

What is your

**RETIREMENT
PLANNING** ?

NOW

LIC's
Solutions for a
Happy Retired Life



Agent's Training Material

For Internal Circulation only.

क्या आपको लगता नहीं कि

पेंशन

आज की सबसे बड़ी आवश्यकता है।



FOREWARD



I am happy to share that the marketing team of our Jamshedpur Division has brought out a booklet on the RETIREMENT SOLUTIONS for the senior citizens of our country suggesting how timely provisions can be made for the financial requirements during old age to maintain a smooth and happy life.

We must plan for our retirements so that the good times we enjoy during our youth or working days should continue. How would it feel to live without salary or a regular income for 20 to 30 years after we cease to work regularly. To be precise, that is what retirement is all about. It is found that financial concerns are the biggest roadblocks on the path of retirement for many Indians. A clear and conclusive reason for this is that one may have planned for almost all goals in life except the last and most crucial one i.e. RETIREMENT. We, Indians, compulsorily save for a house, our children, their education as well as their marriages.

When we ask them about their retirement goals, a typical answer is heard "DEKHA JAYEGA"- which sounds like there is no urgency. Maybe we expect our kids to look after us or we presume that our EPF CORPUS would suffice. But, if we calculate the approximate money needed to lead a stress free retired life, we would realize why PLANNING FOR RETIREMENT is as important as that for other goals of our life.

Older ages have other challenges too. Maintaining a good health becomes the priority and it is now too costly an affair. Health care cost is growing day by day. Looking forward to other sources for help is unwise and hence we must keep a good portion of our retirement benefits for ourselves only. I appeal to the older ones of our society to INVEST ON RETIREMENT PLANS of Life Insurance Corporation of India and so that the string will be with them and a happy stress free life can be enjoyed.

With lots of warm wishes to all.

Manoj Kumar Panda
Sr. Divisional Manager
Jamshedpur



Life Stages and INVESTMENT

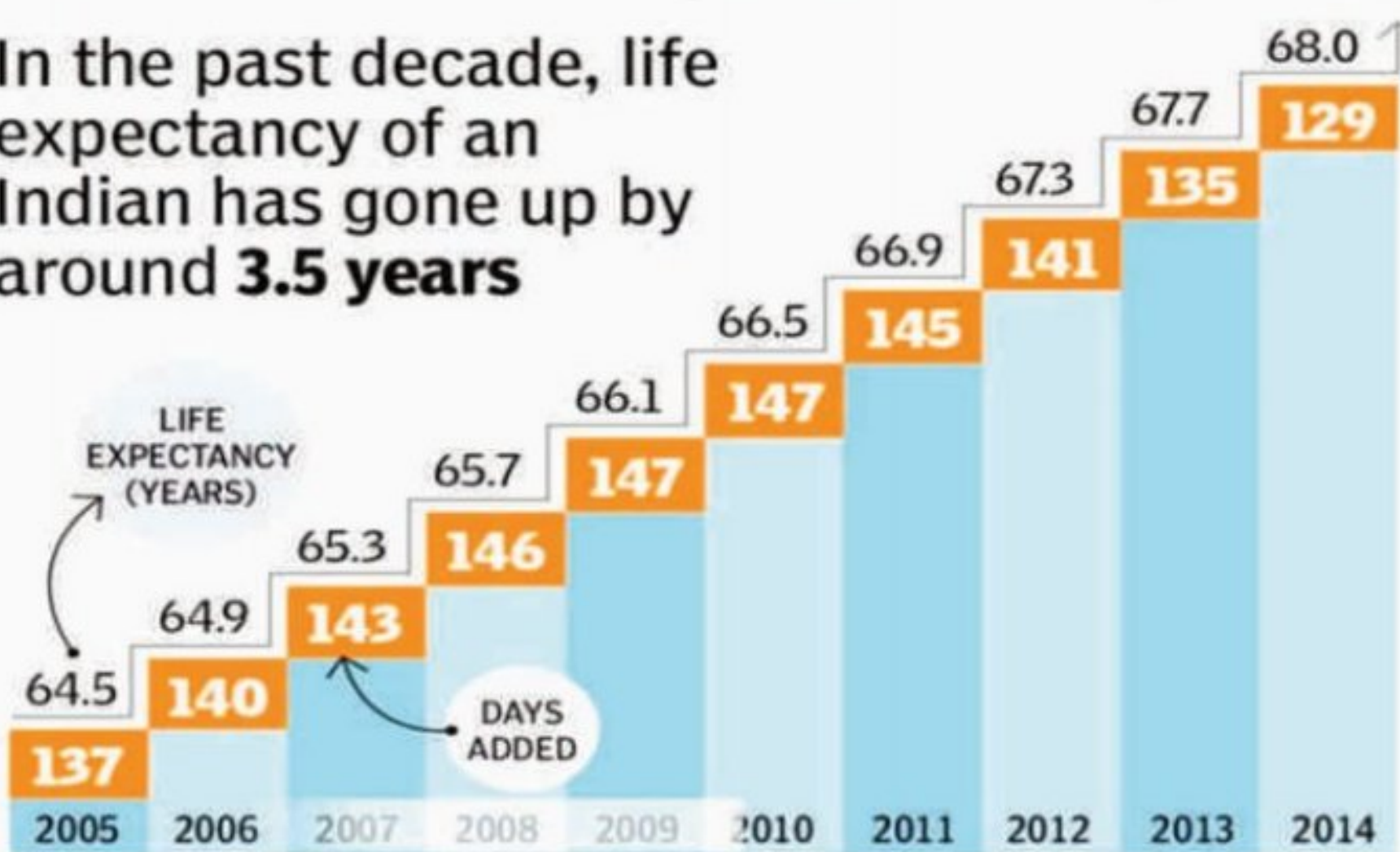
Why you should invest differently at different stages of life

