

PRADHAN MANTRI VAYA VANDANA YOJNA (PMVVY)

FAQs:

1. What is the scheme about? ¹

PMVVY is a pension scheme announced by the Government of India exclusively for senior citizens aged 60 years and above which was available from 4th May, 2017 to 31st March, 2020. The Scheme is now extended up to 31st March, 2023. Under PMVVY a senior citizen subscriber can get a monthly pension of Rs. 9250 for 10 years by purchasing the plan for Rs. 15 lakh. After the completion of 10 years, the purchasing price will be returned to the subscriber. Pension under PMVVY is provided in monthly, quarterly and yearly modes. The minimum purchase price for a monthly pension is Rs. 1,62,162. This will provide a monthly pension of Rs. 1000 per month. The maximum purchase price for monthly pension is Rs. 15 lakh. This will ensure a monthly pension of Rs. 9250 for 10 years.

2. When did the scheme start?

The PMVVY scheme was launched on 4th May 2017

3. Who is the scheme for?

PMVVY is a social security scheme for senior citizens offered by Life Insurance Corporation Of India (LIC). It is intended to give an assured minimum pension for 10 years based on an assured return the purchase price/ subscription price.

BENEFITS ²

- The PMVVY scheme provides subscribers with an assured return at the rate of 8% to 8.3% for 10 years
- The PMVVY scheme provides a fixed sum regularly
- The entire amount (including the final pension and the purchase price) would be paid out once the policy term of 10 years is completed
- Loan of up to 75% of the purchase price can be availed after three years to cover emergencies
- Due to medical emergencies (self and spouse), the subscribers can withdraw 98% of the purchase price

¹Rajeev Kumar, *LIC PMVVY Plan: For Rs 15 lakh, Rs 9250/month pension and total cashback after 10 years!*, FINANCIAL EXPRESS,(May 23, 2021, 2: 15 PM), <https://www.financialexpress.com/money/lic-pmvvy-plan-for-rs-15-lakh-rs-9250-month-pension-and-total-cashback-after-10-years-heres-how-to-buy/2256837/>

²Clear tax, *Pradhan Mantri Vaya Vandana Yojana- Eligibility, Benefits*, CLEARTAX (Jun 19, 2021, 10:00 AM), <https://cleartax.in/s/pradhan-mantri-vaya-vandana-yojana-pmvvy>

- If the subscriber passes away within the term of the policy, then the nominee would be paid out with the purchase price

4. What are the requirements to avail the PMVVY Scheme

Eligibility

The subscriber must be a senior citizen above the age of 60 years. The applicant must be an Indian citizen.

Documents required

The following documents are required under PMVVY Scheme:

- Aadhar card
- Proof of age
- Proof of address
- Passport size photo of the applicant
- Documents indicating that the applicant has retired from employment

5. Who to approach to avail the scheme? Where to open the account under the scheme?

One can apply via both online and offline mode

- Online Mode- Visit the official website of LIC
- Offline mode- Applicant can visit nearest LIC office

SUMMARY

The PMVVY scheme provides social security during old age. As per the scheme, on payment of an initial lump sum amount ranging from a minimum purchase price of Rs. 1, 50,000 for a minimum pension of Rs. 1000 per month to a maximum purchase of Rs. 7, 50,000 for a maximum pension of Rs. 5,000 per month. Subscribers will get an assured pension based on a guaranteed rate of return of 8% per annum, payable monthly.

PRADHAN MANTRI JAN DHAN YOJANA

1. What is the scheme about?

Pradhan Mantri Jan- Dhan Yojana is a government scheme of India to provide easy access to the financial services such as Remittance, credit, insurance, pension, savings and deposit accounts to poor and needy section of our society.

2. When did the scheme start?

The scheme was launched in 28 August, 2014

3. Who is the scheme for?

The scheme is open to Indian citizens(minors of age 10 and older can also open account with a guardian to manage it). It for persons with age group 18 years to 59 years.

BENEFITS³

- One basic savings bank account is opened for unbanked person.
- There is no requirement to maintain any minimum balance in PMJDY accounts.
- Interest is earned on the deposit in PMJDY accounts.
- Rupay Debit card is provided to PMJDY account holder.
- Accident Insurance Cover of Rs.1 lakh (enhanced to Rs. 2 lakh to new PMJDY accounts opened after 28.8.2018) is available with RuPay card issued to the PMJDY account holders.
- An overdraft (OD) facility up to Rs. 10,000 to eligible account holders is available.
- PMJDY accounts are eligible for Direct Benefit Transfer (DBT), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY), Pradhan Mantri Suraksha Bima Yojana (PMSBY), Atal Pension Yojana (APY), Micro Units Development & Refinance Agency Bank (MUDRA) scheme.

