

**GOVERNMENT OF INDIA
FINANCE
LOK SABHA**

STARRED QUESTION NO:413
ANSWERED ON:23.04.2010
INSURANCE COVER FOR POOR QUESTION
Mahendrasinh Shri Chauhan ;Rani Killi Krupa

Will the Minister of FINANCE be pleased to state:

- (a) whether the Life Insurance Corporation of India Limited (LIC) has launched any social security scheme catering to the needs of rural and urban poor in the country;
- (b) if so, the details thereof;
- (c) whether the Janashree Bima Yojana targets poor people across the country;
- (d) if so, the details thereof;
- (e) the details of the cumulative premium collected under the said policy and the claims settled by the LIC during the last three years, State-wise; and
- (f) the steps taken/proposed to be taken by the Government to provide life insurance protection to more number of rural and urban poor people in the country?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (Shri Pranab Mukherjee)

(a) to (f): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO THE LOK SABHA STARRED QUESTION NUMBER 413 REGARDING 'INSURANCE COVER FOR POOR' RAISED BY DR. KRUPARANI KILLI AND DR. MAHENDRASINH P. CHAUHAN, MEMBERS OF PARLIAMENT FOR ANSWER ON 23-04-2010.

(a) & (b): Yes Sir. Life Insurance Corporation of India (LIC) has been implementing Social Security Schemes for the socio-economic backward classes and underprivileged in the country. The two schemes administered by LIC catering to the needs of rural and urban poor people in the country are:

Janashree Bima Yojana: Janashree Bima Yojana targets people below poverty line and marginally above poverty line across the country. Persons between age 18 years and 59 years and who are the members of the identified 45 occupational groups are eligible to participate in this policy. The scheme provides coverage of Rs.30,000/- on natural death, Rs.75,000/- on death or total permanent disability (loss of two eyes or two limbs or loss of one eye and one limb in accident) and Rs.37,500/- on partial permanent disability (loss of one eye or one limb in an accident). The premium under the scheme is Rs.200/- per person per annum, 50% of which is contributed by the beneficiary/ State Government/ nodal agency and the remaining 50% is drawn from the Social Security Fund contributed by Government of India and maintained by LIC.

Aam Admi Bima Yojana: Aam Admi Bima Yojana (AABY) was launched on 02-10-2007 with a view to provide insurance cover to the head of family or one earning member of rural landless household. Under the scheme, the head of the family or an earning member of the family is eligible to receive the benefit of Rs. 30,000/- in case of natural death, Rs.75,000/- for accident death, Rs. 75,000/- for total permanent disability (loss of two eyes or two limbs or loss of one eye and one limb in accident) and Rs.37,500/- for partial permanent disability (loss of one eye or one limb in an accident). The premium under the scheme is Rs. 200/- per person per annum equally shared in the ratio of 50:50 between Central Government and respective State Government/UT.

(c) & (d): The Janashree Bima Yojana covers poor people across the country. The total lives covered under Janashree Bima Yojana for the last three years are as under:

YEAR Total Lives Covered

2006-07	7651236
2007-08	12135174
2008-09	16260662

(e): Janashree Bima Yojana is a scheme offered under One Year Renewable Group Term Assurance Plan wherein premium is received every year for the benefit provided. The total premium collected under Janashree Bima Yojana for the last three years is as under:

2006-07	153.37
2007-08	210.53
2008-09	277.34

The details of claims settled by LIC during the last three years State-wise are at Annexure.

(f): The IRDA (Obligation of Insurers to Rural or Social Sectors) Regulations, 2002, prescribe a percentage and number of policies to be sold in rural areas and to social sector which includes unorganized sectors, informal sector, economically vulnerable or backward classes etc. All insurers are required to fulfill rural and social sector obligations on an annual basis.