Think back to the time you were a kid, did you act or dress the same way you do today? No, you don't. As time passes, we change, and so do our life. Similarly our investments ought to change as well.

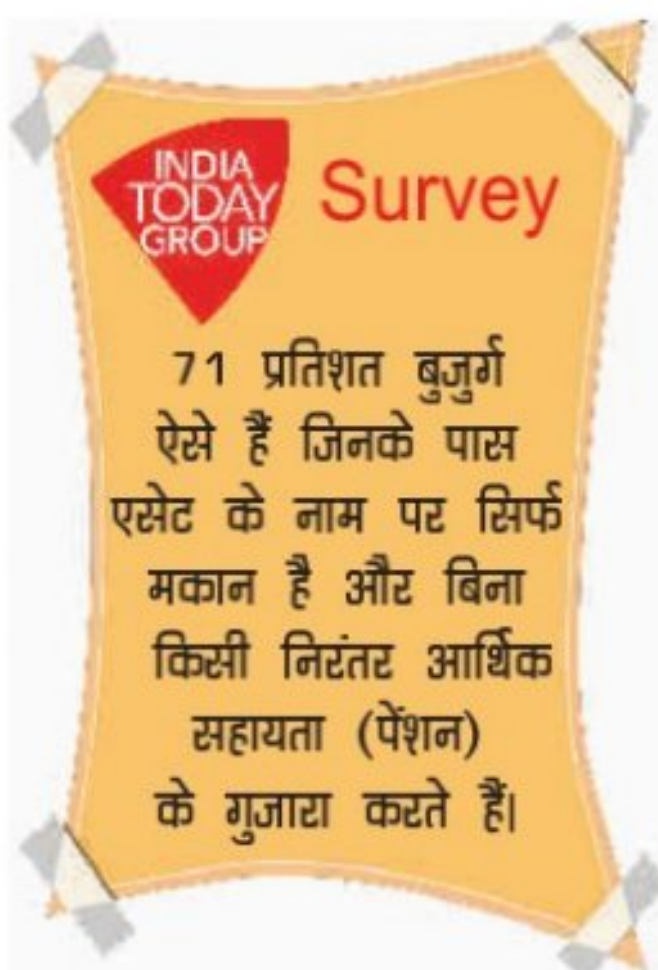


Why Retirement Planning?