4. What are the requirements to avail the scheme?

³Pradhan mantrijandhan yojana, MinistryofFinance,(June, 26, 2021, 3:00 PM),
<https://www.pmjdy.gov.in/scheme>

Eligibility⁴

- Individuals with Indian nationality status are eligible to successfully open a Jan Dhan Yojana account.
- An individual with no valid documents as proof for Indian nationality status can also open a Jan Dhan Yojana account, provided the concerned bank does the required background check on the individual and categorises him or her as ‘low risk’
- Minors aged above 10 years are also eligible to have a Jan Dhan Yojana account in any bank across the country. However, minors will require the support of guardians to administer the Jan Dhan account. Minors can also use RuPay Cards through which they can withdraw money from ATMs
- Individuals who already have a basic savings account in operation with a bank can easily transfer or link their accounts to Jan Dhan Yojana accounts to avail of various benefits offered by the latter
- Individuals who can submit any form of identity proof which is duly authorized by gazette officers can open a Jan Dhan Yojana account

Documents required

- Driving licence
- Passport
- PAN (Permanent account number) Card
- The voter’s ID issued by election commission of India
- Aadhar card
- Any document which has been notified by the central government in consultation with the Regulator
- NREGA issued job card which has been signed by the state government officer.

5. Who to approach to avail the scheme? Where to open account under the scheme?

Account can be opened in any bank branch or business correspondent outlet at Zero balance. One needs to download the application form from the scheme’s official website, fill it and submit it at the local bank branch. The account opening form can be downloaded from this website – <https://pmjdy.gov.in/>

⁴Bank Bazar, *Pradhan Mantri Jan Dhan Yojana Account Eligibility criteria*, BANK BAZAR,(23, June 30, 2021, 3:30 PM), <https://www.bankbazaar.com/saving-schemes/pradhan-mantri-jan-dhan-yojana-account-eligibility-criteria.html>

SUMMARY

Pradhan Mantri Jan-Dhan Yojana is Scheme to provide easy access to financial services. It sets out to provide a basic bank account to every family who till now had no account. The bank account comes with RuPay debit card with a built-in accidental insurance cover of Rs. 1 lakh. The scheme also aims to provide security to families from economically weaker sections who cannot afford direct purchase of such insurance. The premium subscription for the life cover under PMJDY is borne by government of India.

PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA

1. What is the scheme about?⁵

The PMJJBY is available to people in the age group of 18 to 50 years having a bank account who give their consent to join / enable auto-debit. Aadhar would be the primary KYC for the bank account. The life cover of Rs. 2 lakhs shall be for the one year period stretching from 1st June to 31st May and will be renewable. Risk coverage under this scheme is for Rs. 2 Lakh in case of death of the insured, due to any reason. The premium is Rs. 330 per annum which is to be auto-debited in one installment from the subscriber's bank account as per the option given by him on or before 31st May of each annual coverage period under the scheme. The scheme is being offered by Life Insurance Corporation and all other life insurers who are willing to offer the product on similar terms with necessary approvals and tie up with banks for this purpose.

2. When did the scheme start?

The scheme was launched on 9th May, 2015.

3. Who is the scheme for?

It is available to people between 18 and 50 years of age with the bank accounts.

⁵Pradhan Mantri Jeevan Jyoti Bima Yojana(PMJJBY), DEPARTMENT OF FINANCIAL SERVICES,(28, June, 2021, 11:45 AM), [https://financialservices.gov.in/insurance-divisions/Government-Sponsored-Socially-Oriented-Insurance-Schemes/Pradhan-Mantri-Jeevan-Jyoti-Bima-Yojana\(PMJJBY\)](https://financialservices.gov.in/insurance-divisions/Government-Sponsored-Socially-Oriented-Insurance-Schemes/Pradhan-Mantri-Jeevan-Jyoti-Bima-Yojana(PMJJBY))

BENEFITS ⁶

- The scheme provides a life cover of Rs.2 lakh to the beneficiary in the event of sudden demise of the policyholder.
- This is a life insurance scheme and offers benefits only in sudden demise; there are no benefits available on maturity or surrender of the policy.
- The premium payable is eligible for tax benefits as a deduction under section 80C of the Income Tax Act.

4. What are the requirements to avail the PMJJBY Scheme?

Eligibility ⁷

- Any person who is between 18- 50 years old and has a savings account can enroll for this scheme through the participating banks.
- One can join this scheme with only one saving bank account even if they have multiple bank accounts
- To avail of the benefits offered by this policy, it is mandatory to link the Aadhar card to the eligible/participatory bank account.

