instalment payment	Minimum instalment amount
Monthly	Rs. 5,000/-
Quarterly	Rs. 15,000/-
Half-Yearly	Rs. 25,000/-
Yearly	Rs. 50,000/-

If the Net Claim Amount is less than the required amount to provide the minimum instalment amount as per the option exercised by the Policyholder/Life Assured, the claim proceed shall be paid in lump sum only.

The interest rates applicable for arriving at the instalment payments under this option shall be as fixed by the Corporation from time to time.

For exercising the Settlement Option against Maturity Benefit, the Policyholder/Life Assured shall be required to exercise option for payment of net claim amount in instalments at least 3 months before the due date of maturity claim.

The first payment will be made on the date of maturity and thereafter, based on the mode of instalment payment opted for by the policyholder, every month or three months or six months or annually from the date of maturity, as the case may be.

#### **After the commencement of Instalment payments under Settlement Option:**

- i. If a Life Assured, who has exercised Settlement Option against Maturity Benefit, desires to withdraw this option and commute the outstanding instalments, the same shall be allowed on receipt of written request from the Life Assured. In such case, the lump sum amount which is higher of the following shall be paid and policy shall terminate,
  - discounted value of all the future instalments due; or
  - (the original amount for which Settlement Option was exercised) **less** (sum of total instalments already paid).
- ii. The interest rates applicable for discounting the future instalment payments shall be as fixed by the Corporation from time to time.
- iii. After the Date of Maturity, in case of death of the Life Assured, who has exercised Settlement Option, the outstanding instalments will continue to be paid to the nominee as per the option exercised by the Life Assured and no alteration whatsoever shall be allowed to be made by the nominee.

Any further instructions including applicable interest rates shall be issued by Actuarial Department, Central Office.

#### **6. MODE OF PREMIUM PAYMENT:**

This is a single premium payment plan.

#### **7. PREMIUM RATES:**

The Tabular premium rates and Class-I extra premium rates in respect of Base Plan as well as Class-I extra premium rates in respect of available Riders are enclosed as tabulated below:





<b>Annexure</b>	<b>Particulars</b>
<b>Annexure 1</b>	Tabular Premium rates per Rs. 1000/- Basic Sum Assured for <b>Base Plan</b> .
<b>Annexure 2</b>	Class- I Extra premium rates per Rs. 1000/- Basic Sum Assured for <b>Base Plan</b> .
<b>Annexure 3</b>	Tabular Premium rates per Rs. 1000/- Accident Benefit Sum Assured for <b>LIC's Accidental Death and Disability Benefit Rider</b> . There are two categories for Accident benefit premium rates. Category-I rates are applicable to all the Life Assured except those falling under Category –II. Category-II rates are applicable to Life Assureds engaged in police duty in any police organisation other than paramilitary forces and opt for this cover while engaged in police duty.
<b>Annexure 4</b>	Tabular Premium rates per Rs. 1000/- Term Assurance Rider Sum Assured for <b>LIC's New Term Assurance Rider</b> .
<b>Annexure 5</b>	Class- I Extra premium rates per Rs. 1000/- Term Assurance Rider Sum Assured for <b>LIC's New Term Assurance Rider</b> .

The above premium rates are exclusive of taxes, if any.

## 8. REBATES:

The following rebates shall be applicable under Base plan:

### i. Rebate for high Basic Sum Assured:

Rebate for high Basic Sum Assured shall depend on the age at entry and is allowed in the form of reduction in Tabular Premium. The rebates (in Rs.) per Rs. 1000 Basic Sum Assured are as under:

<b>Rebate for High Basic Sum Assured per Rs 1000 Basic Sum Assured</b>				
<b>Age at entry</b>	<b>Basic Sum Assured (in Rs)</b>			
	<b>5,00,000 to 9,75,000</b>	<b>10,00,000 to 24,50,000</b>	<b>25,00,000 to 49,50,000</b>	<b>50,00,000 &amp; above</b>
0 to 20 years	Nil	11.00	19.00	21.00
21 to 40 years	Nil	9.00	15.00	18.00
41 to 55 years	Nil	6.50	12.00	13.00
56 to 65 years	Nil	5.00	9.00	10.00