In the past decade, life expectancy of an Indian has gone up by around **3.5 years**



Why Retirement Planning?



World : Life expectancy increased by 5 years during 2000-15

If you were born in 1900, you had a pretty good chance of dying before 50th Birthday

85+ Population is projected to increase 315% Between 2010 and 2050

Compared to 188% for population above 65 years

CHALLENGES OF GROWING OLD



INDIA TODAY GROUP Survey

68 प्रतिशत बुजुर्ग ऐसे हैं जिन्हें इस बात का अफसोस है कि उन्होंने अपने कमाई वाले वर्षों में भविष्य की आर्थिक सुरक्षा का इंतजाम नहीं किया।



- LONGEVITY
- HEALTH CARE
- LACK OF HUMANITY
- NUCLEAR FAMILY SYSTEM
- HOUSE RICH - CASH POOR

CHALLENGES OF GROWING OLD



LONGEVITY

Are you prepare to Live Long

INDIA TODAY GROUP Survey

क्या आपको लगता नहीं कि पेंशन आज की सबसे बड़ी आवश्यकता है।

CHALLENGES OF GROWING OLD

INDIA TODAY GROUP Survey

50 प्रतिशत विधवा महिलायें अपना जीवन यापन अकेले बिना किसी निरंतर आर्थिक सहायता (पेंशन) के गुजारा करती हैं।



Health care
&
Home Nurse



CHALLENGES OF GROWING OLD



HOUSE RICH



CASH POOR

Unfortunately many Senior Citizen has Assets but no cash to meet day to day expenses

WHEN?



WHY RETIREMENT PLANNING IS IMPORTANT!



You NEVER know when you will STOP WORKING



You don't want to be a LIABILITY to your FUTURE GENERATIONS



WHEN?



YOU SHOULD PLAN YOUR RETIREMENT TODAY... BECAUSE

- DECREASING INTEREST RATE
- INCREASED COST OF LIVING
- HIGHER MEDICAL COST
- INCREASED LIFE EXPECTANCY
- TENDENCY TO RETIRE EARLY
- NUCLEAR FAMILIES

WHAT IS THE SOLUTION THEN?



Why Retirement Planning?



W
H
Y
N
O
W

Fear
Abuse
Neglect
Isolation
Boredom
Failing Health
Loss of Control
Insecure JOB
Economic Insecurity
Business Instability
Health Takes The Most
Asking Favour is a Shame



Retirement Life Should be Fun
Not Full of Worries

CHALLENGES OF GROWING OLD



YOU MAY
LIVE UPTO
100 YEARS !

Why Retirement Planning?

MARKET PROFILE

A Broad View



Pension Market



Let's see In Detail



Alternative Investment Options

- GOLD/SILVER
- POST OFFICE
- BANK DEPOSIT
- MUTUAL FUNDS
- SHARE MARKET
- FLAT / BUILDING
- REAL ESTATE / LAND
- CHIT FUNDS / FINANCE



INDIAN INTEREST RATES

YEAR	INTEREST RATE
1971	6.00 %
1981	10.00 %
1991	12.00 %
2000	14.50 %
2012	10.00 %
2014	8.00 %
2017	6.25 %
2021	5.00 %
2025	3.00 % Projection
2030	1.00 % Projection



