

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION No. 4594
ANSWERED ON MONDAY, JULY 22, 2019/ ASHADHA 31, 1941 (SAKA)

INSURANCE SCHEME FOR PMJDY ACCOUNTS

4594. SHRI JANARDAN SINGH SIGRIWAL:

Will the Minister of FINANCE be pleased to state:

- (a) whether the Government proposes an insurance scheme for all Pradhan Mantri Jan Dhan Yojana (PMJDY) account holders in the country and if so, the details and purpose thereof;
- (b) the cost of premium that is likely to be borne by the Government for providing free insurance cover to all such account holders;
- (c) whether the Government has taken/ proposes to take steps to avoid duplicacy in PMJDY accounts and to ensure that the insurance claim is given to genuine beneficiaries; and
- (d) if so, the details thereof?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ANURAG SINGH THAKUR)

(a) & (b) Account holders under Pradhan Mantri Jan-Dhan Yojana (PMJDY) are provided with a RuPay Debit card, having an inbuilt accident insurance cover of Rs.1 lakh (Rs.2 lakh for PMJDY accounts opened after 28.08.2018). RuPay card related accident insurance premium is paid by National Payments Corporation of India (NPCI).

In addition, Life insurance cover of Rs. 30,000 is also provided to eligible PMJDY account holders who have opened their accounts for the first time between 15.8.2014 and 31.1.2015. For this life insurance cover, Rs.121 crore has been released by the Government of India to Life Insurance Corporation of India (LIC) since FY 2014-15.

(c) & (d) Reserve Bank of India (RBI)'s circular dated 10.06.2019 on Basic Savings Bank Deposit (BSBD) accounts, inter-alia, provides that the holders of BSBD accounts are not eligible for opening any other savings bank deposit account in that bank. If a customer has any other existing savings bank deposit account in that bank, he/she is required to close it within 30 days from the date of opening a BSBD Account. Further, before opening a BSBD account, a bank should take a declaration from the customer that he/she is not having a BSBD account in any other bank. This is applicable for PMJDY account holders as well.

Genuineness of insurance claims is checked by the insurance company concerned, which ensures that the claim is paid to the person who is the authorized nominee of the deceased PMJDY account holder.