### ii. Rebate for existing Policyholder and Nominee/ Beneficiary of the deceased Policyholder:

The Rebate in Tabular Single Premium in terms of per Rs. 1000 Basic Sum Assured (BSA) for different category of existing policyholders including the nominee or beneficiary of deceased policyholder shall be as under:

Category of Policyholder	Rebate		
<p>In case an existing Policyholder having a policy with the Corporation which has matured within one year before the registration of proposal under this product and purchases this plan on his/her life and/or on the life of any of the family members*; Or If this plan is purchased by Nominee/ Beneficiary of the deceased Policyholder of the Corporation where date of death is within one year before the registration of proposal under this product; Or If this plan is purchased by an existing Policyholder having an in-force policy with the Corporation.</p> <p>(*Family members means Grandparent, Parent, Spouse, Children or Grandchildren)</p>	Guaranteed Addition Period (in years)	Rebate Rs. Basic Assured	Per 1000 Sum
	7 to 9	Rs. 0.80	
	10 to 14	Rs. 0.90	
	15 to 17	Rs. 1.00	

**Note:**

In case the plan is purchased by an existing Policyholder having an in-force policy with the Corporation, the existing policy must be in-force on the date of registration of proposal under this plan. In a situation of Cheque Dishonour or Free Look cancellation of the previous policy based on which the incentive has been given in the subsequent policy, such incentive given on subsequent policy (on account of existence of the previous policy) will be cancelled. In other words, the incentive for existing policyholder allowed under the subsequent policy on the strength of previous policy will be cancelled in case of Cheque Dishonour or Free Look cancellation of the previous policy based on which the incentive was allowed.

**iii. Rebate under Corporation's Insurance Scheme (CIS):**

Proposal to be completed under Corporation's Insurance Scheme (CIS) with regard to employees of the Corporation and its Subsidiaries/Step Down Subsidiaries/Associates Companies, as per the prevailing policy of the Corporation in this regard, shall be eligible for CIS rebate at the rate of 2% of the Tabular Single premium for Base Plan as well as Rider(s) premium, if opted for, provided policy is not taken through any Agents, Corporate Agents, Brokers, Insurance Marketing Firms (IMF).

CIS rebate shall be allowed to policies purchased either offline or online. However, in such cases of online purchase only CIS rebate shall be allowed.

Instructions in this regard, as applicable from time to time, shall be issued by Actuarial Department, Central Office.

**iv. Rebate under Online Sale:**

Proposal to be completed under Online Sale without any assistance of Agent / Intermediary shall be eligible for a rebate at the rate of 2% of the Tabular Single premium for Base Plan as well as Rider(s) premium, if opted for.

**The order in which the above Rebate shall be applicable is as below:**

1. Only one of the Rebates i.e. either rebate for Online Sale or Rebate under Corporation's Insurance Scheme (CIS) shall be allowed, if any. Rebate for Online Sale OR Rebate under Corporation's Insurance Scheme (CIS) calculated as a percentage of Tabular Single Premium shall be applied first, if any.
2. Thereafter, the following rebates shall be applicable:
  - Rebate for existing Policyholder and Nominee/ Beneficiary of the deceased Policyholder based on per Rs. 1,000 Basic Sum Assured shall be applied, if any.
  - Rebate for High Sum Assured based on per Rs. 1,000 Basic Sum Assured shall be applied, if any.

