

PRADHAN MANTRI VAYA VANDANA YOJANA





KEY FEATURES



CAPITAL PROTECTION

(Govt. backed)



GUARANTEED INCOME

(Govt. backed)



FLEXIBILITY

(Monthly, quarterly, half-yearly & annual pension option)



LOAN

(Available after completion of 3 years from purchase date)



LONG TERM

(10 years lock-in)

WHAT IS PRADHAN MANTRI VAYA VANDANA YOJANA?



Pension scheme that exclusively provides income to senior citizens



Offered/provided by Life Insurance Corporation (LIC)



Launched on May 4, 2017



Scheme is available till March 31, 2023



PRODUCT DETAILS

01

Age

Minimum entry age: 60 years
Maximum entry age: No limit

02

Investment

Minimum investment: ₹ 1,56,658
Maximum investment: ₹ 15 lakh

03

Tenure

10 years

04

Pre-Mature Closure

Allowed under exceptional circumstances like treatment of any critical or terminal illness



PRODUCT DETAILS

01 Loan

- Available after three policy years
- The maximum loan amount can't exceed 75% of the purchase price

02 Taxation

- Pension received is taxed as per nominal tax slab rates

03 Historical interest rates

- Up to March 31, 2020: 8.00%
- Since April 2020: 7.40%



PMVVY Benefits



During the policy period

The pensioner will receive the monthly, quarterly, half-yearly or yearly pension as opted during the time of purchase



Death Benefits

On the death of the pensioner during the policy term, the purchase price will be refunded to the nominee (or legal heirs in absence of nominee)



Maturity Benefits

If the pensioner survives up to the end of the policy term, purchase price and final instalment of the pension will be paid to the pensioner

What is Purchase price?

Purchase price under different pension mode

Pension	Minimum Purchase Price	Maximum Purchase Price
Yearly	₹1,56,658	₹14,49,086
Half-yearly	₹1,59,574	₹14,76,064
Quarterly	₹1,61,074	₹14,89,933
Monthly	₹1,62,162	₹15,00,000

The purchase price charged will be rounded off to the nearest rupee

- It is the price with which an individual can purchase PMVVY scheme
- The scheme can be purchased by payment of a lump sum purchase price
- The pensioner has an option to choose either the amount of pension or the purchase price
- The pension can be monthly, quarterly, half-yearly or yearly as selected at the time of purchase

Pension Payouts

Minimum/Maximum purchase price under different modes of pension



Mode of pension	Minimum purchase price (₹)	Corresponding pension (₹)	Maximum purchase price (₹)	Corresponding pension (₹)
Yearly	1,56,658	12,000 per annum	14,49,086	1,11,000 per annum
Half-yearly	1,59,574	6,000 half yearly	14,76,064	55,500 half yearly
Quarterly	1,61,074	3,000 per quarter	14,89,933	27,750 per quarter
Monthly	1,62,162	1,000 per month	15,00,000	9,250 per month