Rs.10,388 crore Bonus from LIC to its Policy Holders for the year 2003-04

Life Insurance Corporation of India, today announced the Bonus for its policyholders for the year 2003-04 pursuant to the Actuarial Valuation as on 31st March, 2004. A surplus of Rs.10,935 crore has emerged as a result of valuation. Out of the Surplus declared, 95% i.e. Rs.10,388 crore is distributed as Bonus to the holders of with profit policies which were in-force as on 31st March 2004 and 5% of the surplus i.e. Rs. 547 crore is the share of Government of India as yearly dividend. The number of in-force policies has gone up from 14.11 crore to 15.62 crore as on 31st March, 2004, registering a growth of 10.7%.

Reversionary Bonus Rates:

- Whole Life Policies - Rs.80.00 per thousand sum assured
  Bonus on various plans per thousand sum assured for 16 years and above is as under. The bonus depends on term of the policy. The bonus amount is higher for long term policies.

- Endowment Type Policies - range from Rs.51.00 to Rs.57.00
- Money Back, Anticipated Endowment - Rs.46.00 (term 20 years) & Rs.51.00 (term 25 years)
- Jeevan Mitra, Jeevan Sathi, Limited Endowment Policies - range from Rs.52.00 to Rs.58.00
- Jeevan Surabhi Policies - Rs.48.00 (term 20 years) and Rs.57.00 (term 25 years)
- Jeevan Anand plan - range from Rs.49.00 to Rs.53.00
- Jeevan Rekha Plan - range from Rs.39.00 to Rs.45.00.

The Bonus rates declared by the Corporation show a marginal adjustment over last year because of the fall in average yield on investments owing to overall declining interest rate scenario.

**Bonus on Pension Plans:** The special feature of the valuation is declaration of bonus for the Individual Pension Plans – New Jeevan Dhara-I & New Jeevan Suraksha-I ranging from Rs.18.00 to Rs.24.00 per thousand Notional Cash Option.

Additional Bonus:

In addition to the above Reversionary Bonuses, LIC has also declared Final Additional Bonus and Loyalty Addition to give add on value to those policyholders who keep their policies in force. The rates of Final (Additional) Bonus are upto Rs.1,400 per thousand Sum Assured depending upon term and sum assured of the policy for policies fulfilling the stipulated conditions. Also, as in the previous year, the Loyalty Addition in respect of Jeevan Shree policies maturing on completion of 5 years’ term is Rs.75 per thousand Sum Assured and with policy term 10 years at the rate of Rs.125 per thousand Sum Assured.
The Simple **Reversionary Bonus** declared as a result of the valuation for all with-profit policies subject to the stipulated conditions, are as under:

I) **Individual Assurances**

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**BONUS RATES PER THOUSAND RUPEES SUM ASSURED**

| 38 | 45 | 51 | 57 | 48 | 52 | 58 | 37 | 46 | 51 | 40 | 48 | 57 | 34 | 38 | 43 | 49 | 53 | 57 | 51 | 45 | 39 |


II) **Individual Pension Plans**

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<th>Plan</th>
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<td>New Jeevan Dhara-I and New Jeevan Suraksha-I</td>
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**Per Thousand Notional Cash Option**

| Rs.18.00 | Rs.20.00 | Rs.22.00 | Rs.24.00 |

Place: Mumbai  
Date: 15.9.2004