**Example - Calculation of Single Premium and Sum Assured on Death:**

(a)	Distribution Channel	Offline	Online
(b)	Age at entry	35	35
(c)	Guaranteed Addition Period	12	8
(d)	Tabular Premium for Rs. 1000/- Basic Sum Assured	723.75	928.30
(e)	Customer Type	New	Existing
(f)	Basic Sum Assured	10,00,000	10,00,000
(g)	Rebate for Online sale	Nil	2% of 928.30 = 18.5660
(h)	Rebate for Existing Customer	Nil	0.80
(i)	Rebate for high Basic Sum Assured	Rs. 9.00	Rs. 9.00
(j)	<b>Single Premium for Base plan</b>	$(723.75 - 9.00) * (BSA/1000) = 714750$	$(928.30 - 18.5660 - 0.80 - 9.00) * (BSA/1000) = 899934$
(k)	Tabular Single Premium	$723.75 * (BSA/1000) = 723750$	$(928.30 * (BSA/1000) = 928300$
(l)	<b>Sum Assured on Death</b>	Higher of $(723750 * 1.25 \text{ or } BSA) = 1000000.00$	Higher of $(928300 * 1.25 \text{ or } BSA) = 1160375$
(m)	<b>Sum Assured on Maturity</b>	1000000	1160375

**9. COMMISSION / REMUNERATION PAYABLE TO THE AGENTS AND OTHER INSURANCE INTERMEDIARIES & CREDIT TO DEVELOPMENT OFFICERS:**

**a) For Offline sale:**

Commission payable to Licensed Agents, Corporate agents, Brokers and Insurance Marketing Firms (IMFs) shall be 2% of Single Premium paid (excluding taxes, if any).

No bonus commission will be payable.

**b) For Online Sale:**

Agents / Insurance Intermediaries shall not be involved and hence no commission is payable.



**c) Development Officer's Credit (D.O. Credit):**

Credit to Development Officers shall be @ 5% of Single Premium paid (excluding taxes, if any).

**10. SURRENDER VALUE:**

The policy can be surrendered by the policyholder at any time during the policy term subject to realization of the cheque in case the premium is paid through cheques.

On surrender of a policy, the Corporation shall pay the Surrender Value higher of

- (a) Guaranteed Surrender Value (GSV) and surrender value of any accrued Guaranteed Additions; or
- (b) Special Surrender Value (SSV).

The Guaranteed Surrender Value, Surrender Value of any Guaranteed Additions and Special Surrender Value shall be as under:

**(a) Guaranteed Surrender Value (GSV) and Surrender Value of any accrued Guaranteed Additions:**

The Guaranteed Surrender Value and surrender value of any accrued Guaranteed Additions shall be as under:

<b>Option I - Regular Income Benefit</b>	<b>Option II – Flexi Income Benefit</b>
<b>During the first three policy years:</b> The Guaranteed Surrender Value shall be 75% of the Single Premium Paid.	<b>During the first three policy years:</b> The Guaranteed Surrender Value shall be 75% of the Single Premium Paid.
<b>Thereafter:</b> The Guaranteed Surrender Value shall be 90% of the Single Premium Paid <i>reduced by</i> Regular Income Benefits due and paid till the date of surrender, if any.	<b>Thereafter:</b> The Guaranteed Surrender Value shall be 90% of the Single Premium Paid <i>reduced by</i> Flexi Income Benefits due till the date of surrender, if any.

Single Premium referred above shall not include taxes, if any, any extra premium and premium for rider(s), if opted for.

For the calculation of GSV, the accrued Guaranteed Additions shall include the Guaranteed Additions for each of the completed policy year and the Guaranteed Additions on proportionate basis in proportion to the completed months for the Policy Year in which policy is surrendered. The Guaranteed Additions as specified in Para 3. D shall be considered.

The surrender value of any accrued Guaranteed Additions shall be the accrued Guaranteed Additions *multiplied by* GSV factor applicable to the accrued Guaranteed Additions.

The GSV factors applicable to accrued Guaranteed Additions are expressed as percentages and shall depend on the policy year in which the policy will be surrendered and are enclosed as **Annexure 6**.



**(b) Special Surrender Value:**

Special Surrender Value will be payable, if it is more favourable to the Policyholder.

The Special Surrender Value (SSV) shall be the sum of the following:

- [(Sum Assured on Death *plus* Accrued Guaranteed Additions) *multiplied by* Factor 1];
- [(Future Annual applicable Guaranteed Addition) *multiplied by* Factor 4];
- [(Sum Assured on Maturity *plus* Total Guaranteed Additions that shall accrue during the Guaranteed Addition Period) *multiplied by* Factor 2];
- (Survival Benefit payable during a policy year *multiplied by* Factor 3).

i.e. Special Surrender Value = [(Sum Assured on Death + Accrued Guaranteed Additions) x Factor 1] + (Future Annual applicable Guaranteed Addition) x Factor 4 + [(Sum Assured on Maturity + Total Guaranteed Additions that shall accrue during the Guaranteed Addition Period) x Factor 2] + (Survival Benefit payable during a policy year) x Factor 3.

