

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
LOK SABHA
UNSTARRED QUESTION NO- 3335
ANSWERED ON- 9.8.2021
Pradhan Mantri Vaya Vandana Yojana

3335. SHRI GIRISH BHALCHANDRA BAPAT:
Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has implemented Pradhan Mantri Vaya Vandana Yojana (PMVVY) through LIC for senior citizen;
- (b) if so, the salient features of PMVVY;
- (c) whether Loan facility is available under PMVVY and if so, the terms and conditions thereof;
- (d) whether the Government has received complaints regarding non-disbursement of loan against PMVVY and if so, the action taken by the Government in this regard; and
- (e) whether there is any minimum and maximum purchase price Under PMVVY and if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(Dr. BHAGWAT KARAD)

- (a) to (e): Pradhan Mantri Vaya Vandana Yojana (PMVVY) is offered by the Life Insurance Corporation of India (LIC) and supported by the Government, to provide senior citizens of age 60 years or more an assured minimum pension for a term of 10 years, linked to the price at which they purchase the pension policy. Government bears the cost of any shortfall in the returns earned annually on the policy purchase price vis-à-vis the minimum returns required for paying the assured minimum pension.

For monthly pension, the purchase price ranges from Rs. 1,62,162 to Rs. 15,00,000 with corresponding pension ranging from Rs. 1,000 to Rs. 9,250. For quarterly pension, the respective ranges are purchase price of Rs. 1,61,074 to Rs. 14,89,933 for pension ranging from Rs. 3,000 to Rs. 27,750. For half yearly pension, the respective ranges are purchase price of Rs. 1,59,574 to Rs. 14,76,064 for pension ranging from Rs. 6,000 to Rs. 55,500. For annual pension, the respective ranges are purchase price of Rs. 1,56,658 to Rs. 14,49,086 for pension ranging from Rs. 12,000 to Rs. 1,11,000.

Under the scheme, a loan of up to 75% of the purchase price is allowed after completion of three policy years, at such rate of interest as LIC may fix from time to time. LIC recovers interest on the outstanding loan from the pension amount payable and recovers the loan outstanding amount from the claim proceeds at the time of exit. LIC has informed that it is not in receipt of any complaints regarding non-disbursement of loans under the scheme.