

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

UNSTARRED QUESTION NO:1089
ANSWERED ON:28.11.2014
VARISHTA PENSION BIMA YOJANA
Karandlaje Km. Shobha

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government has re-launched Varishta Pension Bima Yojana (VPBY) for the benefit of Senior Citizens;
- (b) if so, the details thereof and the reasons therefor, along with the salient features of the newly launched scheme; and
- (c) the number of senior citizens likely to be benefitted under the Scheme during the current year, State- wise?

Answer

Minister of State in the Ministry of Finance (Shri Jayant Sinha)

(a) : Yes, Madam. The Government has revived the Varishta Pension Bima Yojana (VPBY) scheme for the benefit of senior citizens aged 60 years and above. The scheme is being administered through Life Insurance Corporation of India (LIC) and will remain open for a period of one year from 15th August, 2014 to 14th August, 2015.

(b): Under the scheme, all those who will subscribe to the VPBY during this period, will receive a pension linked to an assured guaranteed return of 9 % on the lump sum contribution under the Yojana. The Salient features of the scheme are as under:-

The scheme provides pension in the form of immediate annuity during the lifetime of the pensioner with return of purchase price to the family /nominee on his/her death.

The mode of payment of pension can be monthly, quarterly, half-yearly or yearly.

The pension payment shall be through ECS or NEFT.

The minimum pension that can be subscribed to will be Rs. 500/- per month, Rs. 1500/- per quarter, Rs. 3000/- per half-year or Rs. 6000/- per year.

The maximum pension that can be subscribed to will be Rs. 5,000/- per month, Rs. 15,000/- per quarter, Rs. 30,000/- per half-year or Rs. 60,000/- per year.

A lump sum purchase price for the desired pension shall be paid by the subscriber under the scheme. The minimum and maximum purchase price for different modes of pension corresponding to the maximum/minimum pensions given above will be as under:

Purchase	Monthly	Quarterly	Half-yearly	Yearly
Minimum	Rs.66,665/-	Rs.66,170/-	Rs. 65,430/-	Rs.63,960/-
Maximum	Rs.6,66,665/-	Rs.6,61,690/-	Rs. 6,54,275/-	Rs.6,39,610/-

(c) : The scheme has been revived for a period of one year only i.e. from 15th August 2014 to 14th August 2015 for the welfare of senior citizens. LIC has informed that 42607 persons have subscribed, as on 24th November 2014. The scheme is still open.