However, in case of minor life wherein the policy is surrendered before the date of commencement of risk, the Special Surrender value shall be *sum* of the following:

- [Single Premium paid (excluding taxes, any extra premium and rider premium(s), if any) *multiplied by* Factor 1];
- [(Sum Assured on Maturity *plus* Total Guaranteed Additions that shall accrue during the Guaranteed Addition Period) *multiplied by* Factor 2]; and
- (Survival Benefit payable during a policy year *multiplied by* Factor 3).

Survival Benefit may be in the form of Regular Income Benefit or Flexi Income Benefit as per the Survival Benefit Option chosen. The 'Sum Assured on Death' and 'Sum Assured on Maturity' shall be as specified in Para 3.

The accrued Guaranteed Additions shall include the Guaranteed Additions for each of the completed policy year prior to the surrender and the Guaranteed Additions on proportionate basis in proportion to the duration elapsed during the policy year in which policy is surrendered.

Future Annual applicable Guaranteed Additions shall be the Guaranteed Additions for a policy year and shall be at the Rate of Guaranteed Additions as specified in Para 3 D.

The total Guaranteed Additions that shall accrue during the Guaranteed Additions Period shall include all the Guaranteed Additions which would have been applicable had the policy continued till the end of Guaranteed Addition Period (i.e Guaranteed Additions shall be considered for the period equal to Guaranteed Addition Period).

The Factor 1 and Factor 2 shall depend on the duration elapsed as on date of surrender since commencement of the policy and are enclosed as **Annexure - 7(A)** and **Annexure- 7(B)** respectively. Factor 3 and Factor 4 shall depend on the Guaranteed Addition Period and the duration elapsed as on date of surrender since commencement of the policy and is enclosed as **Annexure- 7(C)** and **Annexure-7(D)** These factors have been provided for half-year duration and the duration elapsed shall be taken to the nearest half-year.

These factors shall be reviewed annually and instructions in this regard shall be issued by Actuarial Department, Central Office.

Under Option II - Flexi Income Benefit, in addition to surrender value as calculated above any accumulated value of Flexi Income Benefit(s) due and not withdrawn shall also be payable.

Further, if the policy is surrendered during the last policy year before the date of maturity the discounted value of maturity claim shall be payable; where the Maturity Claim is the "Sum Assured on Maturity" along with Accrued Guaranteed Additions. However, in any case, discounted value of maturity claim in the year of maturity shall not be less than the surrender value.

Upon payment of Surrender value, the Policy terminates and no further benefits shall be payable.

Instructions regarding discounting of maturity claim along with applicable interest rate shall be issued by Actuarial Department, Central Office.

LIC's Accidental Death and Disability Benefit Rider and LIC's New Term Assurance Rider will not acquire any surrender value. However, refund of additional Rider premiums charged in respect of cover shall be refunded in respect of these riders and shall be as prescribed in the introductory circular of the rider.

The examples for calculating the surrender value in different scenarios for Policy sold through Offline channel are as under:

<b>Base policy details are as under:</b>		
<b>Age = 35 years, BSA = 10 Lakhs, Guaranteed Addition Period = 12 years</b>		
<b>Scenario 1: Policy is surrendered after 2 years and 11 months.</b>		
Basic Sum Assured (A)		Rs.10,00,000
Tabular annual premium		Rs. 723.75
Rebate for high Basic Sum Assured		Rs. 9
Single Premium paid	$(723.75 - 9) * 1000000 / 1000$	Rs. 7,14,750
Guaranteed Addition (GA) for each year	$40 * 1000000 / 1000$	Rs. 40,000
1.25 times of Tabular Single Premium (B)	$(1.25 * 723.75 * 1000000) / 1000$	Rs. 9,04,687.50
Sum Assured on Death	Max(A, B)	Rs. 10,00,000
Accrued GA	GA for 2 completed years and 11 months (i.e. $40000 * 2 + 40000 * 11/12$ )	Rs. 1,16,666.67
Future annual applicable GA (i.e. GA for a policy year)	$40 * 1000000 / 1000$	Rs. 40,000
Sum Assured on Maturity	Max(A, B)	Rs. 10,00,000
Total Guaranteed Additions	$(40000 * 12)$	Rs. 4,80,000
Survival Benefit Payable during a policy year	$10\% * 1000000$	Rs. 1,00,000
SSV Factor 1 (F1)	For applicable	0.09570