INTERNATIONAL INTEREST RATES

COUNTRY	INTEREST RATE	AS AT
NORWAY	-1.00 %	JUNE'21
EURO AREA(EUROPE)	-0.50 %	JUNE'21
SWITZERLAND	-0.40 %	APRIL'21
JAPAN	-0.13 %	JUNE'21
SWEDEN	-0.10 %	MAY'21
UNITED KINGDOM	0.00 %	MAY'21
AUSTRALIA	0.10 %	MAY'21
ISRAEL	0.10 %	MAY'21
SINGAPORE	0.12 %	MAY'21
CANADA	0.16 %	MAY'21

Source: TRADING ECONOMICS.com website



INTERNATIONAL INTEREST RATES

COUNTRY	INTEREST RATE	AS AT
NEW ZEALAND	0.25 %	JUNE'21
CHINA	0.35 %	JUNE'21
SOUTH KOREA	0.94 %	APRIL'21
QATAR	1.00 %	JUNE'21
SAUDI ARABIA	1.65 %	MAY'21
BRAZIL	2.30 %	MAY'21
MALAYSIA	2.98 %	MAY'21
RUSSIA	3.36 %	MAY'21
SOUTH AFRICA	3.77 %	MAY'21
PAKISTAN	5.52 %	MAY'21

Source: TRADING ECONOMICS.com website



HISTORIC DATA

BANK FD vs LIC ANNUITY Rates

YEAR	BANK FD	IMMEDIATE(F)
Till 1990s	16.00%	12.00%
2000	14.50%	10.95%
2012	10.00%	8.00%
2016	9.00%	7.60%
2017	8.00%	7.10%
2018	7.50%	6.60%
2019	7.00%	6.00%
2021	5.30%	5.35%



DIFFERENCE BETWEEN BANK FD vs LIC ANNUITY Plans

BANK FD	LIC ANNUITY PLANS
DEPOSITS UPTO 5 LAKHS IS PROTECTED by RBI / DICGC (Deposit Insurance and Credit Guarantee Corporation)	ANY AMOUNT(NO MAXIMUM LIMIT) GUARANTEED BY GOVT OF INDIA
INTEREST RATE CHANGES FREQUENTLY	FIXED PENSION RATES TILL LIFE & TO SPOUSE/CHILDREN
TDS - TAX DEDUCTION	NO TDS - FOR ANY AMOUNT
FORM 15G / 15H REQUIRED	NO FORM 15G / 15H
NEED OF PERIODIC RENEWAL	NO NEED OF RENEWAL
RISK OF LOWERING INTEREST RATE ON RENEWAL	NO RISK OF LOWERING INTEREST RATE TILL LIFE
REGULAR FOLLOWUP REQUIRED FOR INTEREST / TDS / MATURITY / RENEWAL	ONCE IN 5 YEARS SUBMISSION ON LIFE CERTIFICATE IS ENOUGH

SOLUTIONS





भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

WE HAVE 2 SOLUTIONS

Immediate Annuity Plan



Deferred Annuity Plan



Immediate Annuity

A Non-Linked, Non-Participating, Individual Immediate Annuity Plan



UTN- 512N337V01

Plan No. 857

JEEVAN AKSHAY – VII – IMMEDIATE ANNUITY

(Life Long Guaranteed pension without fluctuation and NO TDS with return of Capital/Purchase Price)



ELIGIBILITY & FEATURES

Min Age at Entry	30 years Last Birthday
Max Age at Entry	Option F=100 years LBD Other Options=85 years
Purchase Price	Min=100000* Max=No Limit (Rs.50000 = Option to take the plan for the benefit of dependent person with disability (Divyangjan))
Minimum Pension	Yly=Rs.12000 Hly=Rs.6000 Qty=Rs.3000 Mly=Rs.1000
Death Benefit	100 % of Purchase Price (lump sum or in Instalments for 5/10/15 years)
Loan	After 3 Months (Max 80% of SV)
Surrender	After 3 Months (Surrender value 95%) (Surrender allowed only for Option F & J)



