



**A COMPARITIVE STUDY OF THE GOVERNMENT SCHEMES
UNDER JAN DHAN SE JAN SURAKSHA YOJNA**

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ABSTRACT:

The Central Government of India started Jan Dhan Se Jan Suraksha Yojna in 2015. The main purpose of the scheme was to provide different types of insurance facilities to the financially backward peoples in India. Under this three different types of insurance schemes were launched by the Government with the name of Prime Minister. These schemes are Pradhan Mantri Jeevan Jyoti Yojana, Pradhan Mantri Bima Suraksha Yojna and Atal Pension Yojna. The first policy PMJJBY is a term insurance policy plan, the second is PMSBY is an accidental policy, and the third one is a APY pension plan for the citizens in India. The PMJJBY scheme gives coverage of Rs. 2 lakhs after the death of the insured person to his family. This scheme is made available in just Rs. 436 annual premium. On the other hand PMSBY scheme gives a coverage of Rs. 2 lakhs after the accidental death or sever disability and Rs. 1 lakh for partial disability. The premium for this scheme is just Rs. 20 annually. The third one is APY pension scheme which gives monthly pension after the age of 60 years to the policy holder or his spouse. As per the position of the country, all three insurance schemes are very useful especially for the poor peoples in India, so after starting all these schemes, all the schemes made progress in different level during these nine years from 2015 to 2024. The object of the research is to collect the information of the same, compare the progress of these schemes and find out the reasons behind the different aspects of the schemes.

KEYWORDS:

Jan Suraksha, Life Insurance, Term Insurance, Pension, PMJJBY, PMSBY, APY, enrollment, Claim settlement.

INTRODUCTION:

The Indian Government introduced various schemes and policies for the poor peoples in India. Jan dhan Se Jan Suraksha yojna is one of the most useful schem started by the Central Governmet in 2015. In this scheme three different types of insurance policies were launched by the government. The Prime Minister Mr. Narendra Modi introduced these schemes from Kolkata on 09th May 2015. In this scheme, Pradhan Mantri Jeevan Jyoti Bima Yojana, Pradhan Mantri Suraksha Bima Yojana and Atal Pension Yojna were launched. PMJJBY is a term insurance policy plan made available only in Rs. 330 annual premium. But 8 years the premium amount was increased by the Central Government up to Rs. 436 and came into force from June, 2022. In this insurance plan, the government contribute the cover amount of rs. 2 Lacks to the spouse after the death of the insured person. This scheme is run by LIC and other insurance companies and master policy holder banks under the control of LIC. PMSBY

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is an accidental plan available especially for the financially backward people in just Rs. 20 annual premium amount. In this accident plan, the insured person gets coverage of Rs. 2 lakhs in accidental death or severe disability in the accident and Rs. 1 lakh for the partial disability in the accident. The third policy is a pension plan named Atal Pension Yojna (APY) started for the people. In this policy, the insured person should get monthly pension of Rs. 1000 to 5000 per month after the completion of 60 years of age. Any person in India whose age is between 18 years to 40 years can get the benefit of this pension plan.

After launching all the policies, the growth of all policies is at different levels. During nine years, the enrollments under PMJJBY increased up to 16.4 crore, in PMSBY about 34.2 crore and enrollment under APY is up to 5 crore. As per this data, we come to know that all the schemes made growth but the enrollment but the growth ratio is different.

REVIEW OF LITERATURE:

Vidyashree DV, Dr. Prahlad Rathod (2015) made a research on all the three schemes named PMJJBY, PMSBY and APY providing insurance in three different ways. The focus of the study was how these schemes became useful and helpful for the people in the country. The main object of this study was to study how the Indian government, insurance companies and banks succeed these schemes in all over India. This paper suggests that the insurance companies and banks have more transparency in their work and try to improve the enrollments in all the schemes in future.