	duration 3	
SSV Factor 2 (F2)	For applicable duration 3	0.00010
SSV Factor 3 (F3)	For applicable duration 3	6.01560
SSV Factor 4 (F4)	For applicable duration 3	0.07030
SSV	(Sum Assured on Death +Accrued GA)*F1+ Future annual applicable GA*F4+ (Sum Assured on Maturity+ Total GA)* F2 +Survival Benefit * F3	Rs. 7,11,385
<b>Scenario 2: Policy is surrendered after 5 years and 2 months.</b>		
Basic Sum Assured (A)		Rs. 10,00,000
Tabular annual premium		Rs. Rs. 723.75
Rebate for high Basic Sum Assured		Rs. 9
Single Premium paid	$(723.75 - 9) * 1000000 / 1000$	Rs. 7,14,750
Guaranteed Addition for each year	$40 * 1000000 / 1000$	Rs. 40,000
1.25 times of Tabular Single Premium (B)	$(1.25 * 723.75 * 1000000) / 1000$	Rs. 9,04,687.50
Sum Assured on Death	Max(A,B)	Rs. 10,00,000
Accrued GA	GA for 5 completed years and 2 months (i.e. $40000 * 5 + 40000 * 2/12$ )	Rs. 2,06,666.67
Future annual applicable GA (i.e. GA for a policy year)	$40 * 1000000 / 1000$	Rs. 40,000
Sum Assured on Maturity	Max(A, B)	Rs. 10,00,000
Total Guaranteed Additions	$(40000 * 12)$	Rs. 4,80,000
Survival Benefit Payable during a year	$10\% * 1000000$	Rs. 1,00,000
SSV Factor 1 (F1)	For applicable duration 5	0.10700
SSV Factor 2 (F2)	For applicable duration 5	0.00010
SSV Factor 3 (F3)	For applicable duration 5	6.93990
SSV Factor 4 (F4)	For applicable duration 5	0.05090
SSV	(Sum Assured on Death +Accrued GA)*F1+ Future annual applicable GA*F4+ (Sum Assured on Maturity+ Total GA)* F2 +Survival Benefit * F3	Rs. 8,25,287.33

<b>Scenario 3: Policy is surrendered after 15 years and 9 months.</b>		
Basic Sum Assured (A)		Rs. 10,00,000
Tabular annual premium		Rs. 723.75
Rebate for high Basic Sum Assured		Rs. 9
Single Premium paid	$(723.75 - 9) * 1000000 / 1000$	Rs. 7,14,750
Guaranteed Addition payable each year	$40 * 1000000 / 1000$	Rs. 40,000
1.25 times of Tabular Single Premium (B)	$(1.25 * 723.75 * 1000000) / 1000$	Rs. 9,04,687.5
Sum Assured on Death	Max(A,B)	Rs. 10,00,000
Accrued GA	GA for 12 completed years (i.e. $40000 * 12$ )	Rs. 4,80,000
Future annual applicable GA (i.e. GA for a policy year)	The Future GA does not apply in this case, as the GA period has already expired at the time of surrender.	0.00
Sum Assured on Maturity	Max(A, B)	Rs. 10,00,000
Total Guaranteed Additions	$(40000 * 12)$	Rs. 4,80,000
Survival Benefit Payable during a year	$10\% * 1000000$	Rs. 1,00,000
SSV Factor 1 (F1)	For applicable duration 16	0.19210
SSV Factor 2 (F2)	For applicable duration 16	0.00020
SSV Factor 3 (F3)	For applicable duration 16	10.98010
SSV Factor 4 (F4)	For applicable duration 16	0.00000
SSV	$(\text{Sum Assured on Death} + \text{Accrued GA}) * F1 + \text{Future annual applicable GA} * F4 + (\text{Sum Assured on Maturity} + \text{Total GA}) * F2 + \text{Survival Benefit} * F3$	Rs. 13,82,614