OPTION A

OPTION F

OPTION J



VARIETY OF PENSION OPTION



ANNUITY OPTION

OPTION A ANNUITY FOR LIFE

OPTION B ANNUITY GUARANTEED FOR 5 YEARS & LIFE THEREAFTER

OPTION C ANNUITY GUARANTEED FOR 10 YEARS & LIFE THEREAFTER

OPTION D ANNUITY GUARANTEED FOR 15 YEARS & LIFE THEREAFTER

OPTION E ANNUITY GUARANTEED FOR 20 YEARS & LIFE THEREAFTER



ANNUITY OPTION

OPTION F ANNUITY FOR LIFE WITH RETURN OF PURCHASE PRICE

OPTION G ANNUITY FOR LIFE WITH INCREASING @ 3% SIMPLE

OPTION H JOINT LIFE WITH 50 % PENSION TO SPOUSE

OPTION I JOINT LIFE WITH 100 % PENSION TO SPOUSE

OPTION J JOINT LIFE 100% FOR SPOUSE WITH RETN OF PUR PRICE

AGE:55 YEARS		INVESTMENT:RS.1 CRORE	
OPTION	TYPE OF OPTION	YEARLY	MONTHLY
A	LIFE LONG	732500	58875
B	GUARANTEED FOR 5 YEARS	729500	58708
C	GUARANTEED FOR 10 YEARS	721500	58125
D	GUARANTEED FOR 15 YEARS	709500	57208
E	GUARANTEED FOR 20 YEARS	694500	56042
F	LIFE LONG WITH RETURN OF PP	542500	43542
G	INCREASING @ 3%	565500	45792
H	50 % PENSION TO SPOUSE	693500	55875
I	100 % PENSION TO SPOUSE	658500	53125
J	JOINT LIFE WITH RETURN OF PP	539500	43458

ASK THE CUSTOMER THE INTEREST HE WANTS TO ENJOY FOR LIFE AND CHOSE THE OPTION

WELL PLANNED PENSION! FREEDOM FROM TENSION!!



*Immediate
Annuity*

A Non-Linked, Non-Participating,
Single Premium, Individual Immediate
Annuity Plan

LIC's
**SARAL
PENSION**

Plan No.: 862 UIN: 512N342V01

ELIGIBILITY & FEATURES	
Min Age at Entry	40 years Last Birthday
Max Age at Entry	80 years Last Birthday
Purchase Price	Min=Min Pension Max=No Limit
Minimum Pension	Yly=Rs.12000 Hly=Rs.6000 Qty=Rs.3000 Mly=Rs.1000
Death Benefit	100 % of Purchase Price (lump sum or in Instalments for 5/10/15 years)
Loan	After 6 Months
Surrender	After 6 Months (Surrender value 95%) (If Annuitant / Spouse / Children is diagnosed as suffering from any of the 20 Critical illnesses)



