

## **FAQs on PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA (PMJJBY)**

### **Q1 What is the nature of the scheme?**

The scheme is a one year cover Term Life Insurance Scheme, renewable from year to year, offering life insurance cover for death due to any cause.

### **Q2. What would be the benefits under the scheme and premium payable?**

Rs. Two Lakhs is payable on a subscriber death due to any cause. WEF 01/09/2018, Premium on fresh PMJJBY will be charged on pro-rata basis as under:-

For all fresh PMJJBY done during the months of:-

Period	Amount (In Rs.)
June To August	330.00
Sep. To Nov:	258.00
Dec To Feb:	172.00
March To May:	86.00

Renewal Premium will be Rs. 330.00 as before. Eligibility norms will be as before.

### **Q3. How will the premium be paid?**

The premium will be deducted from the account holder's bank account through 'auto debit' facility in one installment, as per the consent to be given on enrolment. Members may also give one-time mandate for auto-debit every year till the scheme is in force, subject to re-calibration that may be deemed necessary on review of experience of the scheme.

### **Q4. Who will offer / administer the scheme?**

The scheme would be offered / administered through LIC and other Life Insurance companies willing to offer the product with necessary approvals on similar terms, in collaboration with participating Banks. Participating banks are free to engage any such life insurance company for implementing the scheme for their subscribers.

### **Q5 Who will be eligible to subscribe?**

All individual (single or joint) bank account holders in the age 18 to 50 years in participating banks will be entitled to join. In case of multiple bank accounts held by an individual in one or different banks, the person would be eligible to join the scheme through one bank account only.

### **Q6. What is the enrolment period and modality?**

The cover shall be for the one year period stretching from 1st June to 31st May for which option to join / pay by auto-debit from the designated savings bank account on the prescribed forms will be required to be given by 31st May of every year, with the exception as above for the initial year. Delayed enrollment with payment of full annual premium for prospective cover may be possible with submission of a self-certificate of good health.

Individuals who exit the scheme at any point may re-join the scheme in future years by submitting a declaration of good health in the prescribed performa.

In future years, new entrants into the eligible category or currently eligible individuals who did not join earlier or discontinued their subscription shall be able to join.

**Q7. What are the changes in the terms of insurance coverage applicable to new subscribers in the year 2016-17?**

**For subscribers enrolling for the first time on or after 01<sup>st</sup> June 2016, insurance benefit shall not be available for death (due to any cause other than accident) occurring during the first 45 days from the date of enrolment into the scheme,. Death due to accidental causes will be covered from day one of insurance coverage.**

**Q8. Can eligible individuals who fail to join the scheme in the initial year join in subsequent years?**

Yes, on payment of premium through auto-debit. New eligible entrants in future years can also join accordingly. However, for such subscribers, insurance benefit shall not be available for death (due to any cause other than accident) occurring during the first 45 days from the date of enrolment into the scheme,

**Q9. Can individuals who leave the scheme re- join?**

Individuals who exit the scheme at any point may re-join the scheme in future years by paying the annual premium. However, for such subscribers, insurance benefit shall not be available for death (due to any cause other than accident) occurring during the first 45 days from the date of enrolment into the scheme.

**Q10. Who would be the Master policy holder for the scheme?**

Participating Banks will be the Master policy holders. A simple and subscriber friendly administration & claim settlement process has been finalized by LIC / chosen insurance company in consultation with the participating bank.

**Q11. When can the assurance on life of the member terminate?**

The assurance on the life of the member shall terminate / be restricted accordingly on any of the following events: i. On attaining age 55 years (age near birth day), subject to annual renewal up to that date (entry, however, will not be possible beyond the age of 50 years). ii. Closure of account with the Bank or insufficiency of balance to keep the insurance in force. iii. In case a member is covered through more than one account and premium is received by LIC / insurance company inadvertently, insurance cover will be restricted to Rs. 2 Lakh and the premium *paid for duplicate insurance(s)* shall be liable to be forfeited.

**Q12. What will be the role of the insurance company and the Bank?.**

The scheme will be administered by LIC or any other Life Insurance company which is willing to offer such a product in partnership with a bank / banks. ii. It will be the responsibility of the participating bank to recover the appropriate annual premium in one installment, as per the option, from the account holders on or before the due date through 'auto-debit' process and transfer the amount due to the insurance company. iii. Enrolment form / Auto-debit authorization / Consent cum Declaration form in the prescribed proforma, as required, shall be obtained and retained by the participating bank. In case of claim, LIC / insurance company may seek submission of the same. LIC / Insurance Company also reserve the right to call for these documents at any point of time.

**Q13. Will this cover be in addition to cover under any other insurance scheme the subscriber may be covered under?**

Yes.

**Q14. Can all holders of a joint bank account join the scheme through the said account?**

In case of a joint account, all holders of the said account can join the scheme provided they satisfy its eligibility criteria and pay the applicable premium (as per point No. 2) per person.

**Q15. Are NRIs eligible for coverage under PMJJBY?**

Any NRI having an eligible bank account with a bank branch located in India is eligible for purchase of PMJJBY cover subject to fulfilment of the terms and conditions relating to the scheme. However, in case a claim arises, the claim benefit will be paid to the beneficiary/ nominee only in Indian currency.