## 11. LOAN:

Loan shall be available under the plan, within the Surrender Value of the policy, during the Policy Term subject to the following terms and conditions:

- Under both Option I & Option II loan can be availed during the policy term at any time after three months from completion of the policy (i.e. 3 months from the Date of issuance of policy) or after expiry of the free-look period, whichever is later.
- The maximum loan that can be granted under both Option I & Option II shall be as under:



(i) If loan is availed during Guaranteed Addition Period:

The maximum loan as a percentage of Surrender Value shall be as under:

Guaranteed Addition Period	Percentage of Surrender value
7 years to 10 years	60%
11 years to 14 years	50%
15 years to 17 years	40%

(ii) If loan is availed after Guaranteed Addition Period:

Option I

The maximum amount of loan (where no previous loan is outstanding) for policies which are entitled for Regular Income Benefits shall be arrived at in such a way that the effective annual interest amount payable on loan does not exceed 50% of the annual Regular Income Benefit payable under the policy subject to maximum of 75% of Surrender value.

Option II

The maximum amount of loan (where no previous loan is outstanding) for policies which are entitled for Flexi Income Benefits shall be arrived at in such a way that the effective annual interest amount payable on loan does not exceed 50 % of the annual Flexi Income Benefit eligible under the policy subject to maximum of 75% of Surrender value. In addition, loan upto 50% of Flexi Income Benefits due and not withdrawn is also permissible.

- c. The rate of interest to be charged for the loan amount would be determined by the Corporation from time to time.
- d. Under Option I, outstanding loan interest, if any, shall be recovered from the annual Regular Income Benefit and the balance amount shall be payable.

Under Option II, outstanding loan interest, if any, shall be recovered from annual Flexi Income Benefit on its due date and the balance amount shall accumulate at the rate of 5.5% p.a. compounding yearly as mentioned in Para 3.B.(ii).

- e. The loan during the minority of Life Assured can be availed by the proposer provided the loan is raised for the benefit of the minor Life Assured.

f. Under Option I:

In the event of failure of payment of interest on the due dates and when the outstanding loan amount along with the interest is to exceed the Surrender Value, then the policy shall be forfeited to the Corporation. The difference of Surrender Value and the loan outstanding amount along with interest, if any, shall be payable to the Policyholder and the policy shall be terminated.

Under Option II:

In the event of failure of payment of interest on the due dates and when the outstanding loan amount along with the interest is to exceed the sum of Surrender Value and balance accumulated value of Flexi Income Benefits, then the policy shall be forfeited to the Corporation. Any excess amount after adjustment shall be payable to the Policyholder and the policy shall be terminated.

- g. Any outstanding loan and loan interest shall be recovered from claim proceeds at the time of exit.

Further conditions regarding loan shall be as per the instructions issued by CRM/PS Department, Central Office from time to time.

Instructions regarding the applicable interest rate shall be issued by Actuarial Department, Central Office.

## **12. ALTERATIONS:**

Under this plan, the policyholder has an option to alter the Survival Benefit Option (i.e from Option I - Regular Income Benefit to Option II - Flexi Income Benefit or vice versa) during the Guaranteed Addition Period.

Conditions regarding alterations shall be as per the instructions issued by CRM/PS Department, Central Office, from time to time.

## **13. TERMINATION OF POLICY:**

The policy shall immediately and automatically terminate on the earliest occurrence of any of the following events:

- a) The date on which lumpsum death benefit/final instalment of death benefit is paid; or
- b) The date on which surrender benefits are settled under the policy; or
- c) In the event of default in payment of loan interest as specified in Para 11; or
- d) The date of maturity if Settlement Option is not exercised; or
- e) On payment of final instalments under Settlement Option; or
- f) On payment of free look cancellation amount; or
- g) In the event of forfeiture as specified in Para 17 below.