ANNUITY OPTION



AGE : 60 Years Purchase Price : Rs.10 Lakhs Yearly Pension

OPTION I

LIFE ANNUITY WITH RETURN OF 100% PURCHASE PRICE

Rs.51650

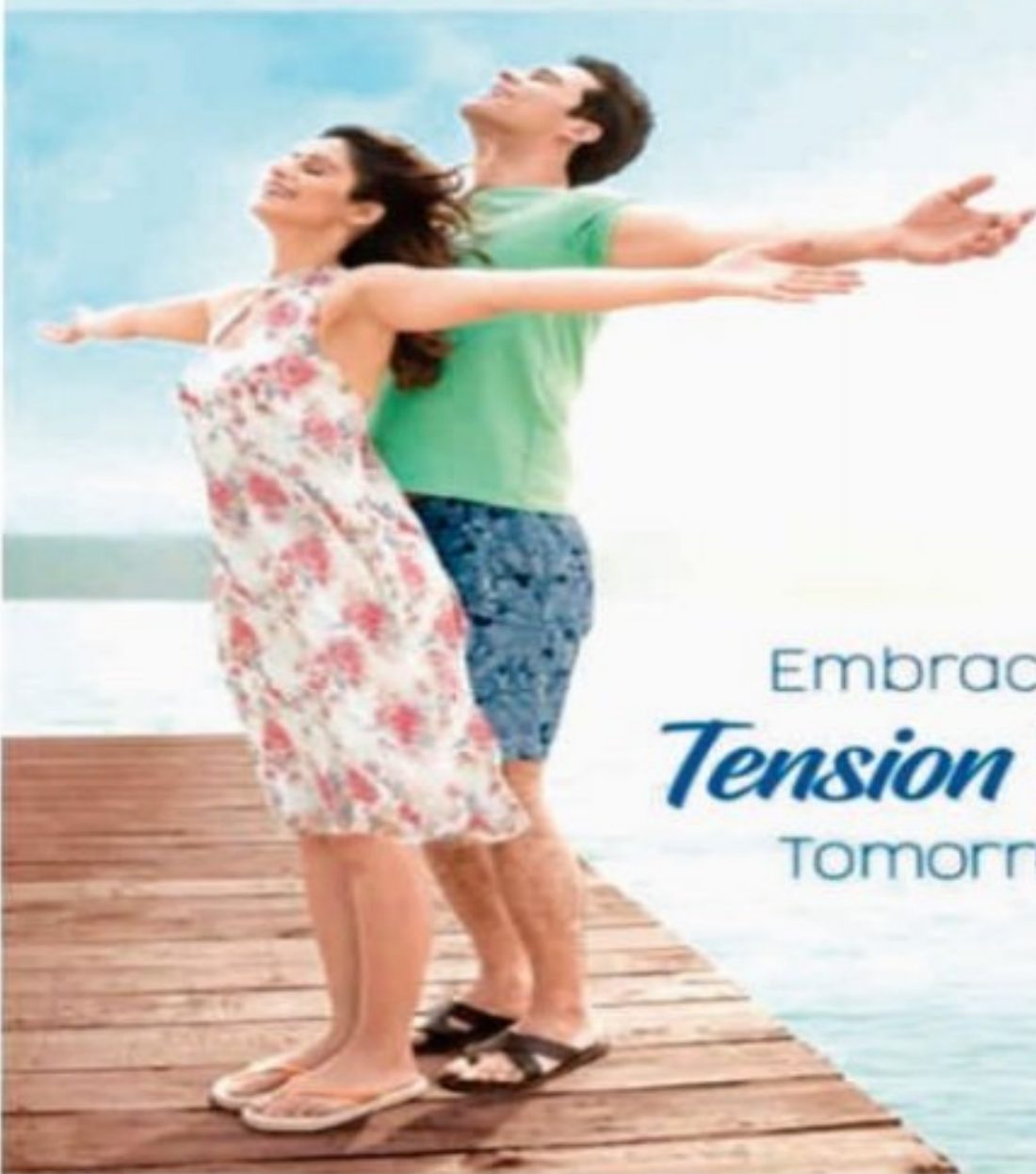
AGE : 60 Years Purchase Price : Rs.10 Lakhs Yearly Pension
SPOUSE AGE : 55 YEARS

OPTION II

JOINT LIFE WITH RETURN OF 100% PURCHASE PRICE

Rs.51150

Deferred Annuity Plan



Embrace a
Tension Free
Tomorrow

LIC's
NEW JEEVAN SHANTI
UIN 512N338V01 Plan No 858

**A Non-Linked
Non-Participating
Individual
Single Premium
Deferred Annuity Plan**



ELIGIBILITY & FEATURES

Min Age at Entry	30 years Last Birthday
Max Age at Entry	79 years Last Birthday
Purchase Price	Min=150000* Max=No Limit (Rs.50000 for Dependant person with Disability)
Deferment Period	1 year to 12 years
Annuity Rates	5.52 % to 10.54%
Minimum Pension	Yly=Rs.12000 Hly=Rs.6000 Qty=Rs.3000 Mly=Rs.1000
Death Benefit	105 % of Purchase Price (lump sum or in Instalments for 5/10/15 years)
Loan	After 3 Months
Surrender	Any time during the term (upto 3 years=Min 75% After 4 years=Min 90%)

