

FAQs ON PRADHAN MANTRI JEEVAN JYOTI BIMA YOJANA

Q1. What is the nature of the scheme?

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

Q2. How will the premium be paid?

The premium will be deducted from the account holder's bank/Post Office account through 'auto debit' facility in one installment every year, as per the consent to be given on enrolment.

Q3. Who will administer the scheme?

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

Q4. Who will be eligible to subscribe?

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

Q5. What is the enrolment period and modality?

The cover period would be from date of enrolment/renewal to 31st May. Enrolment can be done at any time during the year.

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. *However, for such subscribers, insurance benefit shall not be available for death (due to any cause other than accident) occurring during the first 30 days from the date of enrolment into the scheme,..*

Q7. Can individuals who leave the scheme re-join?

Individuals who exit the scheme at any point may re-join the scheme in future years subject to the criteria for age at entry by paying the pro-rata premium. *However, for such subscribers, insurance benefit shall not be available for death (due to any cause other than accident) occurring during the first 30 days from the date of re-enrolment into the scheme.*

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

Participating Banks/Post Office 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/Post Office.

Q9. When can the assurance on life of the member terminate?

The assurance on the life of the member shall terminate on happening of any of the following events:

- a) 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).
- b) Closure of account with the Bank/Post Office or insufficiency of balance to keep the insurance in force.
- c) 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.

Q10. 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. It will be the responsibility of the participating bank/Post Office to recover the appropriate premium in one instalment, 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. Enrolment form / Auto-debit authorization / Consent cum Declaration form in the prescribed proforma, as required, shall be obtained and retained by the participating bank/Post Office. In case of claim, LIC / insurance company may seek submission of the same. LIC/ Insurance Company also reserves the right to call for these documents at any point of time.

Q11. Will this cover be in addition to cover under any other insurance scheme the subscriber may be covered under?

Yes.

Q12. 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 premium for each covered person.

Q13. Are NRIs eligible for coverage under PMJJBY?

Any NRI having an eligible bank account with a bank/Post Office 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.

Q14. Which Bank Accounts are eligible for subscribing to PMJJBY?

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

Q15. 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.

Q16. 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 IRDAI Regulations, there are some foreign Companies in joint ventures with Indian companies.

Q.17. 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.

Q.18. In case of non-settlement of claims is it possible to proceed legally against the foreign insurers in India?

There are no foreign insurance Companies directly operating in India. As permitted by the regulations there are Companies operating as joint ventures with Indian companies, where the stake of foreign insurers is restricted. By definition, these are Indian insurance companies. All these companies are subject to Indian laws and there is no bar against proceeding legally against them.