## **14. ONLINE SALE OF POLICIES:**

Instructions relating to online sale of policies, if any, will be issued by Digital Marketing Department, Central Office.

## **15. UNDERWRITING, AGE PROOF AND MEDICAL REQUIREMENTS:**

NB & R Department, Central Office will issue instructions in this regard.

## **16. SUICIDE CLAUSE:**

Notwithstanding the provision of benefits payable on death mentioned anywhere in this document, the provisions related to claim payment in case of death due to Suicide shall be subject to the conditions as specified herein under:

If the Life Assured (whether sane or insane) commits suicide at any time within 12 months from the date of commencement of risk, the Nominee or Beneficiary of the Life Assured shall be entitled to 80% of the Single premium paid (excluding any taxes, extra premium and rider premiums other than Term Assurance Rider premium, if any) or Surrender value available as on the date of death, whichever is higher. The nominee or beneficiary of the Life Assured shall not be entitled to any other claim under the Policy.

This clause shall not be applicable in case age at entry of the Life Assured is below 8 years and in such case applicable death benefit for life assured aged below 8 years shall be payable.

## **17. FORFEITURE IN CERTAIN EVENTS:**

In case it is found that any untrue or incorrect statement is contained in the proposal, personal statement, declaration and connected documents or any material information is withheld, then and in every such case the policy shall be void and all claims to any benefit by virtue thereof shall be subject to the provisions of Section 45 of the Insurance Act, 1938 as amended from time to time.

## **18. TAXES:**

Statutory Taxes, if any, imposed on such insurance plans by the Government of India or any other constitutional tax Authority of India shall be as per the Tax laws and the rate of tax as applicable from time to time.

The amount of applicable taxes as per the prevailing rates, shall be payable by the policyholder on premiums (for base policy and Rider(s), if any) including extra premiums, which shall be collected separately over and above in addition to the premiums payable by the policyholder. The amount of tax paid shall not be considered for the calculation of benefits payable under the plan.

The instructions regarding issues related to taxes will be issued by Finance & Accounts Department, Central Office, separately, as applicable from time to time.

## **19. FREE LOOK PERIOD:**

If a Policyholder is not satisfied with the "Terms and Conditions" of the policy, he/she may return the policy to the Corporation stating the reason of objection within 30 days from the date of receipt of the electronic or physical mode of the Policy Document, whichever is earlier. The refund of premium to the Policyholder shall be subject to following deductions:

1. Stamp duty on policy;
2. Actual cost of medical examination (including special reports, if any);
3. Proportionate risk premium (in respect of Base policy and Rider, if opted for) for the period of cover as per C.O. Circular Ref: CO/ PD/ 39 dated 31st December, 2013.

## **20. BACK-DATING INTEREST:**

The policies can be dated back within the same financial year but not before the Date of Introduction of this Plan. Back dating interest shall be charged at the rate determined by the Corporation from time to time at the time of completion of policy. No waiver of interest for date backing will be allowed. Interest will be charged for the exact period for which the policy is dated back i.e. from the date of commencement of the policy to the date of payment of premium.

For proposals completed under this plan, where the Guaranteed Addition Period is 17 years and the minimum age at entry is 30 days completed, the policy can be dated back to any date upto the Date of Birth of the Life Assured subject to conditions mentioned above. In any case, the back-dated date i.e. Date of commencement of policy cannot be prior to the Date of Birth of the Life Assured and the period between Date of Birth and Date of Issuance of policy shall not be less than 30 days.

Any further instructions shall be issued by Actuarial Department, Central Office, as applicable from time to time.





## 21. POLICY STAMPING:

For Base Plan, policy stamping charges will be at the rate of 20 paise per thousand of "Sum Assured on Death".

For Rider, policy stamping charges will be at the rate of 20 paise per thousand Rider Sum Assured, if opted for.

Any updates in this regard shall be issued by Legal Department, Central Office.