**Q16. Which Bank Accounts are eligible for subscribing to PMJJBY?**

All bank account holders other than institutional account holders are eligible for subscribing to PMJJBY scheme.

**Q17. Does the PMJJBY cover death resulting from natural calamities such as earthquake, flood and other convulsions of nature? What about coverage from suicide / murder?**

All these events are covered as PMJJBY covers death due to any reason.

**Q18. Are PMJJBY policies being introduced and serviced in association with foreign insurance Companies?**

There are no foreign insurance Companies directly operating in India. As permitted by the Insurance Act and IRDA Regulations there are some foreign Companies in joint ventures with Indian companies, where the stake of foreign insurers is restricted to 49% only.

**Q.19. Contrary to other Life Insurance products, benefit under PMJJBY is payable only to nominee of the insured on the death of the insured. Why is there no maturity benefit or surrender value, which is available in normal life insurance policies?**

The cover under PMJJBY is for death only and hence benefit will accrue only to nominee. PMJJBY is a pure term insurance policy, which covers only mortality with no investment component. The pricing is also accordingly low when compared to other life insurance policies where maturity benefits, surrender value etc. is available. It has been designed to provide life insurance cover to weaker sections of the society. With this aim, the premium is kept low, eliminating the investment component.

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## **FAQs on PRADHAN MANTRI SURAKSHA BIMA YOJANA**

### **Q1. What is the nature of the scheme?**

The scheme will be a one year cover Personal Accident Insurance Scheme, renewable from year to year, offering protection against death or disability due to accident.

### **Q2. What would be the benefits under the scheme and premium payable?**

The benefits are as follows:

	<b>Table of Benefits</b>	<b>Sum Insured</b>
a.	Death	Rs. 2 Lakh
b.	Total and irrecoverable loss of both eyes or loss of use of both hands or feet or loss of sight of one eye and loss of use of hand or foot	Rs. 2 Lakh
c.	Total and irrecoverable loss of sight of one eye or loss of use of one hand or foot	Rs. 1 Lakh

**Premium payable is Rs.12/- per annum per member.**

### **Q3. How will the premium be paid?**

The premium will be deducted from the account holder's savings bank account through 'auto debit' facility in one installment, as per the option to be given on enrolment. Members may also give one-time mandate for auto-debit every year till the scheme is in force, subject to re-calibration that may be deemed necessary on review of experience of the scheme from year to year.

### **Q4. Who will be eligible to subscribe?**

All savings bank account holders in the age 18 to 70 years in participating banks will be entitled to join. In case of multiple saving bank accounts held by an individual in one or different banks, the person would be eligible to join the scheme through **one** savings bank account only.

### **Q5. What is the enrolment period and modality?**

Cover period will be from 1<sup>st</sup> June to 31<sup>st</sup> May. Subscribers are expected to enroll and give their auto-debit option by 31<sup>st</sup> May. Enrolment subsequent to this date may be possible prospectively on payment of full annual payment, subject to conditions that may be laid down. Subscribers who wish to continue beyond the first year will be expected to give their consent for auto-debit before each successive May 31<sup>st</sup> for successive years. Delayed renewal subsequent to this date may be possible on payment of full annual premium, subject to conditions that may be laid down.

**Q6. Can eligible individuals who fail to join the scheme in the initial year join in subsequent years?**

Yes, on payment of premium through auto-debit. New eligible entrants in future years can also join accordingly.

**Q7. Can individuals who leave the scheme rejoin?**

Individuals who exit the scheme at any point may re-join the scheme in future years by paying the annual premium, subject to conditions that may be laid down.

**Q8. Who would be the Master policy holder for the scheme?**

Participating Banks will be the Master policy holders. A simple and subscriber friendly administration & claim settlement process shall be finalized by PSGICs / chosen insurance company in consultation with the participating bank.

**Q09. When can the accident cover assurance terminate?**

The accident cover of the member shall terminate / be restricted accordingly on any of the following events:

- i. On attaining age 70 years (age neared birth day).
- ii. Closure of account with the Bank or insufficiency of balance to keep the insurance in force.
- iii. In case a member is covered through more than one account and premium is received by the insurance company inadvertently, insurance cover will be restricted to one account and the premium shall be liable to be forfeited.

**Q10. What will be the role of the insurance company and the Bank?**

- i. The scheme will be administered by PSGICs or any other General Insurance company which is willing to offer such a product in partnership with a bank / banks.
- ii. It will be the responsibility of the participating bank to recover the appropriate annual premium in one installment, as per the option, from the account holders on or before the due date through 'auto-debit' process and transfer the amount due to the insurance company.
- iii. Enrollment form / Auto-debit authorization / Consent cum Declaration form in the prescribed proforma shall be obtained, as required, and retained by the participating bank. In case of claim, PSGIC / insurance company may seek submission of the same. PSGIC / Insurance Company also reserve the right to call for these documents at any point of time.

**Q12. Will this cover be in addition to cover under any other insurance scheme the subscriber may be covered under?**

Yes.

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