As per Miryala Shekar and Sadaba Veeramani (2017), PMJJBY and PMSBY has addressed the problem of financial inclusion and social inclusion through benefitting a large number of people from the unorganized sector. Both urban and rural people are almost equally obtaining these schemes.

In the words of Prof. Mukul G Asher and Prof. Sauziah Zen (2018), PMJJBY and PMSBY has encouraged the informal workers to get enrolled under such beneficial social insurance programme. The government has allocated Rs. 200 million in their General Budget F.Y. 2017-18. As per Tausif Mistry (2021) The research article A Study on consumers behavior, Awareness and Perception in working Professionals towards term life insurance discovered the consumers behavior regarding the life insurance policies.

SCOPE OF THE STUDY:

The study is limited to the three insurance policy plans which are Pradhan Mantri Jeevan Jyothi Bima Yojana, Pradhan Mantri Suraksha Bima Yojna and Atal Pension Yojna. The first PMJJBY is a term insurance policy and PMSBY is an accidental policy and APY is a pension plan. The research will help us to know the progress made by all the schemes during eight years from 2015 to 2023. The main focus of the study is to compare that which insurance policy made more progress than the other policy and reasons behind it.

OBJECTIVES:

The main objectives of the study are:

- To know about the PMJJBY, PMSBY and APY insurance schemes.
- To study the difference and similarities between all the schemes.
- To study the progress of PMJJBY, PMSBY and APY schemes.
- To compare the progress made by the schemes.
- To find out the challenges in front of all the schemes.



RESEARCH METHODOLOGY:

This research paper is based on a descriptive study. The study is based on Secondary data. The data was collected from various sources like IRDAI Annual Reports, books, GOI reports, various websites, journals, newspapers, magazines and past research papers relating to insurance schemes of PMJJBY, PMSBY and APY.

ABOUT THE PMJJBY SCHEME:

The Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) is a term insurance policy plan launched by the Indian Government in 2015. The PMJJBY insurance schemes aims to bring the below poverty sector and financially weaker population under the social safety. The PMJJBY scheme benefits the financially backward class.

There are some important features of PMJJBY:

Eligibility: The PMJJBY aims to provide insurance to all Indian citizen who has a saving bank account in the master policy holder bank and post office can take the benefit of this insurance policy.

Age limit: Any person in age group between 18 years to 50 years can take the policy. The coverage of this scheme is given up to 55 years.

Premium Amount: The premium amount of Rs. 436 annually will be deducted from the policy holder's saving bank account every year with auto debit facility.

Master Policy Holder: The PMJJBY scheme is administered by the LIC of India and under LIC, Post office and banks is doing the job as Master Policyholder and offer this scheme to the peoples.

Enrolment: Enrolments under the scheme can be done by visiting to the branch or visiting the bank website or at the post office in case of post office savings bank account.

Enrolment period: The cover shall be for one-year period starting from 1st June to 31st May for which option to join / pay by auto-debit from the designated individual bank / Post office account on the prescribed forms will be required to be given by 31st May of every year.

Increase in premium amount: The Central Government changed the premium amount of this policy. As per the new amendments and rules changes the premium amount is raised from Rs. 330 to Rs. 436 per year. It is auto debited from the policyholders saving account.

ABOUT THE PMSBY SCHEME:

The Pradhan Mantri Suraksha Bima Yojana (PMSBY) is a government backed accidental death and insurance policy covered by the Central Government. This scheme was announced by the Prime Minister on 9th May 2015 from Kolkata.

Eligibly : Any Indian between the age limit of 18 years to 70 years having the saving bank account in the registered banks can take the benefits of PMSBY scheme.

Enrolment period: The cover shall be for one-year period starting from 1st June to 31st May every year.

Premium Amount: The premium amount of Rs. 20 per year will be deducted from the policy holder's saving bank account with auto debit facility.

Accident coverage: In this accident plan policy, the family of the insured person can get coverage of Rs. 2 lakhs in the accidental death or permanent total disability of the insured person in the accident and Rs. 1 lakh in partial disability in the accident.