5. Who to approach to avail the Scheme? Where to open account under the scheme?

PMJJBY is administered through LIC and other Indian private life insurance companies. One can also approach their bankers as for the process of enrolment banks have tied up with insurance companies. An individual can join the scheme through the bank in which he holds the saving account.

SUMMARY

PMJJBY is a life insurance coverage plan. It covers both natural and accidental death risks. The maximum sum assured offered under this govt. scheme is Rs. 2 lakh. The premium is Rs. 330 per year, or less than one rupee per day, for the age group 18 to 50.

⁶Cleartax, *Pradhan Mantri Jeevan Jyoti Bima Yojana*, CLEARTAX, (28, June, 2021, 1:00 PM), [https://financialservices.gov.in/insurance-divisions/Government-Sponsored-Socially-Oriented-Insurance-Schemes/Pradhan-Mantri-Jeevan-Jyoti-Bima-Yojana\(PMJJBY\)](https://financialservices.gov.in/insurance-divisions/Government-Sponsored-Socially-Oriented-Insurance-Schemes/Pradhan-Mantri-Jeevan-Jyoti-Bima-Yojana(PMJJBY))

⁷Groww, *PMJJBY- Pradhan Mantri Jeevan Jyoti Bima Yojana*, GROWW, (28, June, 2021, 1: 30 PM), <https://groww.in/p/savings-schemes/pradhan-mantri-jeevan-jyoti-bima-yojana/>

PRADHAN MANTRI SURAKSHA BIMA YOJANA

1. What is the scheme about?

Pradhan Mantri Suraksha Bima Yojana is social security scheme that offers one- year accidental death and disability cover, that can be renewed yearly. It provides life coverage of Rs. 2 lakh for accidental demise and permanent total disability and Rs. 1 lakh for permanent partial disability.

2. When did the scheme start?

It was launched on 9th May 2015

3. Who is this scheme for?

The scheme is available for people of age group 18 to 70 years with a bank account who give their consent to join/ enable auto-debit on or before 31st May for the coverage period 1st June to 31st May on an annual renewal basis.

BENEFITS⁸

- Under Pradhan Mantri Suraksha Bima Yojana a death benefits of Rs. 2 lakh is available to the beneficiary of the policy in case of accidental demise of the insured person.
- Coverage of Rs. Lakh is provided in case of total disability like irrecoverable or total loss of both the eyes, or loss of use of both the hands and feet, paralysis, etc.
- In case of partial disability, a life coverage Rs. 1 lakh is provided to the insured person.

4. What are the requirements to avail the PMSBY Scheme?

ELIGIBILITY⁹

- The applicant should have completed 18 years of age and should not have crossed 70 years.
- The person should have a valid government Aadhar card to get registered under this scheme.

⁸ Clear tax, *PradhanMantriSurakshaBimaYojana*, CLEAR TAX (26 June, 2021, 11:00 AM), <https://cleartax.in/s/pradhan-mantri-suraksha-bima-yojana-pmsby>

⁹ Inderpal Ahluwalia, *Pradhan Mantri Suraksha Bima Yojana (PMSBY)*, COVERFOX (26 June, 2021, 11: 30 AM), <https://www.coverfox.com/health-insurance/articles/pradhan-mantri-suraksha-bima-yojana/>

- Should have a savings bank account in their own name.
- The person should give permission to the bank for auto debit facility for premium payment

Documents required

- Form- Submission of the duly filled PMSBY application form containing details of selected nominee is required.
- Aadhar card

5. Who to approach to avail scheme? Where to open the account under the scheme?

The scheme is offered and administered by the Public Sector General insurance Companies (PSGICs) and other general insurance companies in collaboration with the participating banks. One can enroll for this scheme by contacting an affiliated bank or an insurance company. The PMSBY form can also be downloaded from the government's Jan Suraksha website.

SUMMARY

Pradhan Mantri Suraksha Bima Yojana is aimed at covering the uncovered population at the highly affordable premium of just Rs. 12 per year. The scheme is available to people of age group 18 to 70 years. The policy is mostly beneficial to the poor and low- income section of the society.

ATALPENSION YOJANA

1. What is the scheme about?

Atal Pension Yojana is a scheme mainly aimed at the unauthorized sector such as maids, gardeners, delivery boys, etc. It is social security scheme and is aimed at providing a steady stream of income after the age of 60 to all citizens of India. The primary goal of the scheme is to make sure that no Indian has to worry about sudden illness, accidents, or chronic disease in their old age.

2. When did the scheme start?

It was launched on 9th May, 2015

3. Who is the scheme for?

The scheme is for people of age 18 to 40 years. The scheme is also open to college students.

