

LIC Bima Jyoti Plan: Benefits, Eligibility and Returns Explained

Planning for long-term financial security requires a solution that offers both life protection and guaranteed savings. Among the various life insurance options available in India, the [LIC Bima Jyoti Plan](#) stands out as a non-linked, participating endowment plan that combines insurance coverage with assured wealth creation. It is designed for individuals who want a predictable maturity benefit while ensuring financial protection for their loved ones.

The LIC Bima Jyoti Plan provides guaranteed additions throughout the policy term, making it an attractive choice for policyholders seeking stable returns and low-risk investment opportunities. Let us explore its features, benefits, eligibility criteria, and expected returns in detail.



LIC Bima Jyoti Plan



What is LIC Bima Jyoti Plan?

LIC Bima Jyoti Plan is an individual, limited-premium-paying, non-linked, participating life insurance policy offered by the Life Insurance Corporation of India. The plan offers financial protection against unforeseen events while helping policyholders build a guaranteed corpus over time.

One of the key highlights of this plan is the guaranteed addition of ₹50 per ₹1,000 Basic Sum Assured for every completed policy year during the premium payment term. This feature helps policyholders estimate their future benefits more accurately compared to many traditional life insurance plans.

Key Features of LIC Bima Jyoti Plan

Some important features of the LIC Bima Jyoti Plan include:

- Guaranteed additions throughout the premium payment term
- Limited premium payment options
- Life insurance coverage for the entire policy term
- Maturity benefit with guaranteed additions
- Participation in LIC's profits through loyalty additions, if declared
- Loan facility available after specific conditions are met
- Tax benefits under prevailing income tax laws
- Option to choose policy terms based on financial goals

These features make the plan suitable for individuals looking for both protection and disciplined savings.

Benefits of LIC Bima Jyoti Plan

1. Death Benefit

In the unfortunate event of the policyholder's death during the policy term, the nominee receives the death benefit, subject to policy conditions.

The death benefit generally includes:

- Sum Assured on Death
- Accrued Guaranteed Additions
- Loyalty Addition, if applicable

The amount payable will be higher than the prescribed minimum death benefit requirements under the policy.

2. Maturity Benefit

If the policyholder survives until the end of the policy term, LIC pays the maturity benefit consisting of:

- Basic Sum Assured
- Accrued Guaranteed Additions
- Loyalty Addition (if declared)

This lump-sum amount can help meet future financial goals such as children's education, retirement planning, or wealth accumulation.

3. Guaranteed Additions

One of the most attractive features of the LIC Bima Jyoti Plan is the guaranteed addition benefit.

For every completed policy year during the premium payment term, LIC adds a guaranteed amount of ₹50 per ₹1,000 Basic Sum Assured. These additions accumulate throughout the policy duration and become payable at maturity or upon death.

4. Loan Facility

Policyholders can avail of a loan against the policy after acquiring the required surrender value. This feature provides liquidity during financial emergencies without needing to discontinue the policy.

5. Tax Benefits

Premiums paid and benefits received may qualify for tax advantages under applicable provisions of the Income Tax Act, subject to prevailing tax rules and eligibility conditions.

LIC Bima Jyoti Plan Eligibility Criteria

Before purchasing the policy, it is important to understand the eligibility requirements.

Particulars	Details
Minimum Age at Entry	90 days
Maximum Age at Entry	Varies according to policy term
Minimum Basic Sum Assured	₹1,00,000
Maximum Basic Sum Assured	No Limit
Policy Term	15 to 20 years
Premium Payment Term	10 to 15 years
Premium Frequency	Yearly, Half-Yearly, Quarterly, Monthly

Prospective buyers should verify the latest eligibility conditions with LIC before purchasing the policy.

How Does LIC Bima Jyoti Plan Work?

To understand the plan better, consider a simple example.