ABOUT APY SCHEME:

The Atal Pension Yojana (APY) was launched especially for the poor to create a social security system for all Indians. It is the aim of the Government to provide financial security and cover for the secure future for the people in the financially backward sector. APY is administered by Pension Fund Regulatory and Development Authority (PFRDA) under the overall administrative and institutional architecture of the National Pension System (NPS).

There are some silent features of the APY scheme.

.Eligibility: APY is open to all bank account holders in the age group of 18 to 40 years.

Benefits: the policy holder would receive the guaranteed monthly pension of Rs. 1000 to Rs. 5000 after the age of 60 years, based on the contributions made by the policy holder after joining the scheme.

Disbursement of the Scheme Benefits: The monthly pension is available to the policy holder, and after him to his spouse and after their death, the pension corpus, as accumulated at age 60 of the subscriber, would be returned to the nominee of the subscriber.

In case of premature death before 60 years of the policy holder, the spouse can continue contribution to APY account of the policy holder, for the remaining vesting period till the original policy holder would have attained the age of 60 years.

Contribution by Central Government: The minimum pension would be guaranteed by the Government; Alternatively, if the returns on investment are higher, the subscribers would get enhanced pensioner benefits.

Payment frequency: The policy holder can make contributions to APY on monthly, quarterly or half-yearly basis.

Withdrawal from the Scheme: The policy holder can voluntarily exit from APY subject to certain conditions,

COMPARISON BETWEEN PMJJBY, PMSBY AND APY:

There are some differences and similarities between PMJJBY, PMSBY and APY as follows.

Table 1: Comparison Between PMJJBY, PMSBY and APY

Sr. No.	Features	PMJJBY	PMSBY	APY
1	Date of Launching	9 th May 2015	9 th May 2015	9 th May 2015
2	Type of Policy	Term Insurance	Accident Insurance	Pension Plan
3	Eligibility	Bank Account Holder	Bank Account Holder	Bank Account Holder
4	Eligibility (Age Limit)	18 – 50 Years	18 – 70 Years	18 – 40 Years
5	Coverage stop Age	55 Years	70 Years	60 Years
6	Premium Amount	Rs. 436 p.a.	Rs. 20 p.a.	Rs. 42 to Rs. 1454 pm as per age.
7	Maximum Insurance cover	Rs. 2 lakhs	Rs. 2 lakhs	Rs. 1000 to 5000 per month
8	Government Contribution	None	None	50% of the contribution or Rs. 1000 p.a. whichever is

				higher
9	Natural Death Benefit	Rs. 2 lakhs	Nil	Nil
10	Accidental Death Benefit	Rs. 2 lakhs	Rs. 2 lakhs	Nil
11	Total Disability in Accident	Nil	Rs. 2 lakhs	Nil
12	Partial Disability in Accident	Nil	Rs. 1 lakh	Nil
13	Maturity Benefit	Nil	Nil	Pension after the age of 60 years.
14	Risk Period	1 Year (1/6 to 31/5)	1 Year (1/6 to 31/5)	20 Years
15	Mode of Payment	Auto debit from Bank account.	Auto debit from Bank account.	Auto debit from Bank account.
16	When to join the scheme	Any time	Any time	-

At the time of launching of both the schemes the premium amount was Rs. 330 annually for PMJJBY and Rs. 12 annually for PMSBY scheme. But as per the implementations made by the Government, the premium rate increased. For PMJJBY the premium amount is Rs. 436 p.a. and for PMSBY the premium amount Rs. 20 p.a. came in to force from 1st June 2022.

PROGRESS OF PMJJBY, PMSBY AND APY:

After launching the schemes on 9th May 2015 both the schemes increased their business and insurance policies on overall India. The number of enrollment ratio and claims ratio also increased year by year. After completing eight years the progress of the insurance schemes is given below. The year wise progress data of both the schemes are given below.