BENEFITS¹⁰

- Atal pension yojana is a social security scheme introduced by Govt. of India, aimed at providing a steady stream of income after the age of 60 to all the citizens of India.
- Under APY the subscribers have a choice to get fixed monthly pension amount from Rs. 1000/-, Rs. 2000/-, Rs. 4000/-, and Rs. 5000/- by paying monthly subscription.
- Source of Income in old age
- Government backed pension scheme- This pension is backed by the Indian government and regulated by pension funds regulatory authority of India (PFRDA). Hence, individuals carry no risk of loss as the government assures pension
- Enabling the unorganized sector- The scheme was launched with motive to alleviate the financial worries of individuals who are employed in unorganized sectors.
- Nominee facility- In case of beneficiary's death, his/her spouse becomes entitled to the benefits of this scheme.

4. What are the requirements to avail the APY scheme?

Eligibility¹¹

To invest in Atal pension yojana and receive pension, the individual need satisfy following requirements:-

- Must be an Indian citizen
- Should possess an active mobile number
- Must contribute the scheme for a minimum of 20 years
- Should be within the age bracket of 18 years and 40 years
- Must hold a bank account linked with his/ her Aadhar
- Shall not be a beneficiary of any other social welfare scheme.

¹⁰Groww, *Atal Pension Yojana (APY)*, GROWW, (27 June, 2021, 10:00 AM), <https://groww.in/p/savings-schemes/atal-pension-yojana/>

¹¹Grow, *Atal Pension Yojana (APY)*, GROWW, (27 June, 2021, 10:30 AM), <https://groww.in/p/savings-schemes/atal-pension-yojana/>

5. Who to approach to avail the scheme? Where to open the account?

All banks in India are empowered to initiate the opening of pension account of a person under the Atal pension yojana.

One can download the application form from the official website of a bank then continue with the following steps:-

- Visit the nearest branch of bank where the person has an account
- Fill the application form
- Submit it along with two photocopies of Aadhaar card
- Provide your active mobile number

SUMMARY

This scheme guarantees monthly pension for subscribers, ranging from Rs. 1000 to Rs. 5000 per month. Government of India will also co-contribute 50% of the subscriber's contribution or Rs. 1000 per annum whichever is lower. Subscribers can opt to decrease or increase pension amount during course of the accumulation phase, as per the available monthly pension amounts.

PRADHAN MANTRI MUDRA YOJANA

1. What is the scheme about?

Pradhan Mantri Mudra Yojana is a scheme for providing loan up to Rs. 10lakh to the non- corporate, non- farm, small/micro enterprises. It enables a small borrower to borrow from all public sector banks such as PSU Banks, Regional Rural banks and cooperative banks, private sector banks, foreign banks, micro finance institution (MFI) and Non- Banking Finance company. There are three loan products under this namely, ' Shishu', ' Kishore', and ' Tarun' based on the stage of development and funding needs of the micro- unit.

2. When did the scheme start?

The scheme was launched on 8th April, 2015.

3. Who is the scheme for?

The scheme is for age group from 18 to 65 years. It is lending loans to the non- corporate, non-farm, small/ micro enterprises.

BENEFITS¹²

- MUDRA Architecture indigenously conceived for Indian Context.
- Inclusion of last Mile Financiers
- Help expand access to finance for micro enterprises
- Lower cost of Finance
- Credit plus approach
- Mass entrepreneurship development and growth

4. What are requirements to avail the PMMY Scheme?

Eligibility¹³

Anyone who runs small business enterprises is eligible to apply for the Mudra loan.

- The minimum age of the applicant must be 18 years and maximum age limit is 65 years.
- Loans can be availed by non-farm income generating business in trading, manufacturing and services.
- The requirement of credit must be Rs. 10 Lakh or Lower.
- Entities must be engaged in allied agriculture services since 1st April 2016

Documents required

- Mudra application form
- 2 passport size colour photographs
- Photo identity proof
- Address proof
- Income proof
- Bank statement (last 6 months)

5. Who to approach to avail the scheme? Where to open account under the scheme?

- The borrower can visit MUDRA website, www.mudra.org.in
- Borrowers can also approach the local bank in their region or bank offices of a bank, NBFC, MFIs etc.

¹² Mudra, Advantage MUDRA: *Formalizing the Informal*, MUDRA,(26, June, 2021, 2:00 PM), <https://www.mudra.org.in/Offerings/Benefits>

¹³ My loan Care, *Mudra Loan Eligibility- PMMY Loan Eligibility criteria, Documents required*, MYLOANCARE,(26, June, 2021, 3: 00 PM), <https://www.myloancare.in/business-loan/mudra-loan-eligibility/>

- Online application can also be filed on Udyamimitra portal (www.udyamimitra.in)