ANNUITY OPTION

OPTION 1

DEFERRED ANNUITY FOR SINGLE LIFE

OPTION 2

DEFERRED ANNUITY FOR JOINT LIFE

LIC'S JEEVAN SHANTI - 858

AGE: 55 YEARS INVESTMENT: RS. 1 CRORE

<u>DEFERMENT PERIOD</u>	<u>YEARLY</u>	<u>MONTHLY</u>
1 YEAR	552000	44250
2 YEARS	591000	47370
3 YEARS	633000	50730
4 YEARS	678000	54330
5 YEARS	708000	56730
6 YEARS	756000	60570
7 YEARS	806000	64570
8 YEARS	859000	68810
9 YEARS	912000	73050
10 YEARS	950000	76090
11 YEARS	1003000	80330
12 YEARS	1054000	84410

ASK THE CUSTOMER THE INTEREST HE WANTS TO ENJOY FOR LIFE AND CHOSE THE OPTION

WHY LIC PENSION PLAN ?

**STABLE
INCOME**

In the Current Scenario of decreasing interest rates & highly volatility market

WHY LIC PENSION PLAN ?



One & Only

Pension Plan Available in India



RETIREMENT PLAN

- Medical
- Insurance
- Saving
- Expenses



GUARANTEED BY GOVT OF INDIA

WHY LIC PENSION PLAN ?

BANK



Monthly / Quarterly / Half yearly and Yearly pension will be directly credited to Policyholder's Account thorough NEFT



WHY LIC PENSION PLAN ?



Regular Cash Flow is The Only Support

LIC PENSION PLANS as e-FLAT

FLAT

- STAMP DUTY
- PROPERTY TAX
- MAINTENANCE
- TENENT PROBLEM
- YEARLY PAINTING
- ADDI COST
- RENT
- INCOME TAX
- COST OF SUCCESSION

Choice Is Yours



LIC PENSION PLANS

- NO MAINTENANCE
- ON TIME PENSION
- NO LITIGATION
- PEACE OF MIND
- SUCCESSION BY NOMINATION

LIC PENSION PLANS as e-FLAT

- IN INDIA FOR 1 CRORE PROPERTY THE RENTAL INCOME IS AROUND RS.25000 ONLY.
- INSTEAD OF INVESTING 1 CRORE IN PROPERTY IF CUSTOMER INVEST IN AKSHAY, HE WILL GET RS.537000 / YEAR AS PENSION
- THE EXCESS INCOME, HE EARNS THROUGH AKSHAY CAN BE REINVESTED IN OTHER INVESTMENT

LIC PENSION PLANS as e-FLAT

ADVANTAGES OF AKSHAY OVER REAL ESTATE:

- NO MAINTENANCE COST
- NO PROPERTY TAX
- NO REGISTRATION CHARGES
- NO STAMP DUTY
- GUARANTEED RENTAL INCOME
- PERMANENT TENENT
- NO COST ON CHANGE OF TENENT
- NO OTHER GOVERNMENT TAXES

LIC PENSION PLANS as e-FLAT

ADVANTAGES OF AKSHAY OVER REAL ESTATE:

- COMPLETE SAFE, SECURE AND PROTECTED INVESTMENT
- ENCUMBRANCE FREE / LOAN FREE ASSET TO THE NOMINEE
- UTILISE REINVESTMENT OPTION
- SOCIAL EMERGENCY – 3rd Person will Help
- FINANCIAL EMERGENCY – LIC WILL HELP
- PENSION – THE TOOL FOR DECENT & PEACEFUL OLD AGE LIFE

Happy Retirement