Table 2: Number of person enrolled under PMJJBY, PMSBY AND APY

Financial Year	No. of Person Enrolled (in crore)		
	PMJJBY	PMSBY	APY
2015-16	2.96	9.43	0.2484
2016-17	3.12	10.04	0.4883
2017-18	5.33	13.48	0.9705
2018-19	5.92	15.47	1.54
2019-20	6.96	18.54	2.23
2020-21	10.27	23.26	3.20
2021-22	12.76	28.37	4.12
2022-23	16.19	34.18	5.20
2023-24	20.16	47.59	6.62

Source: Indiastat , PIB and IBEF

As per the numbers given in Table 2 of DURING eight years, we come to know that the cumulative enrollment in PMJJBY, PMSBY and APY are increasing year by year. After the pandemic the peoples realized the need and importance of all the schemes. In 2015-16 the enrollment under PMJJBY were 2.97 crore, in PMSBY 9.43 crore and 24.84 lachs in APY scheme. After that it increased solely. But after pandemic the enrollment in 2021-22 under PMJJBY were 12.76 crore, under PMSBY were 28.37 crore and in APY scheme were 4.12



crore. The enrollment in 2023-24 under PMJJBY were 20.16 crore, under PMSBY were 47.59 crore and in APY scheme were 6.62 crore. As per this data we come to know that the enrollments under PMSBY are increasing very rapidly. But as compared to other schemes the enrollment in APY are increasing very slowly.

FINDINGS:

Increase in Enrollments: The enrollments of people in both the schemes are increased year by year. But in APY, the enrollment is increasing very slowly. As compared to before the pandemic period, the enrollment ratio is increased in all the schemes after the pandemic period. While completing the nine years for all the schemes, the enrollment under PMJJBY was about 20.16 crore, under PMSBY was about 47.59 crore and under APY about 6.62 crore enrollments have been done till up to 2023-24.

Increase the Enrollments from Rural Area: Out of 20.16 crore enrollments under PMJJBY scheme in India, about 72 % enrollments came from rural area and only 28 % from urban area. In PMSBY more than 47.59 crore people enrolled out of which about 71 % insured from rural area and only 29 % from urban area.

Increase in Female Enrollment: As per the information given by the Finance Minister, Out of total insured in India only 47 % male insured and 52 % female insured in PMJJBY. In PMSBY male insured are 49 % and 50 % are female insured. It clearly shows that the female insured are increasing in both the schemes covered by the Central Government.

SUGGESTIONS:

- i. As per today's inflation ratio the Government should increase in the claim amount of settlement and pension amount for getting more benefit to the poor people in the society.
- ii. The Government should increase the incentives for the employee and agent and motivate them for more enrollments in all the schemes.
- iii. The Governments, Insurance companies and banks should take actively further steps to reach people of below poverty level of the country by conducting awareness programs and make interest and trust about the scheme in the mind of the citizens in India.
- iv. The Government should motivate the poor people to open a saving account in bank and subscribe the most useful scheme and take benefit from all the schemes.

CONCLUSION:

The GOI started three different insurance schemes under Jan Dhan se Jan Suraksha Yojna. These schemes named PMJJBY, PMSBY and APY schemes are the most useful schemes started specially for the financially backward people residing in India. So all the three schemes became more helpful but as compared to the inflation Index the claim amount looks insufficient for the family after the death of young person in the family. So the government should increase in the coverage amount so that most of the people attract on these schemes and get benefit from both the schemes. The progresses of all the schemes are good but APY is looking very slow as compared to other schemes. So the government should take some attractive changes in this scheme like the pension amount which is very low. PMJJBY and PMSBY provide coverage in the event of unfortunate death from any cause and accident. In short The Central Government provides a very useful and helpful life insurance schemes with



the help of LIC, Private insurance companies, Post office, and the banks which plays an important role in the progress of all the scheme started under Jan Dhan se Jan Suraksha in all over India.

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