Suppose an individual purchases a LIC Bima Jyoti Plan with:

- Basic Sum Assured: ₹10 lakh
- Policy Term: 15 years
- Premium Payment Term: 10 years

The policyholder pays premiums for only 10 years while enjoying life cover for the entire 15-year term.

During the premium payment period, guaranteed additions are accumulated annually. At maturity, the policyholder receives:

- Basic Sum Assured

- Total Guaranteed Additions
- Loyalty Addition, if applicable

This structure helps create a predictable financial corpus for future needs.

Who Should Buy LIC Bima Jyoti Plan?

The LIC Bima Jyoti Plan may be suitable for:

Salaried Individuals

People seeking a disciplined savings plan with guaranteed benefits can consider this policy for long-term financial planning.

Parents

Parents planning for their children's future education or marriage expenses can use the maturity benefit to meet future obligations.

Conservative Investors

Individuals who prefer stable and predictable returns over market-linked investments may find this plan appealing.

Retirement Planners

Those looking to create a guaranteed corpus for retirement can use the policy as part of their overall retirement strategy.

Advantages of LIC Bima Jyoti Plan

Some notable advantages include:

- Guaranteed wealth accumulation
- Protection against financial uncertainty
- Limited premium payment period
- Opportunity to earn loyalty additions
- Flexible premium payment modes
- Loan facility for emergencies
- Backed by LIC's long-standing reputation

These advantages make the plan a preferred choice among individuals seeking low-risk life insurance solutions.

Things to Consider Before Buying LIC Bima Jyoti Plan

While the plan offers several benefits, buyers should evaluate their financial objectives before purchasing.

Consider the following factors:

- Assess your long-term financial goals.
- Compare the policy with other available insurance options.
- Understand the premium commitment.
- Review the policy term and premium payment term carefully.
- Check the expected maturity benefits and returns.
- Ensure adequate life cover based on your family's needs.

A thorough evaluation helps determine whether the plan aligns with your financial requirements.

LIC Bima Jyoti Plan Returns: What Can You Expect?

The returns under the LIC Bima Jyoti Plan primarily come from:

- Basic Sum Assured
- Guaranteed Additions
- Loyalty Additions (if declared)

Since guaranteed additions are fixed, policyholders can estimate a significant portion of their maturity benefit in advance. This predictability is one of the key reasons many individuals choose the plan for long-term savings and protection.

However, actual maturity proceeds may vary depending on the policy structure and any loyalty additions declared by LIC during the policy tenure.

Frequently Asked Questions (FAQs)

Q1. What type of insurance plan is LIC Bima Jyoti Plan?

LIC Bima Jyoti Plan is a non-linked, participating, individual life insurance savings plan that offers both protection and guaranteed benefits.

Q2. What is the minimum sum assured under LIC Bima Jyoti Plan?

The minimum Basic Sum Assured under the plan is ₹1 lakh.

Q3. Does LIC Bima Jyoti Plan provide guaranteed returns?

Yes, the plan offers guaranteed additions during the premium payment term, which contribute to the overall maturity benefit.

Q4. Can I take a loan against LIC Bima Jyoti Plan?

Yes, a loan facility is available once the policy acquires the required surrender value, subject to LIC's terms and conditions.

Q5. Who should consider buying LIC Bima Jyoti Plan?

The plan is suitable for individuals seeking life insurance coverage along with long-term guaranteed savings.

Q6. Is there a maturity benefit in LIC Bima Jyoti Plan?

Yes, the policy pays a maturity benefit that includes the Basic Sum Assured, guaranteed additions, and loyalty addition, if applicable.

Conclusion

The LIC Bima Jyoti Plan is a suitable option for individuals who want a combination of life insurance protection and guaranteed savings. With its fixed guaranteed additions, limited premium payment period, and maturity benefits, the plan helps policyholders build a reliable financial corpus for future goals. Before investing, it is advisable to evaluate your financial objectives, coverage needs, and long-term commitments. For expert guidance in choosing the right LIC policy and insurance solutions, Square Insurance can help you make informed decisions based on your financial requirements.