## 22. REINSURANCE:

Normal procedure for Reinsurance shall apply as per applicable Reinsurance Treaty.

## 23. ASSIGNMENTS/NOMINATIONS:

- a) **Assignments:** Assignment is allowed under this plan as per Section 38 of Insurance Act, 1938, as amended from time to time.

The notice of assignment should be submitted for registration to the office of the Corporation, where the policy is serviced.

- b) **Nominations:** Nomination by the holder of a policy of life assurance on his/her own life is required as per Section 39 of the Insurance Act, 1938, as amended from time to time.

The notice of nomination or change of nomination should be submitted for registration to any Branch/Satellite office of the Corporation. In registering nomination, the Corporation does not accept any responsibility or express any opinion as to its validity or legal effect.

## 24. NORMAL REQUIREMENTS FOR CLAIM:

- a) Death Claim: The normal documents which the claimant shall submit while lodging the claim in case of death of the Life Assured shall be claim forms, as prescribed by the Corporation, accompanied with original policy document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account, proof of title, proof of death, medical treatment prior to the death (if any), school/college/employer's certificate, whichever is applicable, to the satisfaction of the Corporation. If the age is not admitted under the policy, the proof of age of the Life assured shall also be submitted.

In case of unnatural death or death on account of or arising from an accident, the Corporation may call for the copies of First Information Report (FIR), Panchnama and Post Mortem report. The Corporation may also call for additional documents as may be required by them.

Policyholder or the claimant, as applicable, is required to intimate the Corporation, about the happening of the insured event resulting into a claim under the policy, at the earliest possible time.

- b) Maturity Claim / Survival Benefit / Surrender: In case of maturity claim / survival benefit (in form of Regular Income Benefit or Flexi Income Benefit) / surrender of the policy, the Life Assured / Proposer shall submit the discharge form along with the original policy document, NEFT mandate from the claimant for direct credit of the claim amount to the bank account besides proof of age, if the age is not admitted earlier.
- c) Claim under Rider(s): In case of claim under Rider(s), the respective rider's circular may be referred to.



In addition to above, any requirement mandated under any statutory provision or as may be required as per law or any instructions issued by CRM/Claims department, Central Office in this regard shall also be required to be submitted.

## **25. ACCOUNTING OF INCOME AND OUTGO:**

Instructions regarding the accounting procedure to be followed under the plan shall be issued separately by Finance & Accounts Department, Central Office.

## **26. PROPOSAL FORM:**

Proposal Form No. 300 (Rev 2025), 340(Rev 2025) & 360(Rev 2025) along with Addendum to Proposal Form as issued by NB&R Department shall be used under this plan.

## **27. POLICY DOCUMENT, CUSTOMER INFORMATION SHEET AND SALES BROCHURE:**

The specimen Policy Document, Customer Information Sheet (CIS) and Sales Brochure will be sent by the Corporate Communications Department, Central Office.

This Circular has to be read in conjunction with the Policy Document and Sales Brochure.

## **28. DISCLOSURES:**

At the time of sale, a Customized Benefit Illustration shall be provided to the prospective Policyholder. Such Benefit Illustration shall be signed by both the prospective policyholder and intermediary and shall form part of the Policy Document.

Suitability information to be collected, including recommendations to be made, and such need analysis document shall be a part of the Policy Document.

Separate instructions on the above shall be issued by Marketing Department, Central Office.

## **29. ADDRESS OF OMBUDSMAN:**

At the stage of issuance of policy, the address and contact details of the nearest Insurance Ombudsman is to be mentioned in the Policy Document. In case of any change in address by policyholder, the address and contact details of the nearest Insurance Ombudsman from the transferring in branch has to be informed to the policyholder along with confirmation of change in address.

Further instructions in this regard to be issued by CRM/Claims Department, Central Office.

**AJAY KUMAR**  
**SRIVASTAVA**  
Digitally signed by  
AJAY KUMAR  
SRIVASTAVA  
Date: 2026.01.05  
18:04:25 +05'30'

**Executive Director (Actuarial)**

Encl – Annexure 1 to 7

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