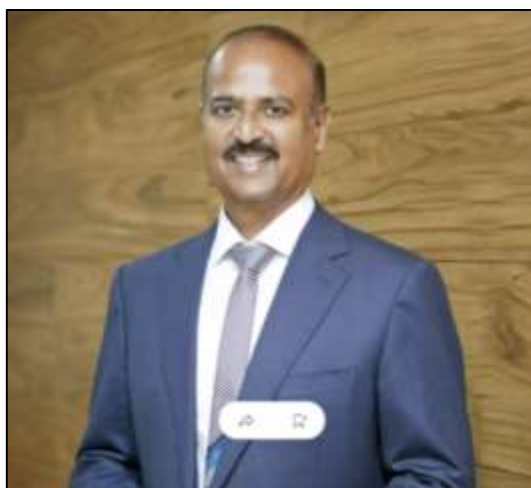


### The Success Story of PMJJBY and PMSBY in India

Out of 16 crore enrolments under PMJJBY, about 72% insured are from rural India and 28% from urban India. The other interesting point to note is that the scheme is strengthening financial security across genders, with about 48% male insured and about 51% insured being female. Talking about PMSBY, the scheme has been equally successful, with more than 34 crore people insured.



The hallmark of any great economy is how financially secure the citizens of the country are; to extend financial security to the last mile in the country, the Central Government launched two insurance schemes, Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) and Pradhan Mantri Suraksha Bima Yojana (PMSBY) in 2015. The schemes aimed to improve the financial security of our citizens and bring financial inclusion. PMJJBY provides a life insurance cover for INR 2,00,000 in exchange for a nominal premium of INR 436 per annum. PMSBY extends personal accident cover of INR 2,00,000 for accidental death and permanent total disability and INR 1,00,000 for partial disability for an annual premium of INR 20. Any life and non-life insurer registered with IRDAI can participate in this noble initiative for PMJJBY and PMSBY, respectively.

I am happy to share that over the last eight years, the schemes have served their purpose well and extended protection to many Indians; let us look at the success of the schemes. Insurance has been predominantly focused in urban centers in India, however, both the schemes have successfully made in-roads in rural India as well. Out of 16 crore enrolments under PMJJBY, about 72% insured are from rural India and 28% from urban India. The other interesting point to note is that the scheme is strengthening financial security across genders, with about 48% male insured and about 51% insured being female. Talking about PMSBY, the scheme has been equally successful, with more than 34 crore people insured. The scheme has an almost even split of 50% male insured and 49% female insured. About 71% of the insured are from rural India, and about 28% are from urban India. This shows the inclusiveness of the scheme both from a geographical as well as gender perspective. In terms of insurance, claims are the moment of truth; that is precisely the point that tests the efficacy of the policy. PMJJBY has benefited more than 6,60,000 people in the form of claims and claims worth more than INR 13,000 crore have been settled over the years. Similarly, through PMSBY, about 1,15,000 claims were paid worth INR 2,000 crore. The numbers show that both schemes have proved their usefulness time and again.

The success of such schemes depends on the simplicity of their process, and both schemes have an extremely simplified enrollment process. One can either register online or offline; they can simply visit their nearest bank branch and submit the enrollment form, which is available in multiple languages. Alternatively, one can take the policy online through Internet banking; the premium would be automatically deducted from their bank account. The renewal process is also as simple as taking the policy. The claim process for both the schemes is hassle-free; depending on the scheme chosen and/or the nature of the claim, the insured themselves or the nominee (in the event of the insured's death) can initiate the claim process. The claim form and other supporting documents must be submitted to the bank by the insured/nominee, after which the bank verifies the account details and sends it to the concerned insurance company to process. After verification by the insurance company, the claim amount is settled directly into the beneficiary's bank account. Symbol of a good financial inclusion plan is its simplicity and seamlessness, and both these schemes firmly stand the test of ease and convenience, which has made them so popular amongst the public.

I applaud all the banks, insurers, individuals and last but not the least, governments involved, who made this possible and took financial protection to the grass-root level. I am confident that these schemes will lay the roadmap for more such schemes that will further bolster the financial security of our citizens. The recent COVID-19 pandemic has accentuated the need for comprehensive health insurance. The governments are already working on such schemes at a state level; some states and UTs extend cover to all their citizens, and this needs to become a country-wide phenomenon. Similarly, a parametric insurance scheme will help protect against perils like earthquakes, heavy rain, and floods, to name a few, and is a need of the hour in the wake of increasing natural calamities. Insurance plays a vital role in strengthening the economic fabric of a country, and such all-inclusive schemes will not only help build a robust economy but will also catapult India towards success and growth!