

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO. 1245
ANSWERED ON 25.11.2019

TAX BENEFITS FOR PMVVY SUBSCRIBERS

1245. SHRI L.S. TEJASVI SURYA:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government intends to extend tax benefits like other schemes to the subscribers of Pradhan Mantri Vaya Vandana Yojana (PMVVY) and if so, the details thereof;
- (b) the details of funds which the Government has allocated towards this scheme;
- (c) whether the Government intends to allocate more funds towards the scheme and if so, the details thereof;
- (d) whether the Government has found any irregularity and difficulty in implementation of such a scheme; and
- (e) if so, the details thereof along with the number of subscribers to this scheme from Bengaluru specifically and Karnataka in General?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI ANURAG SINGH THAKUR)

(a): Pradhan Mantri Vaya Vandana Yojana (PMVVY) is exempted from Goods and Services Tax (GST).

(b) & (c): The scheme is being implemented through Life Insurance Corporation of India (LIC). The scheme provides for an assured return of 8% per annum payable monthly for 10 years. The difference between return generated by LIC and the assured return of 8% per annum is borne by Government of India as subsidy on annual basis and is reimbursed to LIC.

The amount reimbursed by Government of India to LIC, since inception of the scheme, is tabulated below:

(Rs. In Crores)

YEAR	PMVVY
2017-2018	58.02
2018-2019	152.17
2019-2020 (till September 2019)	88.34

(d) & (e): The scheme has been implemented seamlessly. As per LIC, the number of subscribers to this scheme from Bengaluru and Karnataka are 14,405 and 24,067 respectively as on 31.10.2019.
